

North America

# Transportation's Top Stories Air Transport Updates

### CANADA

#### WestJet Group and ALPA agreement ratified

On June 9, 2023, the second collective bargaining agreement between WestJet and the Air Line Pilots Association (ALPA), the certified union representing WestJet and Swoop pilots, was ratified. "The WestJet Group is pleased to have reached an industry-leading agreement in negotiation with ALPA that recognizes the value and instrumental contributions of our current and future pilots," said Alexis von Hoensbroech, WestJet Group, Chief Executive Officer. "This agreement bolsters our ability to provide certainty and career opportunities across our organization for years to come while ensuring the competitive sustainability of the WestJet Group." The agreement is in effect from January 1, 2023, and will be in place until December 31, 2026. As negotiated in the collective agreement, the WestJet Group will now begin integration efforts of its ultra-low-cost airline, Swoop. Through an expedited process, the airline anticipates a full integration into its mainline operations by the end of October 2023. To avoid traveller impact, Swoop will operate its existing network through to the end of its published schedule on October 28. Swoop employees will move to WestJet.

WestJet Group and ALPA agreement ratified, June 9, 2023, <u>www.westjet.ca</u>

Sabre and Air Canada form strategic distribution and retailing partnership



#### Source: Air Canada

Sabre Corporation a leading software and technology provider powering the global travel industry, announced on June 13, 2023 the completion of a new multi-year distribution agreement that provides Sabre-connected agencies with long-term access to Air Canada's full content via NDC channels. Under the agreement, Sabre will be able to provide agencies with significantly improved content and offers from Air Canada, including the airline's dynamically priced fares and new ancillary services. Canada's flagship carrier, Air Canada is actively working with Sabre on the launch of the airline's NDC offers in the Sabre travel marketplace. The two companies expect to activate Air Canada's NDC content in Sabre within the coming months. Once Air Canada's NDC connection to Sabre is live, the Distribution Cost Recovery previously announced by Air Canada will be waived for Sabre-connected travel agencies using this path. "We're proud to be taking this next step with Sabre in providing the broadest range of rich Air Canada content, travel options and services to our customers and agency partners," said Mark Nasr, Executive Vice President, Marketing and Digital for Air Canada. "Air Canada recognizes and appreciates Sabre's progressive approach and the significant technology investments they're making, which taken together, will deliver

meaningful value to all travel industry stakeholders. This new partnership is the result of long-standing discussions, and it marks a significant next step towards delivering on Air Canada's distribution promise: a smooth transition for agencies and travel buyers - both larger and smaller."

Sabre and Air Canada form strategic distribution and retailing partnership, June 13, 2023, <u>www.aircanada.ca</u>

### WestJet Cargo launches Bike'Air, the safest and smoothest motorcycle air transportation option



Source: AJOT

Bike'Air offers specialized transportation options and tailored logistics solutions for motorcycles. The service which started operating two months ago, is available both on domestic and international flights connecting Canada to the USA and Europe. Destinations include Miami, Los Angeles, Barcelona, Dublin, Edinburgh, Paris, Rome London Gatwick and Heathrow. They can be reached from four stations in Canada - Calgary, Halifax, Toronto and Vancouver. On this occasion, WestJet Cargo has chosen to support the trip of Bike'Air's ambassador, Canadian photographer David Goldman. The author of multi-media portrait series entitled 'The Motorcycle Portraits', where he photographs individuals, whose lives are deeply connected to motorcycles, including builders, racers, collectors, and world travellers. He uses his motorcycle as a mobile photo studio. By flying David and his 2019 KTM 790 Adventure from Halifax to Dublin on June 2nd, WestJet Cargo gave him a great opportunity to enjoy the comfort of Bike'Air's premium service and to embark on the next stage of his project: an impressive journey throughout Europe. Kirsten de Bruijn, WestJet Cargo's Executive Vice President is thrilled about the tour: "We are proud to contribute to David's exciting journey in Europe. It is aligned with WestJet Cargo's values of creativity and adventure. WestJet Cargo recognizes the potential of motorcycle tourism and is determined to support its growth and culture, by making it even more accessible and appealing to riders."

WestJet Cargo launches Bike'Air, the safest and smoothest motorcycle air transportation option, June 13, 2023, <u>www.ajot.com</u>

## Air Canada to Launch New Vancouver to Singapore Service

Air Canada on June 14, 2023 announced the strategic expansion of its international network with the addition of non-stop flights between its trans-Pacific hub at Vancouver International Airport (YVR) and Singapore's Changi International Airport (SIN). The new route will operate four times weekly beginning April 3, 2024, onboard Air Canada's flagship Dreamliner fleet. Seats are available for purchase now at aircanada.com, via the Air Canada App, Air Canada's Contact Centres, and travel agents. Mark Galardo, Executive Vice President, Revenue and Network Planning at Air Canada said "Air Canada continues to adapt its international network strategy in response to evolving global trends and is broadening its presence in the Indo-Pacific region to capitalize on growing business links and Canada's changing demographics. We are committed to growing YVR as a premier trans-Pacific hub, and Singapore is a top global financial centre, a multicultural destination that offers an abundance of tourism and food experiences, as well as an important gateway to beyond destinations in Southeast Asia. Southern India and Western Australia. Our newest flight will be equally appreciated by international business travellers, as well as those seeking an exciting holiday destination, or simply visiting friends and family. Customers can now begin planning their next trip to Singapore. We look forward to welcoming you onboard next spring."

