Assessing the Impact of The CETA on Canada's Transportation Network

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Project Funded by Industry Canada (Now Innovation, Science and Economic Development Canada)



CETA

- □Comprehensive Economic and Trade Agreement
- □ Between Canada and European Union
- ☐ Signed October 2016
- □ Ratified by European Parliament in February 2017
- **□**Eliminates Tariff Barriers
- □Better Access to EU Market



CETA

What are the impacts on the

Transportation System?

Objective

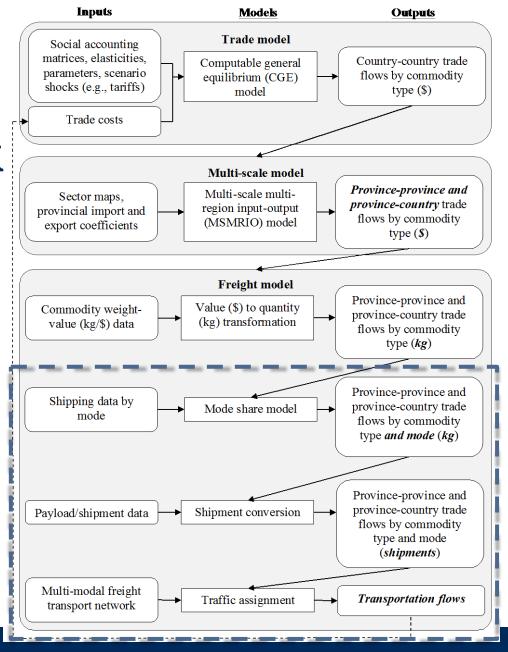
 Model intercity freight flows <u>before</u> CETA on Canada's transportation system

2. Model intercity freight flows <u>after</u> CETA on Canada's transportation system

3. Compare the two scenarios



Model Framework





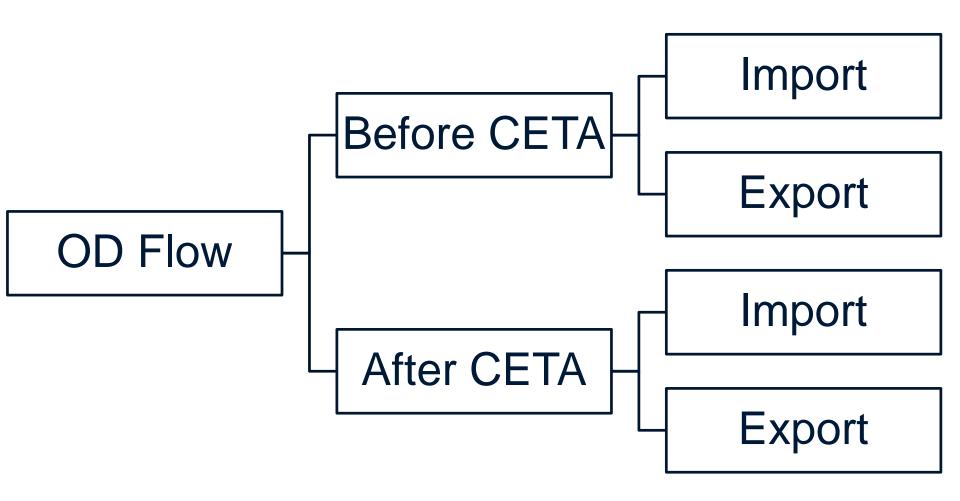
Acquired Data

2015 Commodity OD Flow (Bachmann, 2015, 2016) 2012 US Commodity Flow Survey Microdata Rail Network (MTO) Highway Network (ESRI) Intermodal Facilities (MTO)



Commodity OD Flow

Database Content



Commodity OD Flow

Database Format

Annual Weight & Value

GSC-2 Commodity Group

Province of Origin

Province of Destination

Trade Partner

International Mode of Transport

Port of Clearance

2012 CFS Microdata

Database Content

OD area

NAICS industry Class

Quarter of the year

SCTG commodity group

Domestic mode of transport

Shipment value

Shipment Weight

Distance (GC and routed)

