



**Ontario Trucking
Association (OTA)**



Ontario
Trucking
Association

Pre-Budget Submission

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Ontario Trucking Association
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About OTA

The Ontario Trucking Association (OTA), founded in 1926, provides services and public policy advocacy for trucking companies operating within the Province of Ontario. OTA member fleets operate over two-thirds of all commercial tractor-trailers on Ontario roadways and employ over 100,000 people. OTA is the only trucking association in Ontario that represents all segments of the trucking industry – for-hire carriers, private carriers, intermodal, couriers, suppliers, etc. OTA members consist of trucking companies from every Canadian province, as well as the United States. The bulk of OTA's membership consists of small and medium-sized businesses. However, OTA also represents some of the largest transportation enterprises in North America. The association's membership includes a significant number of allied trades – companies providing goods and services to the trucking industry. OTA's operations are guided by its Board of Directors, made up principally of chief executive officers, presidents and senior executives of trucking companies. OTA represents the industry's viewpoints on policy, regulatory and legislative issues along with public relations activities.



The Trucking Industry in Ontario

Ontario's economy is multi-faceted, ranging from farming to manufacturing to knowledge-based businesses – all of which depend on the movement of freight in some way. As the preferred mode for getting finished goods and business inputs to market efficiently and reliably, trucking plays a vital economic role. About 90 per cent of all consumer products and foodstuffs are delivered by truck as well as about 75% of Ontario's export trade with the United States. Every year, nearly 7 million trucks cross the Ontario-US border, with four out of the five busiest land border crossings nationwide located in Ontario. The GDP generated by the for-hire trucking industry alone is three times that of rail, marine and air modes combined. In many ways, Ontario's ability to compete in the North American and global supply chains depends on the ability of the trucking industry to move input components and finished goods in an efficient manner. The North American just-in-time inventory system has been built around the truck. The industry is also a major employer providing well over 200,000 direct jobs in Ontario.

A Leading Indicator of Economic Activity

Trucking is a derived demand industry. As the economy goes, so does trucking. As such, trucking is a good leading indicator of economic activity – usually projecting six months ahead in terms of any downturn or recovery. While the longer-term outlook for the trucking industry is for continued growth and an even larger share of total transportation sector output, current economic conditions are sluggish as reflected by recent deceleration in activity and increase in uncertainty.

Introduction

The Ontario Trucking Association's pre-budget submission focuses on five key areas: *(1) Green Commercial Vehicles Program, (2) Truck Parking and Rest Areas, (3) Advanced Driver Assistance Systems and Vehicle Technologies, (4) Truck Safety Programs (5) and the Transformation to New Fuels.*

Green Commercial Vehicles Program

OTA was the key stakeholder throughout the development of the Green Commercial Vehicles Program, with many of OTA's recommendations on the initial drafts being implemented when the program was announced in late 2017. The



government has shown strong leadership designing a program that enables reinvestment in our industry. With the carbon fees paid by our industry being reinvested back into our sector, our industry can continue on the path of environmental advancement in Ontario – something very important to OTA and its membership.

By providing rebates towards the purchase of alternative-fuel vehicles and fuel-saving devices -- including natural gas and electric technologies – we are now on path to addressing carbon reduction responsibly that works for both government and industry.

We thank the government for their commitment to this program to date and request its continued support in the upcoming budget for the continuation of the Green Commercial Vehicles Program.

Truck Parking and Rest Areas

The lack of parking in Ontario has been an issue for years. As the volume of traffic on Ontario's roadways has grown, the problem has only become more acute. OTA's records indicate discussions on this issue dates back decades; however, the need to act is perhaps the greatest it has ever been. As Canada and the United States move towards the implementation of mandatory electronic logging devices (ELDs) – which track drivers' hours of service and will replace the paper logbook regime – the need for adequate truck parking in both northern and southern Ontario will be critical. In turn, safe and adequate parking for commercial vehicles will flow through to a healthier and more efficient supply chain for the province.