Air Canada to Launch New Vancouver to Singapore Service, June 14, 2023, <u>www.aircanada.ca</u>

### Air Canada Adds Magic to Summer Family Travel with New Walt Disney World Resort-Themed Safety Video



Source: Air Canada

Air Canada on June 15, 2023 shared a <u>teaser</u> of its new, limited-run inflight safety video, produced in collaboration with Walt Disney Parks and Resorts, **Canada**. The full video will appear onboard across

approximately 90 per cent of the Air Canada fleet this July through to September, giving customers a glimpse of Disney magic as part of their summer travel experience. A global first for both Air Canada and Disney Parks and Resorts, the new in-flight safety video includes special nods to The Most Magical Place on Earth alongside traditional on-board safety demonstrations. The collaboration is part of the airline's continued focus on the family travel experience and creates unique and exciting storytelling opportunities to demonstrate all aircraft safety instructions in compelling, associative ways. "Family is at the centre of why so many of us travel. Over the last few years, we've been focused on improving the Air Canada family travel experience with family-friendly policies, family check-in counters, and shared family benefits in our Aeroplan loyalty program," said Andy Shibata, Vice President – Brand, Air Canada. "As we reflected on opportunities to bring more care and comfort to the family travel experience, we were inspired to add a little magic to everyone's trip with the help of Disney. Our new in-flight safety video encourages travellers of all ages to learn about the safety features of our aircraft in a new and engaging way."

Air Canada Adds Magic to Summer Family Travel with New Walt Disney World Resort-Themed Safety Video, June 15, 2023, <u>www.aircanada.ca</u>

#### **US/WORLD**

U.S. Cargo and Passenger Airlines Added 2,867 Jobs in April 2023; Employment Remains 8.4% Above Pre-Pandemic April 2019



Source: BTS

U.S. airline industry (passenger and cargo airlines combined) employment increased to 796,846 workers in April 2023, 2,867 (0.36%) more workers than in March 2023 (793,979) and 61,859 (8.42%) more than in pre-pandemic April 2019 (734,987). U.S. scheduled-service passenger airlines employed 517,511 workers in April 2023 or 65% of the industry-wide total. Passenger airlines added 4,584 employees in April 2023 for a twenty-fourth consecutive month of job growth dating back to May 2021. American Airlines led scheduled passenger carriers, adding 1,102 employees; United added 1,071, and Delta added 992. U.S. cargo airlines employed 274,403 workers in April 2023, 35% of the industry total. Cargo carriers lost 1,669 employees in April **2023**. FedEx, the leading air cargo employer, decreased employment by 1,595 jobs.

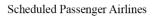
U.S. Cargo and Passenger Airlines Added 2,867 Jobs in April 2023; Employment Remains 8.4% Above Pre-Pandemic April 2019, June 9, 2023, <u>www.bts.gov</u>

## ▼ US Airlines lose \$1.2 billion in first quarter 2023, an improvement over first quarter 2022

2023 Net Profit: -\$1.2 billion

**\$3.9B** from 2022 Net Profit of -\$5.1B





#### Source: BTS

U.S. scheduled passenger airlines reported a first-quarter 2023 aftertax net loss of \$1.2 billion and a pre-tax operating gain of \$32 million. One year earlier, in the first quarter of 2022, the airlines reported an after-tax net loss of \$5.1 billion and a pre-tax operating loss of \$5.2 billion.

US Airlines lose \$1.2 billion in first quarter 2023, an improvement over first quarter 2022, June 12, 2023, <u>www.bts.gov</u>

### JetBlue, American offer to rework alliance after legal setback

JetBlue Airways Corp. and American Airlines Group Inc. are seeking to keep components of their US Northeast operating alliance intact while winding down other elements, part of a high-stakes antitrust battle playing out in court. The airlines want to keep codeshare and loyalty agreements in place, but are willing to stop joint scheduling and sales, they said in a court filing on June 9, 2023. They also asked the court to reject a request from the Department of Justice to require the companies to dissolve the Northeast Alliance, or NEA, completely and impose a monitor to oversee the wind down. The move may be the carriers' best shot at salvaging the NEA in some form after the judge ruled last month it violated US antitrust laws. It replaced competition between JetBlue and American with broad cooperation, US District Judge Leo Sorokin said. The Justice Department and the airlines submitted duelling court filings on June 9, 2023 to influence Sorokin as he crafts a final injunction against the alliance. JetBlue and American could also appeal the ruling entirely. JetBlue is still deciding whether to do so, it said in an email, adding the NEA "has boosted airline competition in the Northeast and delivered the low-fare benefits we promised." American has already said it will appeal.