Hazard material

Local vs. Export

Country of destination

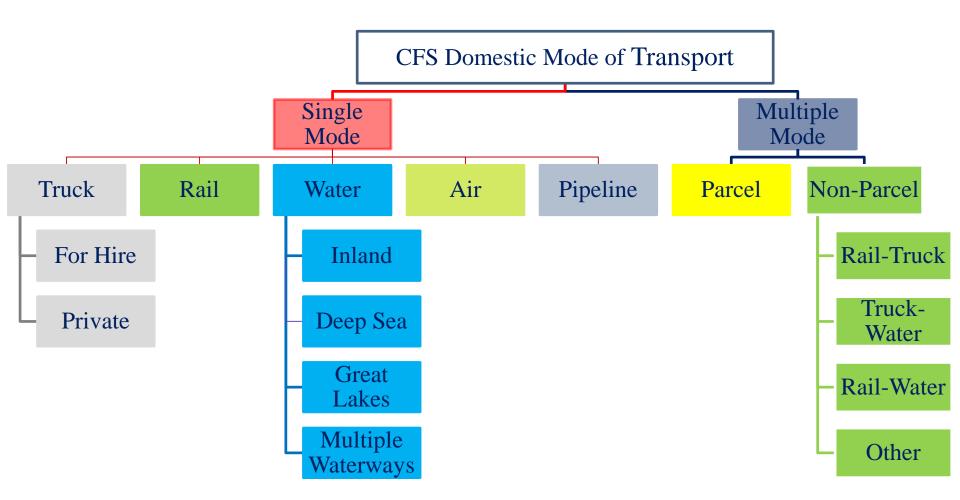
Temperature control commodity

4,547,661 Shipments



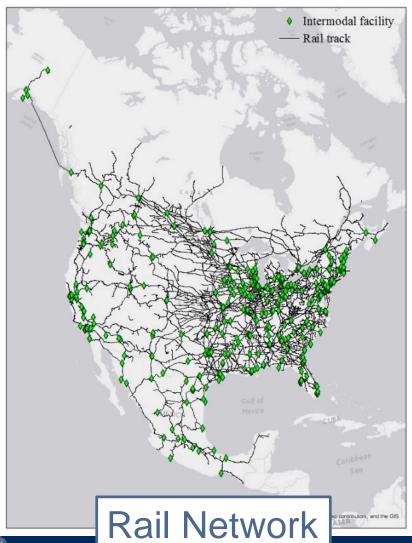
2012 CFS Microdata

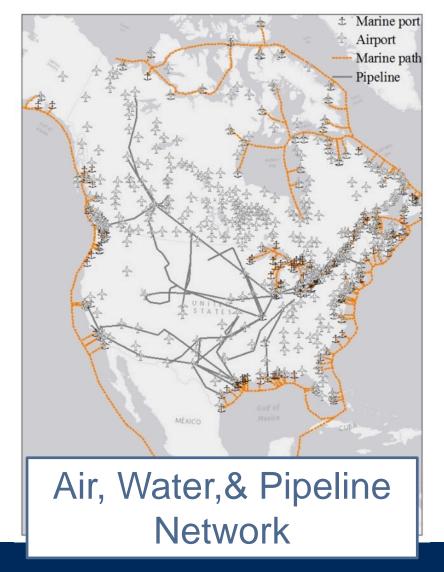
Database Mode of Transport Structure



