



Infrastructure, Today's Challenge for Tomorrow's Sustainable Transport

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Background & Introduction

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About BCTA

- Established in 1913
- About 800 trucking & bus company members & 260 suppliers
- Members operate 13,000 to 14,000 vehicles, employ up to 30,000 people & generate over \$2 billion/year
- Variety of sectors represented
- BCTA service: government relations, communications, products & services



About the BC Trucking Industry

- About 20,000 trucking companies
- 60% - 1 truck; 90% - 5 or fewer trucks
- Challenges: communication & knowledge
- Many companies affected by intermodal traffic even though they may not transport containers





Challenges

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Made in BC Environmental Solutions



Carbon tax rates and the total tax to be paid by operators of medium and heavy-duty trucks between 2008 and 2012

Date	Carbon Tax Rate	Carbon Taxes (Current consumption levels)	Carbon Taxes (Consumption increases at 3.5% per year)
08-09	2.69	\$42,255,561	\$42,255,561
09-10	4.04	\$63,461,883	\$65,683,048
10-11	5.38	\$84,511,122	\$90,530,426
11-12	6.73	\$105,721,480	\$117,215,280
12-13	8.07	\$126,766,680	\$145,467,660
Five-year totals:		\$422,716,726	\$461,151,975

Biofuels

- Federal standard: 2% by 2012
- BC standard: 5% by 2010
- High supply and distribution costs
- Potential lower energy and higher maintenance costs
- Potential engine warranty issues with older vehicles