JetBlue, American offer to rework alliance after legal setback, June 12, 2023, <u>www.ajot.com</u>



### Airline Associations Join Together to Call for Global Alignment of Slot Regulations

Source: IATA

Airline associations around the world called for governments to ensure the global alignment of airport slot regulations to safeguard the consistent, fair, and transparent allocation of slots under the Worldwide Airport Slot Guidelines (WASG). In <u>a joint statement</u> (pdf), the African Airlines Association (AFRAA), Airlines for America (A4A), Airlines International Representation in Europe (AIRE), Arab Air Carriers Organization (AACO), Association of Asia-Pacific Airlines (AAPA), European Express Association, European Regions Airline Association (ERAA), International Air Transport Association (IATA) and Latin American and Caribbean Air Transport Association (ALTA) set out the benefits of the WASG, which has ensured decades of stability and consistency in the application of slot management. Under the WASG, consumers have benefitted from a consistent growth in reliable schedules and expansion to new markets, while airlines and airports have seen an increase in the utilisation of scarce airport capacity. *Airline Associations Join Together to Call for Global Alignment of Slot Regulations, June 15, 2023, <u>www.iata.org</u>* 



North America

### Transportation's Top Stories Rail Transport Updates

### CANADA

# The Government of Canada confirms the expropriation to acquire the land needed for the Lac-Mégantic rail bypass project

On June 14, 2023, the Minister of Transport, the Honourable Omar Alghabra, and the Minister of Public Services and Procurement, the Honourable Helena Jaczek, have announced a turning point in moving forward the Lac-Mégantic rail bypass construction project. The expropriation, which was requested by Minister Alghabra in order to acquire the parcels of land needed for the project, was approved by Minister Jaczek. Public Services and Procurement Canada (PSPC) has informed the affected property owners of the expropriation and the fact that the Government of Canada will take physical possession of the parcels of land required for the project on August 1, 2023. This possession date will make it possible to carry out the work as soon as possible, once regulatory approvals for the project have been obtained. The property owners will receive offers of compensation for their expropriated property by August 1, 2023.

The Government of Canada confirms the expropriation to acquire the land needed for the Lac-Mégantic rail bypass project, June 14, 2023, <u>www.tc.gc.ca</u>

### Quebec rail service resumes after wildfires



Source: Inside Logistics

Champion Iron Limited has been able to resume railway services from its Bloom Lake mine to the port of Sept-Îles, Quebec. Forest fires emerged on May 28, 2023, approximately 300 kilometres south of Bloom Lake. This resulted in interruptions of the railway beginning on May 30, 2023. Although there was no damage to Champion's facilities, the railway or third-party infrastructure, the company halted rail operations on June 6, 2023. As the forest fires recently subsided in the region, and no significant damage was identified to the railway following inspections by its operator, the line was gradually reopened. On June 10, 2023 the company successfully completed its first rail shipment from Bloom Lake to the port of Sept-Îles since the interruptions began. Despite supply chain challenges impacting operations, Bloom Lake operated continuously throughout the railway interruptions and stockpiled iron ore concentrate at the mining complex.

Quebec rail service resumes after wildfires, June 14, 2023, <u>www.insidelogistics.com</u>

### **US/WORLD**

AAR: North American Rail Volume Down Through 23 Weeks



Source: Railway Age

For the first 23 weeks of 2023 (ending June 10), total U.S. weekly rail traffic dipped 4.2% from the same point last year, according to the Association of American Railroads' (AAR) June 14, 2023 report. Both Canada and the U.S. saw declines, while Mexico saw an increase. North American rail volume for the first 23 weeks of the year (ending June 10) on 12 reporting U.S., Canadian and Mexican railroads came in at 14,835,217 carloads and intermodal units. Cumulative volume in Canada was 3,677,515 carloads, containers and trailers, down 1.0%; in Mexico, 622,969 carloads and intermodal containers and trailers, up 1.1%; and in the U.S., 10,534,733 carloads and intermodal units, down 5.6%. Canadian railroads reported 86,190 carloads for the week, down 3.9%, and 72,665 intermodal units, down 9.5% compared with the same week in 2022. For the first 23 weeks of 2023, Canadian railroads reported cumulative rail traffic volume of 3,677,515 carloads, containers and trailers, down 1.0%.