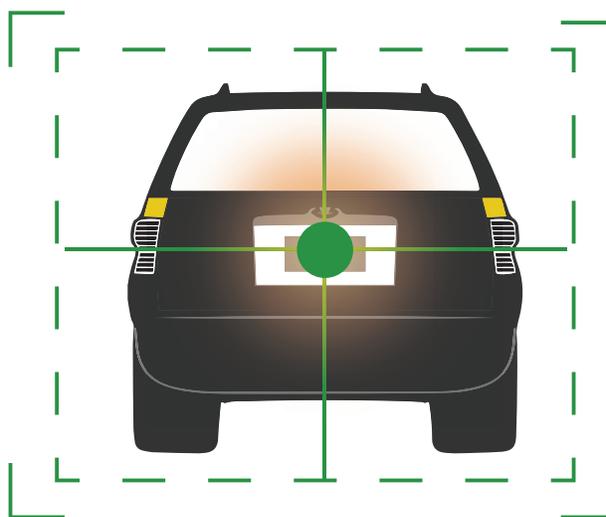
The Northern Ontario Multimodal Transportation Study (NOMTS) conducted by the Ministry of Transportation (MTO) and the Ministry of Northern Development and Mines (MNDM), has prioritized truck parking as an issue area and has sought to outline short and longer-term projects in this area. Currently, the Ministry of Transportation has several studies underway in southern Ontario to document and find solutions to the chronic shortage of truck parking.

OTA believes the government has a responsibility to act in this area and we are pleased to see steps being taken in northern and southern Ontario. Once the government completes its study on the availability of truck parking, OTA requests it make the necessary funds available to address the issue, which OTA believes will lead to clear results. There are cost effective short, medium and long-term solutions on the table that can be achieved and we look forward to working with your government to address these issues on a proactive basis.

Advanced Driver Assistance Systems & Vehicle Technologies

Advanced technologies that have become commonplace in automobiles to support car drivers and reduce collisions – such as lane departure warning, forward collision warning and automatic emergency braking – are now becoming available in heavy commercial vehicles.

Road safety and reducing collisions involving commercial vehicles is a priority for OTA, the Ministry of Transportation and the Ontario Provincial Police. The technology now available on commercial vehicles works well and trucking fleets are beginning to invest in some of these technologies. However, OTA feels that adoption rates of these technologies could be increased greatly with additional support in the form of incentives from the province.



With the potential to eliminate the majority of serious commercial vehicle collisions, a program supporting higher adoption rates of this technology would benefit the province and all road users. Efforts underway by the province to introduce truck platooning demonstrations, as well as supporting additional research and development for heavy truck technology, is something OTA has been involved in and will continue to do so going forward. We encourage the government of Ontario to continue its funding support for these types of programs and to work in lockstep with the industry to increase their adoption.

Truck Safety Programs

The role played by the Ministry of Transportation and the Ontario Provincial Police (as well as other police agencies) in monitoring truck safety in the province is critical. Support for their enforcement and monitoring programs is a priority for OTA and we want to be sure it remains so for the province. OTA is a strong believer that enforcement activities should focus on unsafe trucking fleets and that those who do the right thing and invest in safety should be rewarded. OTA also looks forward to seeing the Electronic Logging Device (ELD) mandate announced by the federal government in December 2017 implemented and enforced in Ontario as soon as possible.

Ontario has taken steps to address the use of technology to monitor truck safety with the introduction of the smart truck inspection station pilot. This is a game-changer in terms of the province's ability to monitor and focus on trucking companies who need enforcement attention, while being less invasive to those who are maintaining excellent levels of safety. OTA applauds this initiative and asks for continued support for the widespread use of this technology.

Transformation to Cleaner Fuels

Most carriers in the province remain reliant on diesel as their primary source of fuel. While there are other fuel options and alternative sources of power entering the market that could prove successful, further research and support is necessary to determine which ones are best suited for both short- and long-haul trucking operations. OTA would like to work with the government of Ontario, truck and engine manufacturers and the industry to develop a roadmap that will identify suitable technologies and fuels along with an investment plan that will lead to real movement on this issue. OTA encourages government to work with industry to help study what a low carbon future may look like in the sector.

Conclusion

As the representative of the trucking industry's viewpoints on policy, regulatory and legislative issues, OTA is pleased to have this opportunity to make this submission for consideration as part of the Ontario Budget process. OTA stands ready to provide any additional information that may be required or answer any questions the government has.



For additional information or questions contact:

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