



Today's Trucking Industry: Challenges & Opportunities

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Trucking Industry Issues

- Driver shortages & recruitment
- Driver-assist technology & autonomous vehicles
- GHG emissions reduction & congestion
- ELDs
- Legalization of recreational cannabis

Who we are and what we do...

Founded in
1913

1,200 truck
& bus fleets

250
suppliers

Non-profit
association



13,000
vehicles

\$2.3 billion
in revenue

Employ
26,000

FAST FACTS ABOUT BC's TRUCKING INDUSTRY

- Truck Transportation (GDP, 2018): ~\$2.3 billion
- Employment: ~34,000
- Companies: ~26,000
 - 1 truck: ~60%
 - 2 – 5 trucks: ~30%
 - 6 – 10 trucks: ~6%
 - 10+ trucks: ~5%
- Transport 90% of ALL consumer products consumed provincially

Driver shortage (2016 study)

- Shortage of 34,000 to 48,000 drivers nationwide by 2024
- Average truck driver age increasing – 44.1 (2006), 47.1 (2014), 49 (2024, est.)
- Not attracting youth (25 to 34 years): only 18% (2006), 15% (2011) vs 37% of overall workforce

Driver shortage in BC

- BCTA Survey:
 - 67% had 1 or more trucks sitting idle >1 week
 - Trucks idle an average of 14.7 days, \$350,375 in gross revenue loss per company
- Driver shortage in BC increased by 391% between 2015 and 2018, despite 9.1% increase in wages from Q4 2017 to Q4 2018
- 8,500 vacancies by end of 2020

Driver Recruitment

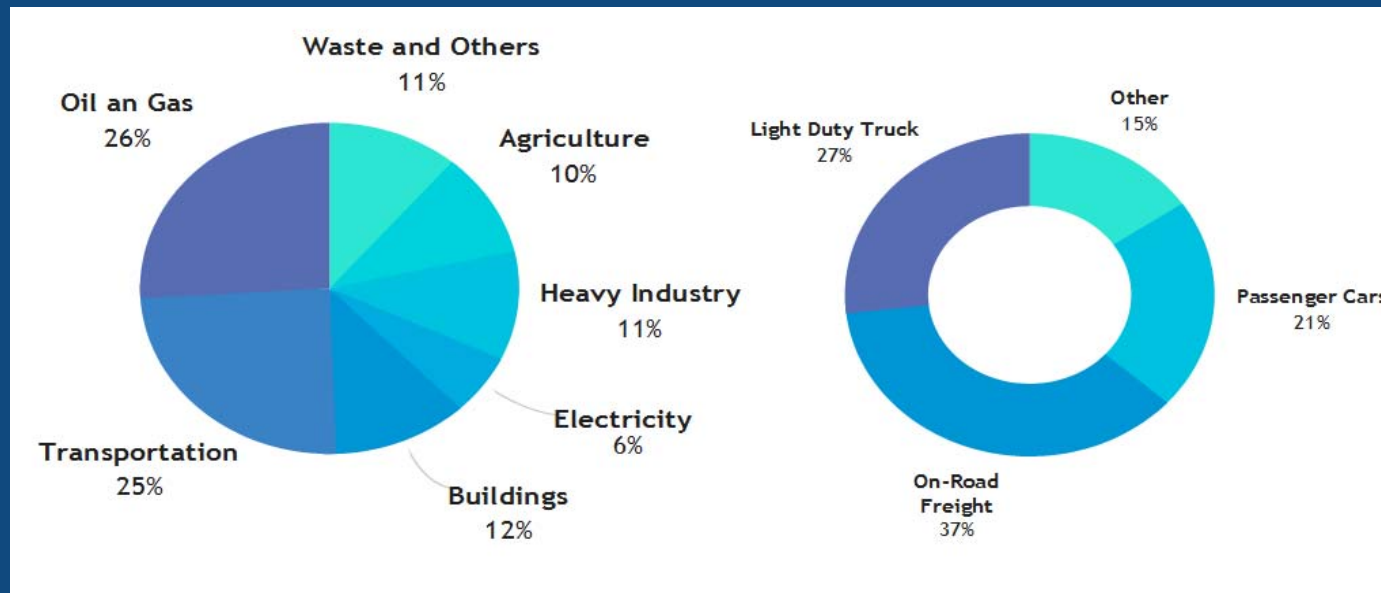
- Higher wages alone will not attract enough workers, need to address working conditions, provide professional development
- Mandatory Entry-Level Training (MELT)
 - Implemented in ON in 2017
 - AB, SK and MB now have mandatory training
- Change skill level of truck driver from low-skilled to semi-skilled

Autonomous Vehicles – a solution?

- Developments in driver-assist technology: automatic braking; lane departure warning; platooning
- Drones for urban delivery
- Challenges: public opinion; regulators need to catch up
- Technology to improve safety:
 - forward-facing cameras, devices to monitor distracted/fatigued driving
 - speed limiters - reduced speed-related at fault collisions by 73% in ON

Reducing Greenhouse Gas Emissions

- 25% of emissions in Canada from transportation sector (37% of which are from freight)
- ~14% BC emissions from heavy duty commercial vehicles



Reducing Greenhouse Gas Emissions

- Technology/techniques to increase safety & fuel efficiency
- US/Canadian emission standards result: reduced smog & fuel efficiency
- Heavy duty zero-emission vehicles expected on the market ~2025
- Challenges with reliability, cost, battery range, fuel/charging infrastructure



89%
are frustrated with traffic delays caused by high volumes.