AAR: North American Rail Volume Down Through 23 Weeks, June 14, 2023, <u>www.railwayage.com</u>



North America

### Transportation's Top Stories Marine Transport Updates

### CANADA

#### Shifting the needle – Part three: FMA

Do you know what Canadian industry associations are doing to improve business conditions in 2023? Here's a primer on what some of the major industry groups are tackling this year. FMA primarily serves the shipper community, both nationally and internationally. As the national voice of the shipper, the FMA's mandate is to represent the freight transport concerns of the buyers of freight transportation to all levels of government in Canada and to UN and other relevant international agencies. We are addressing four main challenges in 2023. These are: Lack of competition in the rail and ocean container service industries; the need for robust government action to address carrier dominance in the rail and ocean container service markets: the shortage of skilled labour in the freight transportation sector, particularly trucking; and the need for infrastructure investment in rail, ports, inland terminals, roads. Along with other shipper associations, the FMA made a submission to the Canadian Competition Bureau to bring attention to the anti-competitive behaviour of ocean carriers who serve Canadian customers. During Covid, there were serious service issues or no service at all and very high rates. The FMA continues to ask Transport Canada to repeal the Shipping Conference Exemption Act (SCEA), the act that allows ocean carriers to reduce competition. The FMA is an active member of the Global Shipper Forum, and is working to develop a strategy to reduce the movement of invasive species in and on ocean containers.

Shifting the needle – Part three: FMA, June 9, 2023, <u>www.insidelogistics.ca</u>

### **US/WORLD**

### $\clubsuit$ Port of Seattle's cargo operations shut by work action



Source: AJOT

The Port of Seattle shut its cargo operations on Saturday June 10, 2023, adding to sporadic disruptions that have plagued West Coast ports for over a week. The Pacific Maritime Association, which represents ocean carriers and terminal operators, blamed "coordinated and disruptive work actions" for the halt, saying in a statement Saturday that the International Longshore and Warehouse Union refused to dispatch any longshore workers to container terminals during the first shift of the day. The ILWU, which represents 22,000 dockworkers up and down the West Coast in contract negotiations that began in May 2022, disputed the PMA's statement, saying that it remains committed to reaching a "fair and equitable" contract. The previous contract expired in July 2022. "Despite what you are hearing from PMA, West Coast ports are open as we continue to work under our expired collective bargaining agreement," ILWU President Willie Adams said. Operations at Los Angeles and Long Beach returned to normal by the end of the week after a series of labor actions from June 2 to June 7, 2023. Delays to container ships scheduled for those ports have resolved as a result.

Port of Seattle's cargo operations shut by work action, June 10, 2023, <u>www.ajot.com</u>



Biden administration sees no reason to intervene in West Coast dockworker dispute



Source: AJOT

The Biden Administration says it sees no reason to intervene in the West Coast dockworkers' dispute despite appeals from a growing number of shippers urging the Administration mediate the dispute between the Pacific Maritime Association (PMA) and the International Longshore and Warehouse Union (ILWU) so as to bring the yearlong disruption of port operations to an end. On June 7th, White House Press Secretary Karine Jean-Pierre explained why the Biden Administration has no plans to intervene: "So when it comes to the West (Coast) ports, I can say that the President respects the collective bargaining process as the best way for workers and employers to reach mutually beneficial solutions, which he - we have said before. And Acting (Labor) Secretary Su and others in the administration are regularly engaging with the parties, encouraging them to stay at the negotiating table and finish their work. But the path forward is for the port workers and their employers to resolve the negotiations so that workers get the wages, benefits, and quality of life that they so deserve. And so that's what we're going to continue to call for: asking both parties to come to the table so this can be - so this can be dealt with." On Friday, June 9th, U.S. Chamber of Commerce President and CEO Suzanne Clark sent a letter to President Biden urging "the administration to intervene immediately in the West Coast port negotiations by appointing an independent mediator to help the two parties reach an agreement that prevents significant economic harm to U.S. families and the economy."

Biden administration sees no reason to intervene in West Coast dockworker dispute, June 12, 2023, <u>www.ajot.com</u>

### Confusion reigns as labor dispute 'fog' blankets West Coast ports

There's the fog of war and there's the fog of West Coast port labor disruptions. More than a year after negotiations began and over 11 months since the last contract expired, employers and dockworkers still haven't come to terms over pay. Accusations are flying. Those speaking to the press have agendas, as do those remaining largely silent. Relations took a major turn for the worse starting in early June 2023, with no resolution in sight. Acting Labor Secretary Julie Su arrived in San Francisco to meet with the two sides Monday (June 12, 2023) and remained at the table on Tuesday (June 13). Media coverage is warning of a renewed supply chain crisis, but data on ship movements and cargo operations is not particularly alarming - at least, not yet. "These past couple of weeks have been challenging and at times confusing for all of us out here at the West Coast ports. There have been claims, counterclaims and daily concerns," said Port of Los Angeles Executive Director Gene Seroka during a press conference Tuesday. "Of course, we're all concerned. The deal's not done vet. Patience is wearing thin. Neither side imagined it would take this long." Confusion reigns as labor dispute 'fog' blankets West Coast ports, June 13, 2023, www.freightwaves.com

### Tentative agreement ends worker slowdowns and stoppages that crippled West Coast ports



Source: MSN

A tentative deal between the Pacific Maritime Association and the International Longshore and Warehouse Union was announced Thursday June 15 night, ending 14 days of worker slowdowns and stoppages that crippled port productivity. The new contract is six years and will cover workers at all 29 West Coast ports. No details of the deal terms were released. "We are pleased to have reached an agreement that recognizes the heroic efforts and personal sacrifices of the ILWU workforce in keeping our ports operating," said PMA President James McKenna and ILWU President Willie Adams in a joint statement. "We are also pleased to turn our full attention back to the operation of the West Coast Ports." Both sides hailed the assistance from Acting U.S. Secretary of Labor Julie Su, who CNBC confirmed was in San Francisco since Monday to help guide talks.

