

# Canadian Trucking Alliance

Appearance before the Senate Standing Committee on Agriculture and Forestry  
*November 22, 2018.*

## Introduction:

The Canadian Trucking Alliance (CTA) is a federation of provincial trucking associations. With over 4,500-member carriers, CTA represents a broad cross-section of the industry – all sizes, regions, commodity-based service and specialty.

Canada's economic prosperity is in large part dependent upon the ability of its industry to compete for market share in the North American supply chain.

Our economy is multi-faceted, ranging from farming and natural resource based to manufacturing and knowledge-based businesses – all of which depend on the movement of freight in some way.

The simple reason trucking is the dominant mode of freight transportation is the flexible, timely, door-to-door service that only trucks can provide.

Trucking works with all the other modes, but its major market is the time-sensitive delivery of small shipments of lighter-weight, high value-added products over relatively short distances.

This would certainly include Canada's agriculture and agri-food sectors.

As the preferred mode for getting finished goods and business inputs to market efficiently and reliably, trucking plays a vital economic role.

For example, 90% of all consumer products and foodstuffs are delivered by truck as is the lion's share of trade with the U.S. The GDP generated by the for-hire trucking industry alone is more than that of rail, marine and air modes combined.

Simply put, without trucks the economy stops.

In turn, as a major user of Canada's infrastructure, well maintained bridges, highways and interchanges, border crossings, and sufficient access to major freight centres are of the utmost importance to the industry.

For the government's part, it is critical that the key role trucking plays is recognized in setting infrastructure spending priorities.

## **Infrastructure Priorities:**

Each year, CTA prepares a list of national infrastructure priorities from across the country that the industry believes – with the necessary upgrades – could better facilitate Canadian domestic and international trade. We have provided the committee with our most recent list.

I will take a moment to highlight a few of these projects. Obviously, this is not the entire list, but it will give the committee an idea of the types of things we are looking at.

### **Highway 40 Twinning and Wapiti Bridge Twinning in the Grande Prairie Area**

This project is critical for the safety of operators who transport softwood lumber and oil and gas in the area.

The collision rate for this stretch is 206 collisions per hundred million vehicle kilometers traveled, compared to the provincial average of 83 for undivided highways.

The current highway volume at the Wapiti Bridge is 9,060 vehicles on average per day, with commercial traffic making up 50.6% of that total. Projected oil and gas investment and tree harvest plans will only increase traffic on this already overstressed corridor.

Our forestry partners in the area have plans for 50,000 loads (100,000 if you include the unloaded travel) along this route alone. Out of all of the challenges facing the Grande Prairie area, investment in this project demands the most priority.

### **Route 185 from Saint-Antonin to Saint-Louis-du-Ha! Ha! / Highway 85/Road 185 between Rivière-du-Loup (in Québec) and Edmunston (in New-Brunswick)**

These stretches of roadway are in urgent need of upgrading. If completed, this would connect all of Eastern Canada with four lane highways from Halifax to Toronto.

Upgrading Hwy 185, often cited as one of the most dangerous highways in Canada, should markedly improve safety.

From a trade perspective, it would also allow the trucking industry to run long-combination vehicles (LCVs) from Halifax to Toronto, making the delivery of goods much more efficient while reducing emissions.

### **Investments in our Borders**

The electronic systems Canada Border Services Agency (CBSA) uses to process trade information requires upgrades to meet the demands of today's cross-border trade.

The issue can be resolved by investing capital in the CBSA IT systems and adding staff.

The lack of resources available to inspect food products also has a negative impact on a carrier's ability to meet delivery requirements and imposes extra costs on all members of the supply chain.

The hours of operation at many inspection facilities is often very restrictive, forcing drivers to wait multiple hours for inspections to be completed. Drivers are forced to arrive at the border between very specific timeframes, causing major logistical issues and complications with hours of service requirements.

Having customs officers cross-trained to conduct multiple types of inspections can help alleviate this issue. Other solutions such as expanding hours of operation and increasing staffing, would facilitate the timely movement of cross-border food shipments.

There have also been other recent issues that have emerge with CFIA, where customs brokers being used by our members are seeing increasing delays in CFIA's ability to process trade data.

This increase in processing time has a trickle-down impact on all member of the supply chain, including the carrier community, where drivers are forced to wait extended periods of time before their food shipments can be cleared.

It is our recommendation that CFIA review their service level requirements and IT infrastructure to ensure their ability to process trade data meet the needs of today's fast paced supply chain environment.

### **Federal Excise Tax Rebates on Diesel Fuel:**

There is another issue that I will raise with the committee relating to federal excise tax refunds on diesel fuel used for anti-idling devices and other GHG-reducing technology, along with devices used for temperature-controlled trailers.

The federal government removed these provisions in the 2016 budget – a decision CTA has been urging Ottawa to reverse ever since.

According to Natural Resources Canada anti-idling devices reduce the amount of truck idling in Canada by 3 per cent each year.

Removing the federal excise tax exemption from the fuel used to operate these devices will not help incentivize the purchase of this green equipment and flies in the face of the government's historical stance on this issue.

Since 2016, CTA has been calling on the government to reverse this policy.

*Thank you and I'd be happy to discuss with the committee.*