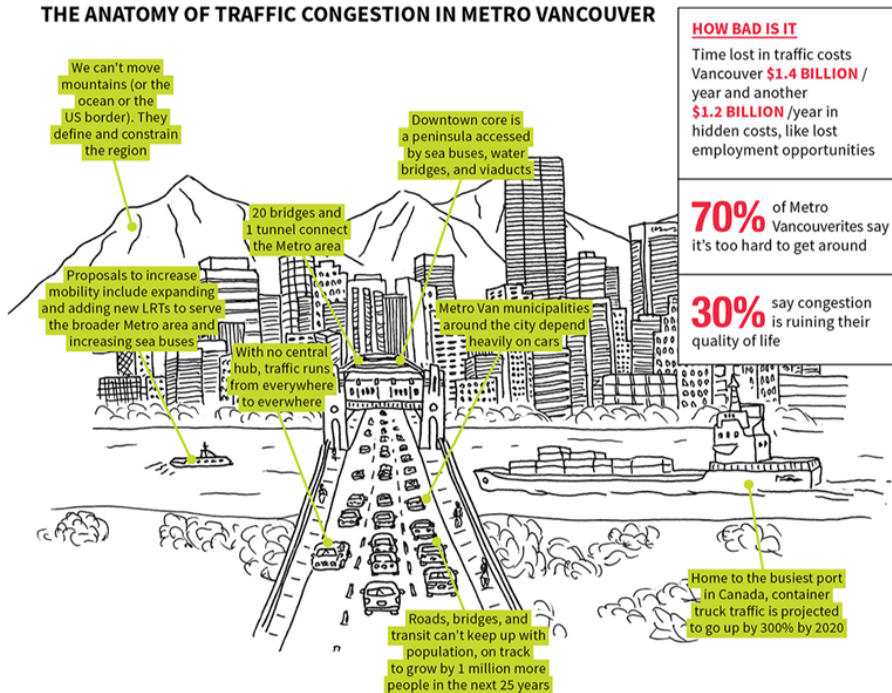


80%
are frustrated with the unpredictability of travel times.



81%
say transportation delays cause them lost time every week.

THE ANATOMY OF TRAFFIC CONGESTION IN METRO VANCOUVER

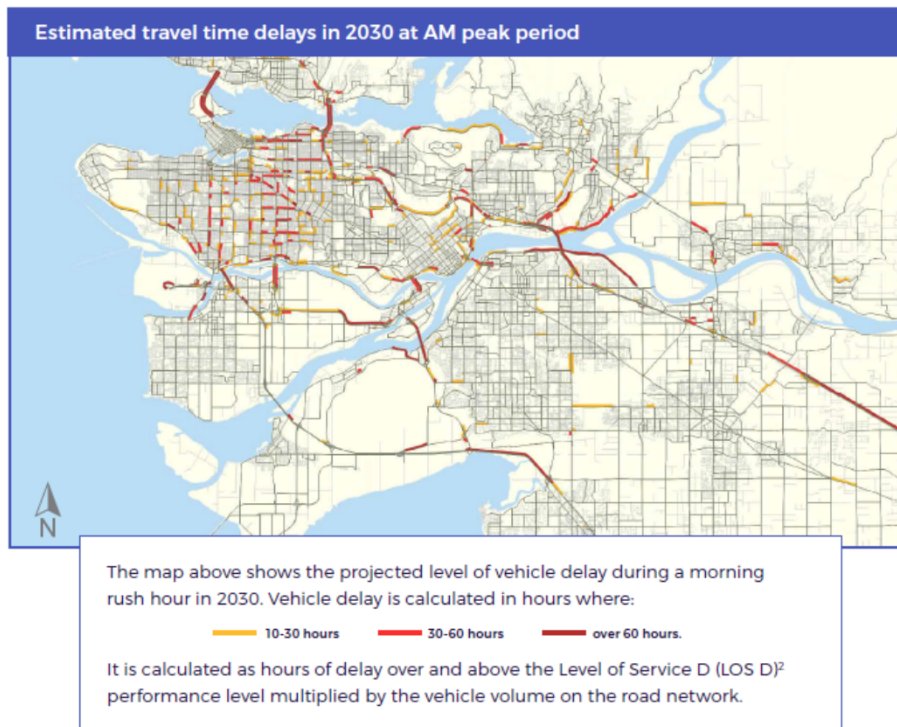


HOW BAD IS IT
Time lost in traffic costs Vancouver **\$1.4 BILLION** / year and another **\$1.2 BILLION** / year in hidden costs, like lost employment opportunities

70% of Metro Vancouverites say it's too hard to get around

30% say congestion is ruining their quality of life

Courtesy of Canada's Ecofiscal Commission (2015)



Courtesy of Mobility Pricing Independent Commission (2018)



Electronic Logging Devices

- Device to automatically track and record hours of service
- Common misconceptions/criticisms:
 - Basic ELD vs fleet management systems
 - Driver opposition
- Mandatory in US as of December 2017
- Opportunities for Canada to learn from US (vendor certification)
- Importance of harmonized regulations for a level-playing field

Legalization of Cannabis

- Did not change responsibilities of employers/employees re: impairment at work
- Increased use of recreational cannabis means employers of workers in safety-sensitive positions need to manage this risk