Tentative agreement ends worker slowdowns and stoppages that crippled West Coast ports, June 15, 2023, <u>www.msn.com</u>

### Port of Oakland applauds ILWU and PMA tentative agreement

The Port of Oakland applauds the tentative agreement between the International Longshore and Warehouse Union (ILWU) and Pacific Maritime Association (PMA). Negotiations between the ILWU and PMA began in May 2022 regarding their contract which expired two months later. "Today is a monumental day for U.S. West Coast seaports. Labor peace is a commitment to continue delivering the most efficient, cost effective, and environmentally-sustainable cargo operations in the country. Asia to the West Coast still remains the most efficient route," said Port of Oakland Executive Director Danny Wan. "We thank Acting Secretary Labor Secretary Julie Su her key role in the negotiations." The Port of Oakland is an agricultural gateway for farm goods produced in California's Central Valley. Oakland has also become the preferred gateway for beef and pork exports produced in the U.S. Midwest. Port Executive Director, Danny Wan shared the excitement of the future of business at West Coast ports as an agreement is finalized between ILWU and PMA. The Port of Oakland has been diligently working with tenants and maritime partners globally to return diverted cargo back to the West Coast in an effort to continue growing local jobs. More than 84,000 regional jobs rely on the Port of Oakland. Port of Oakland applauds ILWU and PMA tentative agreement, June 15, 2023, www.ajot.com

### Sluggish demand keeps ocean rates low, but disruptions may change the outlook



Source: Inside Logistics

The persistent decline in container prices is being accompanied by renewed supply chain disruptions such as the Panama Canal drought, labour strikes on the US West Coast, and a technical recession in the Eurozone. According to Container xChange's June Forecaster, a further slide in average container prices will be seen in the coming weeks, with no signs of container demand revival. The sentiment is reflected in a survey that Container xChange recently conducted (in May 2023) with the global freight forwarding community. About 69 percent of respondents (406 sample size) are hopeful of a container demand bounce back this year in 2023. Only 18 percent are hopeful of this revival in short term (1-3 months). About half are "guestimating", without a clear outlook of timeline for container demand bounce back. *Sluggish demand keeps ocean rates low, but disruptions may change the outlook, June 13, 2023, www.insidelogistics.ca* 

### Demand for global supply chain intelligence continues to rise



Source Freightwaves

Persevering through disruptions such as the drought affecting container ship traffic in the Panama Canal, as well as future crises, involves building trusted networks of data to map the global supply chain, say Altana Technologies officials. Altana is a New York-based startup leveraging AI and billions of data points from customs authorities, logistics providers and enterprises around the world to create a map of global supply chain networks. "Think about Altana as a Google Maps for the global supply chain," Evan Smith, Altana's chief executive and co-founder, told FreightWaves. "In a situation like the one in Panama, where Altana is useful is actually upstream of the Panama Canal. We're very useful in understanding for any given organization what their global multitier network actually looks like and where there's vulnerabilities and chokepoints." In January 2023, the Panama Canal Authority (ACP) implemented water-saving measures to maintain capacity in the canal's reservoirs. On June 6, 2023 the authority began restricting ships' drafts in the canal. "Droughts are expected to affect water availability in Panama and globally," ACP said in a recent news release. "The canal is implementing operational and planning procedures, innovative technologies, and long-term investments to mitigate its impact and safeguard its operation." Demand for global supply chain intelligence continues to rise, June 14,

2023, www.freightwaves.com

#### Port of Long Beach sees progress in May

The Port of Long Beach in May reached its strongest month so far in 2023, raising mid-year hopes of a trend of increasing volume. Dockworkers and terminal operators moved 758,225 twenty-foot equivalent units (TEUs) last month, down 14.9% from May 2022. Imports decreased 17.2% to 361,661 TEUs and exports increased 8.1% to 127,870 TEUs. Empty containers moved through the Port declined 20% to 268,695 TEUs. Cargo throughput in May was up 15.6% from April, which was 8.6% more than March. Although trade declined 14.9% for May year-over-year, cargo moved through the Port was down 20.1% year-over-year in April and 30% in March. "At midyear we're starting to see signs that cargo volume is on the upswing, with our busiest month since August of last year," said Port of Long Beach Chief Executive Officer Mario Cordero. "We look forward to more positive signs in the months ahead." "Over the long term, the San Pedro Bay ports complex will continue to be a strategic and sustainable gateway for trans-Pacific trade," said Long Beach Harbor Commission President Sharon L. Weissman. "We will work with our industry partners to recapture and grow market share in this increasingly competitive environment." The Port has moved 3,135,600 TEUs during the first five months of 2023, a 24.8% decrease from the same period in 2022. Loaded imports are down 28% to 1,472,626 TEUs, while loaded exports are up 0.9% to 600,586 TEUs.

