



**CANADIAN TRUCKING ALLIANCE  
2019-2020 INFRASTRUCTURE PRIORITIES**



**Canadian Trucking Alliance**

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## CANADIAN TRUCKING ALLIANCE

The Canadian Trucking Alliance (CTA) is a federation of provincial trucking associations. With over 4,500 member carriers, the Alliance represents a broad cross-section of the industry – all carrier sizes, regions, commodity-based service and specialty. The bulk of CTA's membership consists of small and medium-sized businesses. However, CTA also represents some of the largest transportation enterprises in North America. CTA's operations are guided by its Board of Directors, made up principally of chief executive officers, presidents and senior executives of trucking companies from across the country.

*CTA is the national representative of the industry's viewpoints on policy, regulatory and legislative issues along with conducting public relations activities on behalf of the industry.*

## ABOUT THE INDUSTRY

***“Trucking is the dominant mode of freight transportation in Canada, moving approximately 90% of all consumer products & foodstuffs and almost two-thirds (by value) of Canada's trade with the United States. Nearly 1% of the Canadian population and over 1.5% of the labour force are truck drivers by profession.”***

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 industry generates over \$65 billion in revenues per year, with the for-hire sector accounting for over \$40 billion of that total. In terms of GDP, the transportation services sector represents 4.2% of total economic output. Of that, trucking accounts for a greater total share than air, rail and marine combined. The trucking industry is responsible for creating over 400,000 direct jobs in Canada – over 300,000 of which are truck drivers. The for-hire segment of the industry produces over \$24 billion in personal income on an annual basis, which in turn generates \$4.2 billion in personal income taxes and \$4.1 billion in indirect taxes for government.

## TRUCKING MOVES THE CANADIAN ECONOMY

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. The just-in-time inventory system, which remains a key to Canada's international competitiveness, is built around the truck. Other modes – like rail and marine – dominate in the movement of heavier, bulkier commodities that are generally less time sensitive.

***“Trucking is a derived demand industry. As the economy goes, so goes trucking. As such, trucking is an excellent leading indicator of economic activity.”***



## Building Infrastructure Grows our Economy

We generally think of demand for trucking services to be derived from the demand for goods and services from their customers' industries. For example, consumer demand for retail goods subsequently triggers the retail trade industry's demand for trucking services. While this is true, there are other economic feedback mechanisms also at work. Lower cost and more efficient trucking services is also a catalyst for growth in other industries, while higher cost and less efficient trucking services can stifle growth. Using retail trade as an example, lower trucking costs will help to lower the price of retail goods that consumers buy, thereby stimulating consumer demand for those goods. It is important to understand the trucking industry, and the companies that make up the trucking industry, are not the only stakeholders that have an interest in maintaining the sustainability of trucking and the long-haul trucking model in particular. The industry's customers (shippers) and their customers' customers (the general public), will also be directly affected, negatively or positively, by the trucking industry's ability to move business inputs and final goods to market. As the Conference Board of Canada has cautioned, "we generally take the benefits of freight transportation for granted, in part because the system typically works well – at least in terms of making a variety of products available to consumers in a timely fashion. However, disruptions in freight transportation systems can have a rapid impact, reminding consumers of the value of these services." As Canada's dominant freight transportation mode, trucking carries approximately 2/3 by value of Canada – US trade and contributes more to national GDP than air, rail, and marine combined. Without a doubt, a healthy trucking industry is one of the fundamental pillars for which a healthy economy is built.

## QUEBEC & ATLANTIC CANADA

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

***Regional Impact Project:*** *Twinning Highway 185 would help both New Brunswick and Nova Scotia be more competitive in moving goods and as well as contributing significantly to annual GDP. Gains ranging from \$1 billion to \$1.78 billion in GDP nationally; \$350 to \$600 million for both New Brunswick and Nova Scotia; and \$100 to \$160 million for Quebec and Ontario. Conversely, if Highway 185 is not twinned by 2028, then over the next decade, the loss to New Brunswick's economy alone from this single lane is a net present value (lump sum today) of nearly \$3 billion in lost GDP. The total cost of inaction can be measured in four key ways (1) cost increases of 20 - 30% [decreasing competitiveness]; (2) increased carbon emissions; (3) increasing safety issues; (4) direct impacts on drivers navigating the route.*

## ONTARIO

**Highway Expansion in the Greater Toronto Area and Along Hwy 401:** Stretching from key trade crossings in Windsor (including the Gordie Howe Bridge which is under construction) to Quebec, the 401 is one of the most important highways in the province and in the country. Portions of the 401 in the GTA are also among the busiest stretches of highway in North America, and perhaps the busiest overall for commercial vehicle activity in North America. The GTA is also home to Canada's largest and busiest airport by freight and passenger volume, several intermodal yards (including Canada's busiest yard), and is within a one-day drive to more than 135 million Canadian and American consumers. As a major origin or destination, the 401 and the GTA highway network are vital to Ontario's and Canada's economy. It is recommended that the federal government explore innovative strategies with the province and municipalities to reduce congestion, improved redundancy around Pearson Airport, improved access to GTA intermodal yards, and expand Hwy 401.