Transportation Network

Database Content

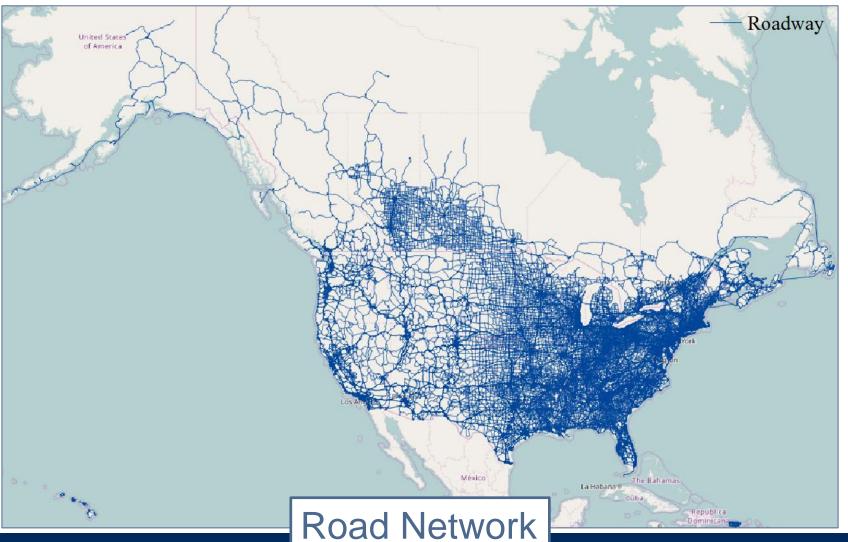






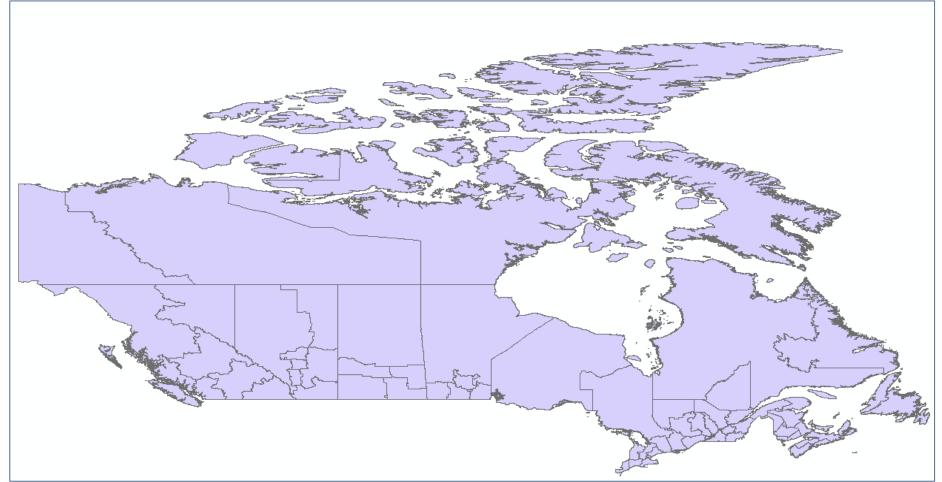
Transportation Network

Database Content



Commodity OD Flow

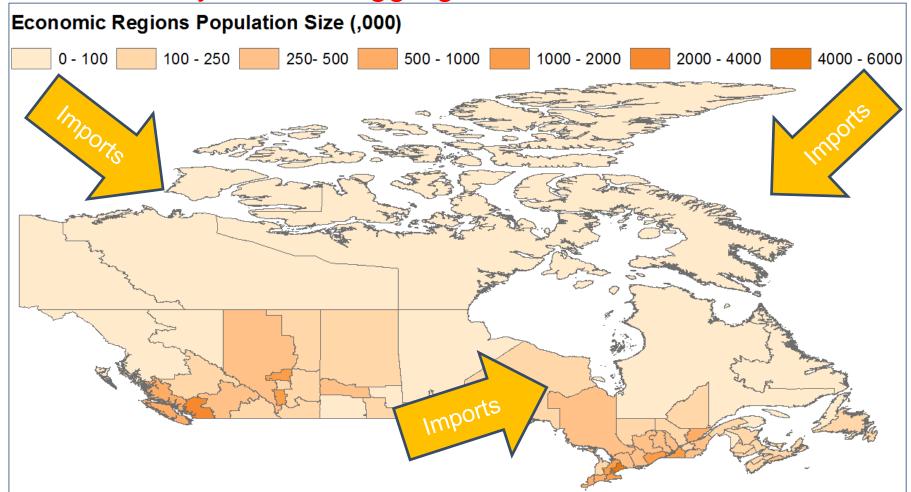
1. Province/Territories to 69 Economic Regions