Port of Long Beach sees progress in May, June 14, 2023, <u>www.ajot.com</u>

#### Port Houston handles 1.5M TEUs through May



Source: AJOT

Port Houston terminals handled 1,542,392 TEUs through May 2023, down 2% compared to the record-breaking volumes of 2022. As seen in markets around the country, import volumes in Houston continue to soften. In May 2023, the Port handled 139,745 TEUs in loaded imports, a 12% reduction from last year but still the second-highest May import volumes in Port Houston's history following last May's La record year. Year-to-date imports at Port Houston are down by 3%, totalling 781,655 TEUs thus far. Despite the dip in import volume, Port Houston continues to see growth in loaded exports. Up 3% in May compared to last May, loaded export volumes have reached 569,502 TEUs year-to-date, a 14% increase from the same period last year. Strong exports through Port Houston are expected to continue, due in large part to the continued high demand for resin exports. In fact, Port Houston is the number one resins port in the nation. U.S. export manufacturers and retail importers have new options to access their international markets. Recently, both Union Pacific Railroad and BNSF Railway announced new intermodal container services at Port Houston. Union Pacific Railroad began on-dock rail service on June 1st to support five key markets, including Denver, Salt Lake City, Oakland, Los Angeles, and El Paso. On June 2, BNSF Railway began rail service to the Greater Dallas/Fort Worth and Denver markets.

Port Houston handles 1.5M TEUs through May, June 15, 2023, <u>www.ajot.com</u>



North America

### Transportation's Top Stories Road Transport Updates

### CANADA



Economic Trucking Trends: Loss of capacity, not

Source: Todays Trucking

Freight conditions are expected to remain soft through the remainder of the year, and when conditions finally do improve, it'll be because of a loss of capacity rather than an increase in demand. That's the assessment of Avery Vise, vice-president - trucking with industry forecaster FTR, which presented a State of Freight webinar this week. "This is going to be a capacity-driven recovery of utilization, not a freight-demand-driven recovery," Vise said, noting truck utilization has likely bottomed and will begin a slow climb back to the 10-year average through 2024. "We do expect utilization to improve primarily because we're going to lose drivers." Fleet bankruptcies in the U.S. are climbing, especially among smaller carriers. But larger fleets are increasingly feeling the pain as well, he adds. In the first five months of 2022, only 10 carriers with more than 100 trucks lost their authority. That has climbed to 31 carriers in the first five months of this year. When it comes to rates, Vise said those on the spot market appear to have bottomed and are beginning to increase incrementally. Contract rates aren't expected to bottom until later this year. Contract rates are now similar to those seen in 2018, but trucking costs are significantly higher.

Economic Trucking Trends: Loss of capacity, not increase in demand, will lead recovery, June 9, 2023, <u>www.todaystrucking.ca</u>

### BC funding project to use hydrogen for port vehicles



Source: Inside Logisitcs

British Columbia is providing \$4 million to support the introduction of hydrogen powered vehicles in ports. The BCH2 Ports Project is the province's first large-scale project to use hydrogen and fuel cells in the shipping and transportation sectors. It is a collaboration between public and private sectors designed to showcase made-in-B.C. technology to support the province's decarbonization goals. The BC Hydrogen Ports Project (BCH2 Ports Project) is one of the first of its kind in Canada. "We're working to reduce emissions in B.C.'s commercial transport sector, which accounts for about 60% of transport emissions and 25 percent of total provincial emissions," said Josie Osborne, minister of energy, mines and low carbon innovation. "Hydrogen will be essential in helping B.C. make the transition to cleaner energy solutions as we work toward meeting legislated greenhouse gas reduction targets." Ports are typically high-emission sources of greenhouse gases and local air pollutants. This pilot project is estimated to reduce CO2 emissions by 110 tonnes of CO2 equivalent per year – the amount of energy used annually by about 21,400 homes.

BC funding project to use hydrogen for port vehicles, June 13, 2023, <u>www.insidelogistics.ca</u>

## FedEx deploys 50 EV BrightDrop delivery trucks in Canada



Source: Todays Trucking

FedEx Express Canada has received its first 50 all-electric GM BrightDrop delivery trucks, which will be deployed in the Toronto, Montreal, and Surrey, B.C., markets. It's part of the company's plan to run an entire fleet of zero tailpipe emissions vehicles by 2040. The Zevo 600 vehicles are powered by GM's Ultium platform, designed for last mile deliveries and capable of up to 400 km of range. The initial deliveries are part of a larger deal for 2,500 BrightDrop vehicles. FedEx says it's installing chargers at its Canadian facilities, and already has 80 installed at the three Canadian markets from which the BrightDrops will operate.