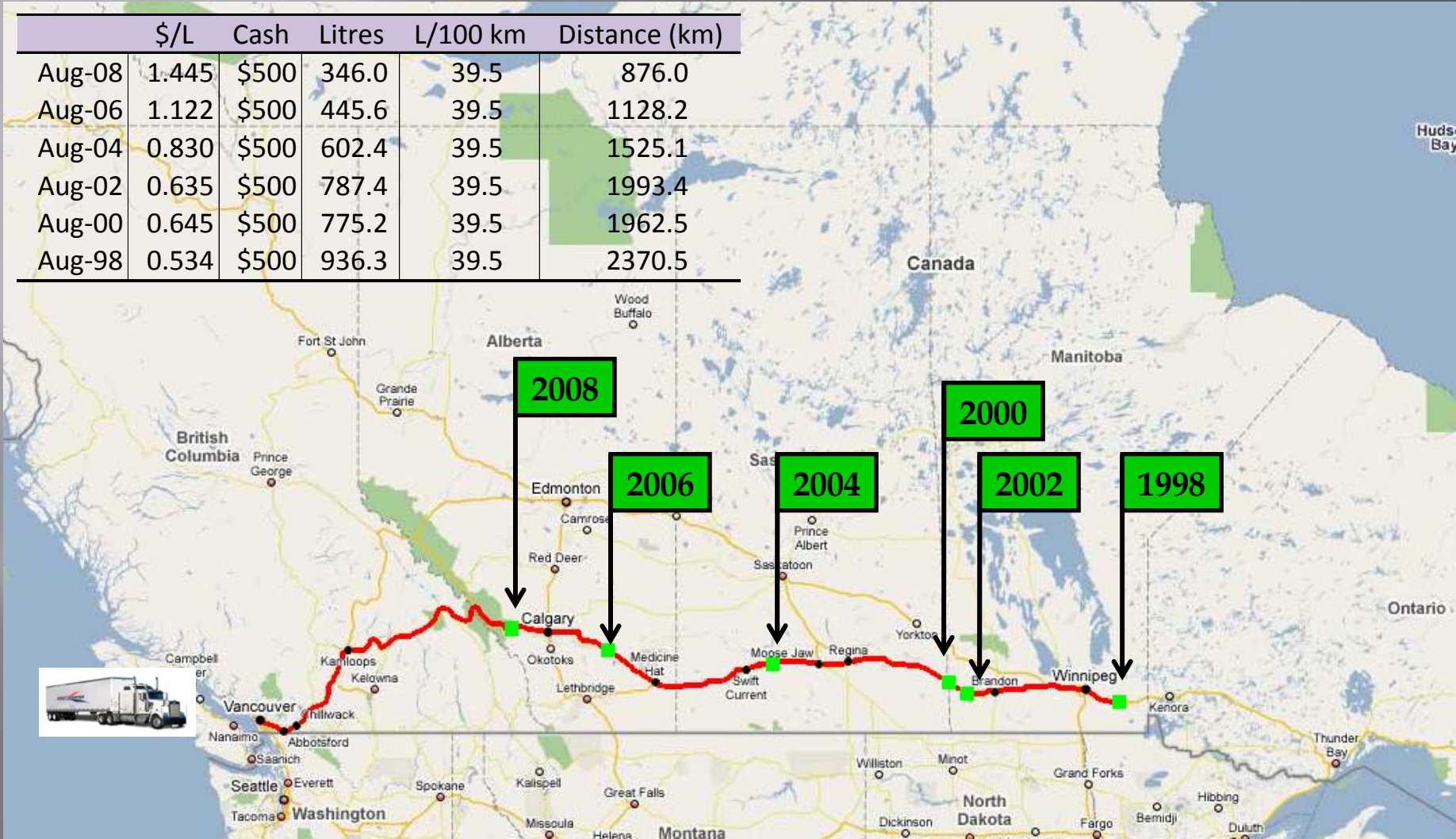
Future: Cap & Trade, New Tolls & Taxes

- Cap & trade: proposed for 2012, additional \$48 million in costs for trucking industry
- Golden Ears, Patullo & Port Mann Bridges – tolled
- TransLink: authority for additional 3 cents / litre tax
- Federal government: Liberal platform includes carbon tax



How far will \$500 of diesel go?

	\$/L	Cash	Litres	L/100 km	Distance (km)
Aug-08	1.445	\$500	346.0	39.5	876.0
Aug-06	1.122	\$500	445.6	39.5	1128.2
Aug-04	0.830	\$500	602.4	39.5	1525.1
Aug-02	0.635	\$500	787.4	39.5	1993.4
Aug-00	0.645	\$500	775.2	39.5	1962.5
Aug-98	0.534	\$500	936.3	39.5	2370.5



Human Resources

- Need for qualified professional drivers
- At least 4,500 new drivers per year in BC / intake is 2,800
- Demographics: oldest average workers and attracting half the young workers as other sectors
- Other skills shortages in trucking industry (e.g., mechanics)



Efficiency

- First new infrastructure in 20 years being built, but not finished
- Get Moving BC Study – tripling or quadrupling necessary
- Congestion still exists on roadways
- Terminal reservation systems still cited as problematic
- Lack of “community” support for night gates



Border Thickening



US Security Measures

US Bioterrorism Act: Registration, prior notice, administrative detention, record-keeping

USA Patriot Act / HAZMAT: Security screening for truck drivers

US VISIT: Entry component now operational at land border

Transportation Worker Identification Credential (TWIC):
Implementation in 2009 at seaports

Automated Commercial Environment (ACE): Electronic pre-notification

Free & Secure Trade Program (FAST)

Customs-Trade Partnership Against Terrorism (C-TPAT):
Stringent truck carrier criteria and security requirements

Animal Plant Health Inspection Service (APHIS Fees): Fees in effect for all trucks, regardless of commodity



Solutions

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Environment

- Provide accurate, verifiable and trustworthy information to carriers
- Offer meaningful financial incentives (grants & no-cost/low-cost loans)
- Consider more efficient policies & regulations (long combination vehicles, super single tires)



Human Resources

- New professional driver training standard – extra financial support for trainees, increased professionalism
- HR training for trucking companies to improve recruitment and retention
- Educate shippers & customers to gain support



Efficiency

- New infrastructure throughout BC, and particularly Lower Mainland will help
- Make better use of infrastructure we have – 24-hour operation, incident management
- Need better support and co-operation from the logistics chain and local communities



Border Thickening

- Likely to continue and may get worse depending on US presidential election and US economy
- Canadian programs should be integrated and mirror, as much as possible, US programs





Conclusion

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“Perfect Storm”

- Economy in turmoil, costs rising, labour in high demand, new engine standard
- Need to begin considering trucking industry as a necessary service that supports the economy and not as a “cash cow”
- Trucking needs to be considered a true logistics partner