Commodity OD Flow

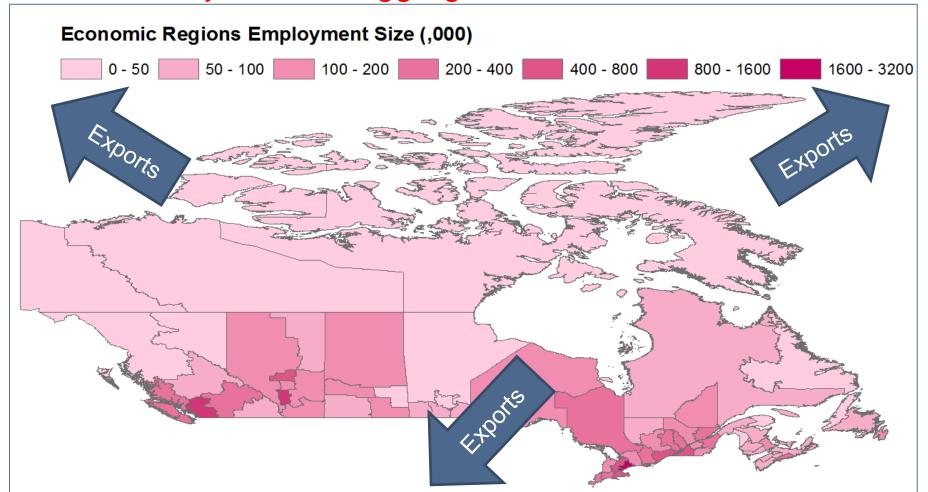
2. Commodity Flow Disaggregation





Commodity OD Flow

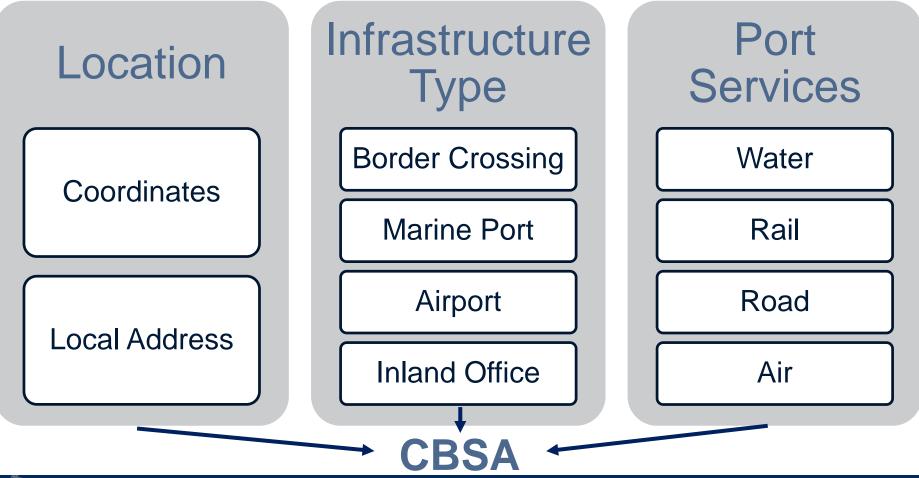
2. Commodity Flow Disaggregation





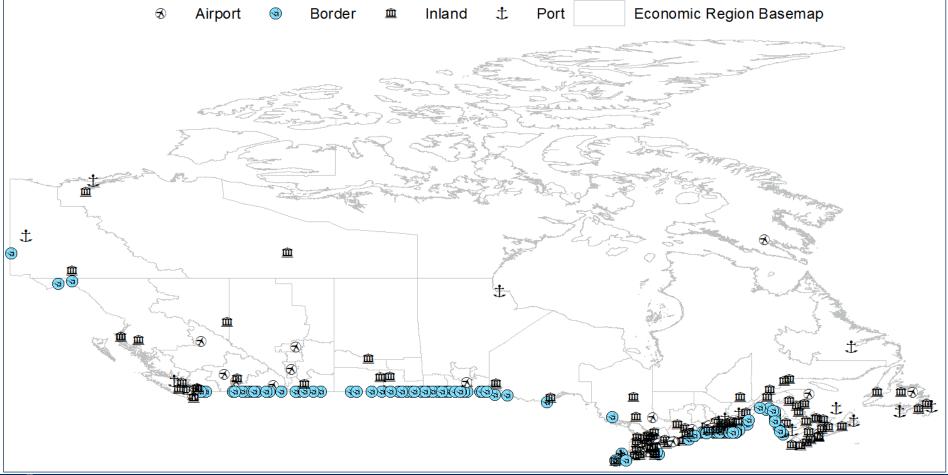
Commodity OD Flow

3. Port of Clearance (PC) Specification



Commodity OD Flow

3. Port of Clearance (PC) Specification



UTTRI University of Toronto Transportation Research Institute

Commodity OD Flow

4. Commodity Group Aggregation

SCTG Group	SCTG Group description	SCTG-2	GSC-2
Α	Agricultural & fish products	1,2,3,4,5	1,2,3,4,5,6,7,8,9,10,12,14,19,20
В	Grains, alcohol, & tobacco products	6,7,8,9	11,21,22,23,24,25,26,45
С	Stone, nonmetallic minerals, & metallic ores	10,11,12,13,14	18
D	Coal & petroleum products	15,16,17,18,19	15,16,17,32,44
E	Basic chemicals, chemical & pharmaceutical products	20,21,22,23,24	33
F	Logs, wood products, textiles & leather	25,26,27,28,29	13,27,28,29,30,31
G	Base metals & machinery	31,32,33,34	34,35,36,37
Н	Electronics, motorized vehicles, & precision instruments	35,36,37,38	38,39,40,41
I	Furniture, mixed freight, & manufactured products	39,40,41,43	42