FedEx deploys 50 EV BrightDrop delivery trucks in Canada, June 15, 2023, <u>www.todaystrucking.com</u>

#### **US/WORLD**

### U.S. Department of Transportation Announces Technical Assistance Grants for Transportation Projects in Rural and Tribal Communities

The U.S. Department of Transportation's (DOT's) Build America Bureau (the Bureau) on June 15, 2023 released a Notice of Funding Opportunity for a new pilot program created by the Bipartisan Infrastructure Law. The Rural and Tribal Assistance Pilot Program offers technical assistance grants to rural and tribal communities. The Program makes \$10 million available over five years to advance infrastructure projects in these communities.

U.S. Department of Transportation Announces Technical Assistance Grants for Transportation Projects in Rural and Tribal Communities, June 15, 2023, <u>www.dot.gov</u>

### Biden vetoes efforts to strike down tighter truck emissions controls

U.S. President Joe Biden has vetoed Republican-led efforts to strike down plans to dramatically tighten the emissions standards for heavyduty engines and vehicles. In late May 2023, Congress voted to nullify Environmental Protection Agency (EPA) emissions rules that would apply beginning in Model Year 2027, placing a particular focus on nitrogen oxides (NOx). Under the rules, NOx emissions will be 80% tighter than those that apply today, while mandated warranties on emissions controls will be 2.8 to 4.5 times longer. Manufacturers will also have to demonstrate that their designs would prevent tampering by drivers.

Biden vetoes efforts to strike down tighter truck emissions controls, June 15, 2023, <u>www.todaystrucking.com</u>



North America

# Transportation's Top Stories Other Transport Updates

### CANADA

## Canada needs to synchronize its climate policies for effective emission control

National, provincial and territorial governments across Canada have implemented a myriad of policies to reduce greenhouse gas emissions in recent years. However, these stubbornly high emissions have only just started showing signs of falling. In principle, each level of government is working toward the same goal. Yet, the approaches they use vary in effort, design and coverage — with some emissions sources covered by multiple policies while others remain unregulated. To achieve our emissions goals, we need federal, provincial and territorial policies paddling in the same direction in addition to synchronized efforts to maximize our impact. In our new study, recently published in Climate Policy, we examine the development and design of climate policy mixes across Alberta, British Columbia, Ontario and Québec, as well as at the federal level, and evaluate their expected impact on emissions abatement.

Canada needs to synchronize its climate policies for effective emission control, June 6, 2023, <u>www.insidelogistics.ca</u>

### Leading indicator of international arrivals to Canada, May 2023



Source: Statcan

In May 2023, the number of international arrivals to Canada—nonresident trips and returning Canadian-resident trips—continued to increase from May 2022, but, for most indicators, has not yet reached the number of arrivals recorded in May 2019, before the COVID-19 pandemic. In May 2023, in Canadian airports equipped with electronic sensors, the number of non-resident arrivals totalled 774,000 (+52.5% from May 2022), while the number of trips by Canadian residents returning from abroad reached 1.5 million (+34.0% from May 2022). Meanwhile, US-resident trips to Canada through land ports with electronic sensors totalled 1.0 million in May 2023, a yearover-year increase of 64.1%. The number of Canadian-resident return trips from the United States via the same land ports also increased (+35.7%) in May 2023, to 1.9 million trips.

Leading indicator of international arrivals to Canada, May 2023, June 12, 2023, <u>www.statcan.gc.ca</u>



The Chartered

# Join us on June 22, 2023 at 9 am PT/ 12 PM ET/ 5 PM GMT for a CILTNA hosted Webinar: "Toward Decarbonization of West Coast Sea and Air: Harbour/Escort Tugs and Commuter Airplanes".

Canada has committed to achieving net-zero emissions by 2050. Join us to learn how HaiSea Marine and Harbour Air Group are helping to make that a realization through green tugboat fleets and electricallypowered aircraft.

Vince Percy, Director of Operations – HaiSea Marine will discuss how HaiSea Marine LP., majority owned by the Haisla Nation, Kitimat in partnership with Seaspan, ULC has a major contract with LNG Canada to build and operate escort and harbour tugs for their new export facility at Kitimat. Designed by Vancouver-based naval architect Robert Allan Ltd, and built by Sanmar Shipyards based in Turkiye, 5 new tugs were named, following a naming contest, by Haisla Chief Councillor Crystal Smith in North Vancouver in May 2023.

# Transportation's Top Stories Other CILT News

The new fleet will be among the greenest tugboat fleets in the world. The three harbour tugs will be first of class battery electric tugs, designed to perform berthing and unberthing missions using battery electric power. With an ample supply of hydroelectric power in Kitimat, the tugs will be able to recharge from shore-charging stations, resulting in near zero emissions.

The two escort tugs will be powered by dual fuel (LNG and diesel), the west coast's most powerful escort tugs. They will feature an exhaust after-treatment system, meeting the most stringent IMO standards.

Erika Holtz, Engineering and Quality Manager, Harbour Air Group will discuss how in August 2022, Canadian seaplane operator Harbour Air for the first time flew its electrically-powered De Havilland Beaver prototype aircraft on a point-to-point test flight. The eBeaver flew 45 miles in 24 minutes between Vancouver and Victoria, BC.

