



In The News

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1. BIT Cartage Update

Early this week, CN has experienced some worrisome setbacks with their operations at Brampton Intermodal Terminal. Two cranes were malfunctioning during peak times and were out of commission for quite some time. To make things worse, the electronic reservation system shut down unexpectedly and as a result wreaked havoc with the new and systemized container retrieval system. Waiting times increased as a consequence and sometimes reached close to 60 Minutes per Container. However, CN assures us that this is a temporary set-back and all efforts are being mustered to correct the shortcomings as quickly as possible. CN is fully committed to further fine-tune operations to meet peak performance at all times but is also pleading with the market at large that container retrieval is gradually expanded to include weekend operations.

2. WFEA/ILWU (Vancouver Port) status update on Mediation Talks

As indicated earlier, the parties have resumed their negotiations with Mediator Bill Lewis. Apparently, significant progress has been made towards reaching a revised Collective Agreement. On September 22 the WFEA tabled a comprehensive package with respect to all outstanding issues. The Union has now requested time to review and analyze contents. The parties are to reconvene on September 25 to hear the Unions response on the WFEA proposal. There is cautious optimism that an agreement can be reached without work disruption. For further updates go to the WFEA website at: http://www.bcmea.com/ns_negotiations_current.aspx (Website has been changed!)

3. Air France and KLM ready to complete merger

As advised earlier, Air France and KLM have reconfirmed their expectations to conclude an agreement through a share exchange offer by Air France for KLM common shares. The two

airlines expect to sign the transaction agreement within the next few weeks. The new group will be called Air France-KLM and will capitalize on two well-known brands, strong hubs and complementary networks, a spokesman for the group said. The boards of both companies believe that this proposed combination is in the best interest of customers, shareholders and employees of both groups and to represent a significant opportunity for further growth. A combination of AF/KLM will create the first European airline group, which is a milestone in the industry.

Leo van Wijk, CEO of KLM, said: "KLM has been pointing out the need for consolidation in light of the challenges facing our industry, and we have not made it a secret we were looking for a strong European partner. Through this innovative partnership with Air France and our subsequent expected participation in the SkyTeam alliance, we are confident that we have secured a sustainable future for our company."

4. Canada - US Customs Union?

The Globe & Mail on July 10 ran a story regarding the possibility of a customs union between the US and Canada, something that Paul Martin, who likely will be Canada's next prime minister, is said to support. 'Everyone is thinking about' the issue, the article said, as a customs union is 'almost a no-brainer' from an economic standpoint. It would harmonize external tariffs, reduce border friction, eliminate trade remedy penalties, and do away with rules of origin, which by itself could save billions of dollars a year. However, the article opined, that Ottawa can't hope to enter into a full North American customs union without effectively yielding a great degree of power over external trade, and some degree of foreign policy, to Washington which naturally is a hot button few in Ottawa are prepared to push.

5. Where to find information on Border Delays

Canada Customs: <http://www.ccca-adrc.gc.ca/customs/general/times/menu-e.html>
U.S. Customs Service: <http://nemo.customs.gov/process/bordertimes/bordertimes.asp>
Ontario Ministry of Transportation: <http://www.mto.gov.on.ca/english/traveller>
Peace Bridge: <http://www.peacebridge.com/webcam.php>
Ambassador Bridge: <http://www.ambassadorbridge.com/bridge-report.asp>
Detroit-Windsor Tunnel: <http://www.dwtunnel.com/traffic.html>
AAA Michigan: http://www.autoclubgroup.com/michigan/autos/traffic_report.asp
British Columbia: <http://www.borderlineups.com>
Washington State: <http://www.wsdot.wa.gov/Regions/Northwest/Traffic/BorderCams>

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