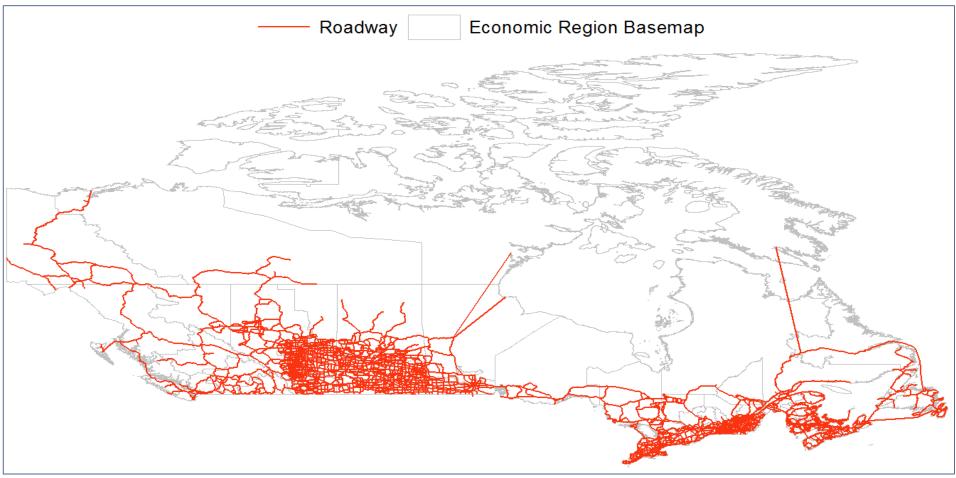
Transportation Network

- i. Road Network
- 1. Extract Canada's road network
- 2. Connect production and consumption points to road network
- 3. Connect ports of clearance to road network



Transportation Network

i. Road Network



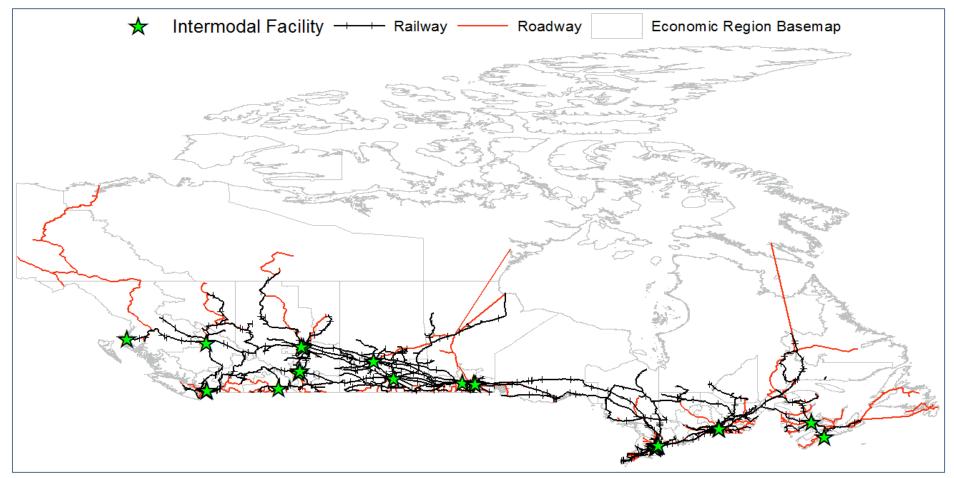
Transportation Network

ii. Rail Network

- Extract Canada's rail network
- 2. Connect production/consumption points to road network
- 3. Connect intermodal facilities to road & rail network
- 4. Connect ports of clearance to rail network