In its April 21 Earth Day update on its "electric journey" the airline stated that there had been many "twists and turns" as it conducted tests on its eplane. It had hoped to be carrying passengers in the next couple of years. However, supply chain issues and changes to the types of electric engines have led to several delays.

Indeed the approval process for the magni650 with its novel engine and battery technology has caused issues. Harbour Air said, "certifying the installation of components into an aircraft where no certification path exists has been difficult" and that the new technology had been "outpacing the regulators". It is hoped that the certification of the magni650 will be granted in mid-2025, with fare-paying passengers shortly thereafter.

Transportation's Top Stories • Weekly Update • June 16, 2023 Volume 382, Issue 1 - Editor: Joseph Monteiro, Assistant Editor: Anna A, Castelino

#### About the presenters:



Vince Percy, Director of Operations - HaiSea Marine

Having grown up in a small fishing town and subsequently entering the field of marine engineering, Vince has been involved in the maritime industry for his whole life. Over the years, he sailed on many different types of ships, progressing from a cadet to a chief engineer. More recently, he has been fortunate to oversee the construction of two dual-fuel LNG battery hybrid ferries. Following the vessels' successful entry into service, Vince joined HaiSea Marine as Director of Operations. In his current role, he is responsible for operational readiness, including business startup activities, integration of shared services, contractual compliance, and the steerage of the company's start-up plans.

What he finds most interesting about the industry is the variety of challenges and opportunities. Originally, Vince decided to become a marine engineer because it is such a multi-dimensional job. At a minimum, sailing engineers must have some level proficiency in welding, firefighting, first aid, technical writing, and analytical analysis. In moving to a management position, he has discovered a new and exciting level of job diversity within the industry. Vince enjoys the many aspects of leadership and business decision making, especially when they can be linked to the experience he has accumulated over his entire life.



Erika Holtz, Engineering and Quality Manager, Harbour Air Group

Erika has been involved in aviation all her life, beginning her professional career in 2003 as an EIT with International AeroProducts where she later became General Manager and Person Responsible for Quality to Transport Canada. In 2007 Erika completed her professional engineering status with APEGBC. Achieving her delegation status in 2010 as a Structural Delegate under the Design Approval Representative Program with Transport Canada, Erika became one of only ten structural DARs in the Pacific Region and started her own engineering company. In 2012, she accepted a position as the Engineering and Quality Manager for the Harbour Air Group of Companies. Erika has over 20 years of experience with modifications to general aircraft and over 15 years spent managing quality systems. Currently, Erika is the Project Manager and Lead Engineer for the Harbour Air electrification of the DHC-2 Beaver project and has been chosen this year as one of 8 "Women who Inspire" by Elevate Aviation.

To register, please visit: <u>https://ciltna.com/events/toward-</u> <u>decarbonization-of-west-coast-sea-and-air-harbour-escort-tugs-and-</u> <u>commuter-airplanes/</u>



Please Join us on June 29, 2023 at 9 am PT/ 12 PM ET/ 5 PM GMT for a CILTNA Webinar: "North Pacific Green Corridor: Teck as a Catalyst"

As supply chains transform around the world in response to everything from the global push towards decarbonization to energy security and resilience, the need for innovative initiatives to help facilitate this transformation is more important than ever. There are particular opportunities to be seized in key trading gateways, such as the one connecting Canada and the Indo-Pacific. Please join us to hear more from Teck Resources regarding its North Pacific Green Corridor, which is generating significant interest from both industry and government alike.

#### About the presenter:



### Ian Anderson, Senior Vice President and Chief Commercial Officer, Teck

Ian Anderson was appointed Senior Vice President and Chief Commercial Officer in 2023. His responsibilities include overall marketing and logistics strategy, policies, objectives, programs and plans for Teck's base metals and coal products.

Ian brings to the role more than 20 years of experience with Teck across numerous HR, logistics and operational functions, including General Manager for both Line Creek and Fording River operations and General Manager, Coal Logistics. Before being appointed to his current role, he was Vice President, Logistics, with responsibility for coordinating Teck's overall logistics strategy and implementing a cost-efficient supply chain.

Ian holds a Bachelor of Arts from the University of British Columbia and is a graduate of the Harvard Business School Advanced Management Program.

To register, please visit: <u>https://ciltna.com/events/north-pacific-green-corridor-teck-as-a-catalyst/</u>

### \* Principal Planner: Freight Planning, North Jersey Transportation Planning Authority

Under the direction of the Director of Freight Planning, the Principal Planner: Freight Planning will be responsible for performing a full range of technical planning, research, analysis, written reports, and outreach activities in the specialized field of freight and goods movement planning. The job requires knowledge of goods movement, the application of tools of analysis, the ability to research freight and related topics and produce reports, as well as the ability of effectively engage and interact with stakeholders in the public and private sector. To apply, please click here:

https://njit.csod.com/ux/ats/careersite/1/home/requisition/4582?c=njit



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If you need assistance with creating your account or joining, please contact Rebecca Whelan at <u>admin@ciltna.com</u>

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