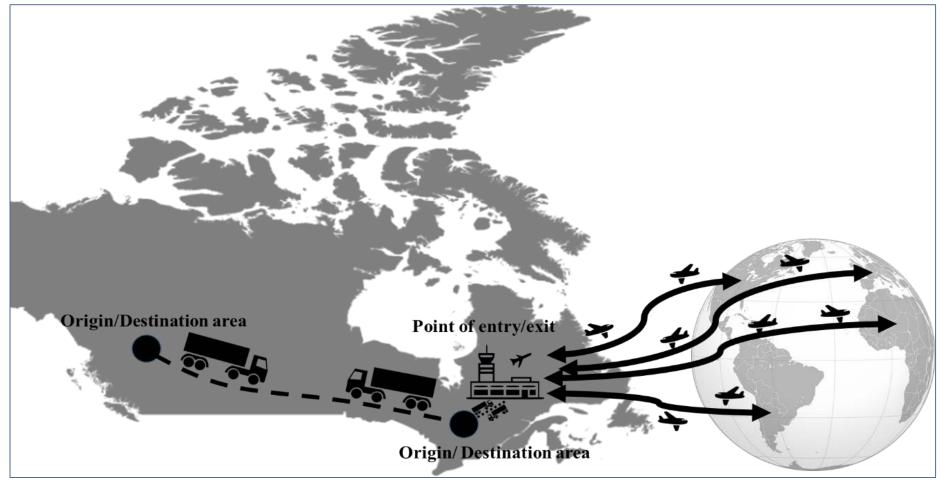
Transportation Network

ii. Rail Network



Mode Split

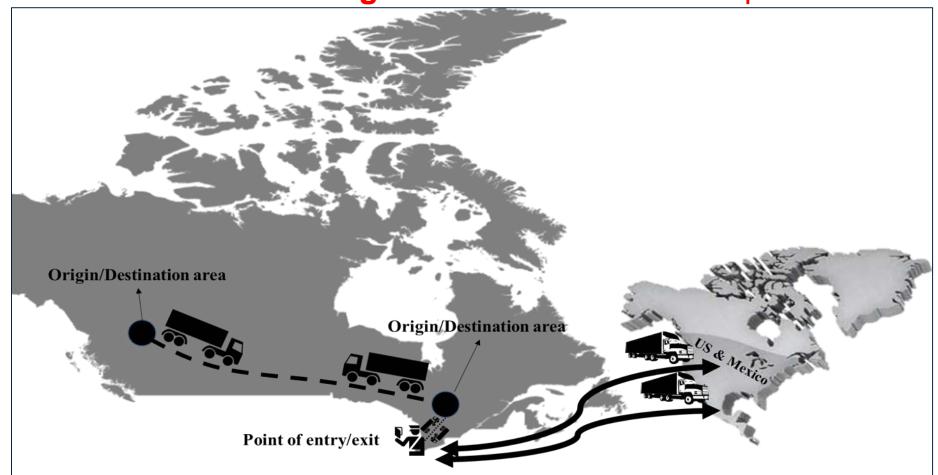
1. Airports: Domestic Mode of Transport is Truck





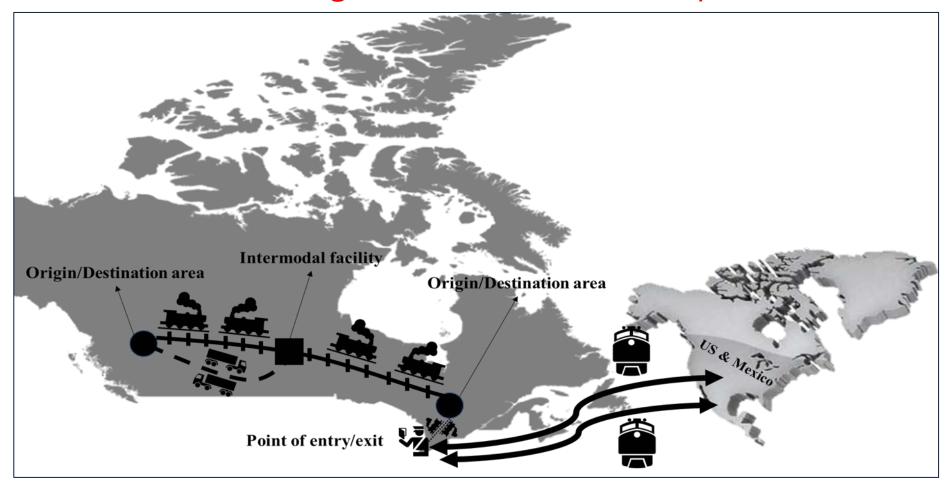
Mode Split

2. Road Border Crossing: Domestic Mode of Transport is Truck



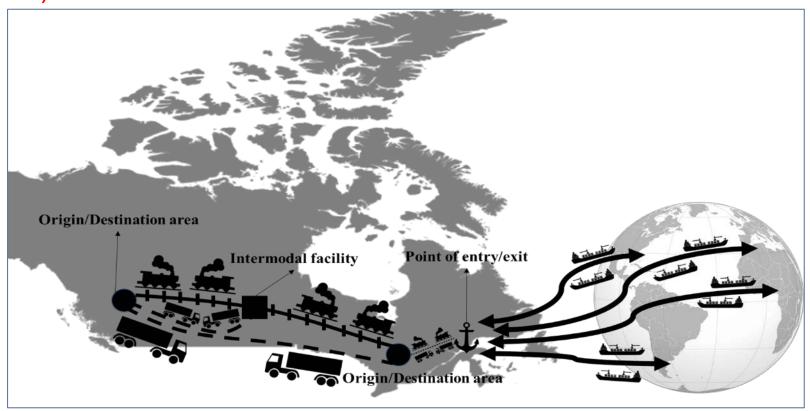
Mode Split

3. Rail Border Crossing: Domestic Mode of Transport is Truck-Rail



Mode Split

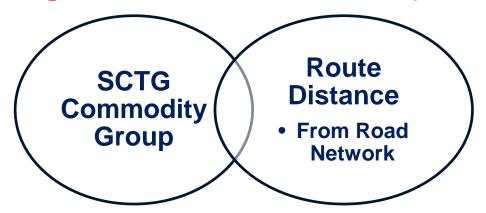
- 4. Marine Border Crossing: Domestic Mode of Transport is:
 - a)Truck-Rail
 - b)Truck



Mode Split

4. Marine Border Crossing: Domestic Mode of Transport is:

a)Truck-Railb) Truck



Frequency: %	CFS-Routed Distance (Km)											
Annual Tonnage	0-250	0-250	250-500	250-500	500-750	500-750	750-1000	750-1000	1000-1750	1000-1750	>1750	>1750
SCTG Group	Rail	Truck	Rail	Truck	Rail	Truck	Rail	Truck	Rail	Truck	Rail	Truck
A	0.10%	99.90%	14.66%	85.34%	18.28%	81.72%	53.25%	46.75%	17.88%	82.12%	31.74%	68.26%
В	1.49%	98.51%	15.03%	84.97%	16.19%	83.81%	24.81%	75.19%	40.28%	59.72%	61.89%	38.11%
С	36.16%	63.84%	7.05%	92.95%	62.88%	37.12%	57.98%	42.02%	72.08%	27.92%	74.04%	25.96%
D	1.38%	98.62%	19.98%	80.02%	15.16%	84.84%	31.12%	68.88%	22.85%	77.15%	61.99%	38.01%
Е	8.81%	91.19%	19.24%	80.76%	58.51%	41.49%	51.33%	48.67%	31.26%	68.74%	55.41%	44.59%
F	3.68%	96.32%	18.41%	81.59%	12.78%	87.22%	30.54%	69.46%	33.84%	66.16%	27.84%	72.16%
G	0.44%	99.56%	15.14%	84.86%	9.29%	90.71%	13.07%	86.93%	28.36%	71.64%	19.50%	80.50%
Н	8.87%	91.13%	17.51%	82.49%	6.48%	93.52%	6.16%	93.84%	21.81%	78.19%	20.65%	79.35%
I	6.31%	93.69%	35.73%	64.27%	6.14%	93.86%	7.96%	92.04%	30. 47%	69.53%	40.77%	59.23%



Route Assignment

■ Mode subset is reduced to Truck and Rail (Truck-Rail)

Assign truck trips to road network

Assign rail trips to rail network

Assignment at Macroscopic Scope: All-or-Nothing

Evno	ort (Drovince of Evit)	Difference (%)		
Expc	Export (Province of Exit)		Truck	
	Alberta	≥0.0%	4 -0.5%	
ce	British Columbia	4 -1.0%	4 -0.9%	
vin	Manitoba	1 16.3%	4 -0.6%	
Pro	New Brunswick	4 -0.7%	4 -0.5%	
ce	Newfoundland/Lab	4 -0.7%	4 -0.5%	
ıran	Nova Scotia	4 -0.5%	4 -0.5%	
Jea	Ontario	1 .4%	4 -0.8%	
	Prince Edward Is.	1 3.8%	4 -0.9%	
Port of Clearance Province	Quebec	↓ -0.1%	1 1.2%	
Pe	Saskatchewan	- 0.9%	4 -0.7%	
	Yukon, North West Terr., Nunavut	↓ 1.9%	4 1.6%	
	Total	4 -0.7%	4 0.6%	

	rt (Dravings of Entry)	Difference (%)		
Import (Province of Entry)		Rail	Truck	
	Alberta	 0.0%	4 0.3%	
e	British Columbia	4 0.5%	4 -0.1%	
vin	Manitoba	1 3.6%	4 1.3%	
Pro	New Brunswick	4 -0.2%	4 0.7%	
ce	Newfoundland/Lab	1 2.1%	1 2.4%	
ıran	Nova Scotia	1 6.5%	1 8.6%	
Jea	Ontario	4 0.6%	↓ 0.4%	
) Jc	Prince Edward Is.	1 0.5%	1 0.7%	
Port of Clearance Province	Quebec	1 3.8%	1 5.4%	
Pe	Saskatchewan	4 3.0%	4 0.6%	
	Yukon, North West Terr., Nunavut	4 1.8%	4 1.7%	
	Total	1 1.3%	1 .0%	

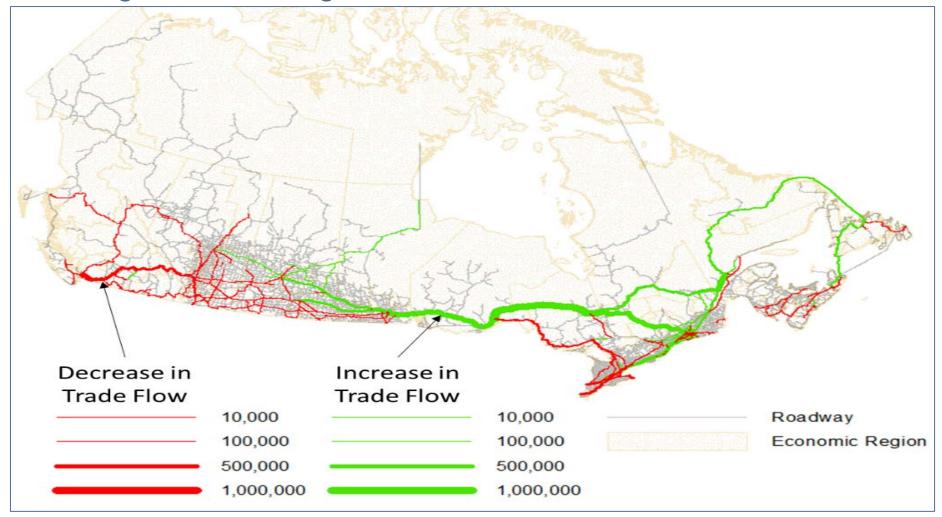
Exports Imports

Port of Clearance Type	Difference (%)
Airport	1 2.0%
Border	- 0.9%
Inland	- 0.4%
Port	- 0.1%
Total	- 0.6%

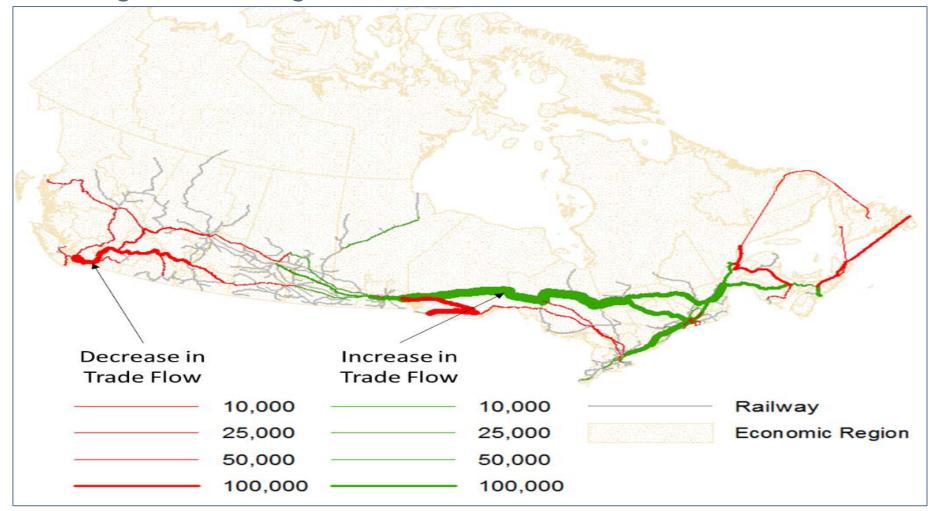
Port of Clearance Type	Difference (%)
Airport	1 3.3%
Border	- 0.9%
Inland	1 4.0%
Port	1 0.8%
Total	1.1%

CETA diverts away the volume of commodities that are imported or exported from US

Change in truck freight flow under CETA in total annual tonne



Change in rail freight flow under CETA in total annual tonne



Findings

- ☐ Greatest percentage increases in demand on:
 - Imports at Ports of Clearance in Atlantic Region/ Quebec
 - Airports
- □ Decline in Canada US trans-border freight
- □ Decline in trade flows by road/rail accessing west cost ports
- □ Volume of freight movements expected to grow along Quebec City–Windsor Corridor

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