**Northern Ontario Infrastructure Expansion:** TransCanada Highway redundancy at key bridges and lane expansion along Highway 11 and 17 remains a top priority. As noted by the Northern Ontario Multi-Modal transportation Strategy, traffic forecasts have found that over the next 25 years commercial vehicle flows will drive the overall growth in traffic volumes on the highway network in Northern Ontario. This will be supported by growth in internal east-west trade along with mining and other resource-based activities are. For example, every day commercial vehicles carry \$100 million in goods over the Nipigon Bridge alone. However, as the Bridge's unexpected closure in 2016 demonstrated, lack of redundancy and capacity along key trade routes in Northern Ontario can have serious impacts on domestic trade.

**Regional Impact Project:** East of Winnipeg, the highway continues for over 200 kilometres (120 mi) to Kenora, Ontario. At the provincial border, the numeric designation of the highway changes from 1 (Manitoba) to 17 (Ontario). This stretch of highway connects Western Canada – through Manitoba and Ontario – with Eastern Canada. Any and all upgrades and improvements made along Highway 1 (MB) and Highways 11 & 17 (ON) will have a direct and positive impact on Canada's internal trade.

## MANITOBA

**Headingley Bypass:** Headingley is a municipality located directly on the TransCanada highway between Eastern and Western Canada. At present, there is no alternative to travel around Headingley, which make transiting through the municipality the only option. On this route, there are a number of at grade crossings (rail tracks and stop lights) as well as speed reductions all of which pose challenges for commercial vehicles. As a result, safety, efficiency and increased GHG emissions are all impacted.

**St Norbert Bypass:** Much like the Headingley bypass, St Norbert, MB is on Hwy 75 which connects the Emerson/Pembina border crossing (the 5th most active in Canada and the busiest west of Detroit/Windsor) with the TransCanada highway. Again, safety, efficiency and GHGs are all impacted due to the heavy flow of traffic (about 400k trucks annually via Emerson/Pembina) that is routed through the municipality.

**Chief Peguis Extension:** Connecting this to Route 90 would relieve such routes as; Portage Ave which has up to 67,000 average daily vehicle count; Notre Dame which has up to 50,000; Narin which has up to 44,900; Main street which has 58,700 where it intersects currently.

**Kenaston Boulevard Widening:** This roadway has an average daily traffic count between 40,000 and 58,000 vehicles, serviced by only four traffic lanes. In the case of the Kenaston Boulevard widening, most of the land needed for expansion is owned by the federal government.

**PTH 100 (South Perimeter):** This highway handles up to 25,000 vehicles on average per day. This could benefit from closing at grade crossings in favour of grade separated changes.

## SASKATCHEWAN

**Highway 16:** Passing lanes on Highway 16 from Clavet to the Manitoba border. Recent twinning work on Highway 16 was completed from the Alberta border to Saskatoon, and a small segment east of Saskatoon to Clavet, has improved traffic flow and safety on this interprovincial transportation route. However, while most of this route is divided in Alberta, Saskatchewan still has approximately 400 kilometres that remains only one lane in each direction, resulting in congestion and inefficient flow of traffic between conflicting commercial/trade traffic with residential/commuter traffic. This particular portion of Highway 16 saw traffic levels of 2,539 AADT, 23% of that being commercial traffic.

**Highway 1:** As a high truck volume road, drivers require rest areas and/or pull out to safely conduct safety inspections as per regulation and comply with Hours of Service regulations.

## ALBERTA

**North Eastern Corridor to Fort MacMurray:** Many infrastructural challenges exist in the northeastern area of Alberta; this includes the lack of efficient connections for roadway structures between Edmonton and Grassland and the route to Fort McMurray. It's understood that at one point in time there were long-term plans to create a four-way connection from either Highway 16 or Highway 28 up to Grasslands, however, it appears these plans have stalled. Nonetheless, this project remains key to Alberta's economic competitiveness and if completed would drastically improve highway safety. Areas which should be considered range from Syncrude North on Highway 63 over the Bridge to Nowhere as well as the areas from Grassland to Edmonton.

**Highway 40 Twinning and Wapiti Bridge Twinning in the Grande Prairie Area:** This project is critical to the safety of operators who transport softwood lumber and oil and gas products into the North South Trade Corridor and should be completed as soon as possible. The collision rate for this stretch was 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 road 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.

## BRITISH COLUMBIA

**Regional Impact Project:** *Trans-Canada (Highway #1) 6-laning of the from 216 St. in Langley to Hope, BC is of critical importance. In addition, to support the establishment of a high load corridor, physical height restrictions along this segment of Highway 1 need to have their vertical clearances increased to 9 m to ensure alignment with Alberta's high load corridor. Currently, this corridor serves as a major bottleneck in the region. It's physical barriers (primarily height based) are also prohibitive to large-scale moves leading to or from BC, including the ports. Examples or areas where physical barriers exist, include: Glover Roads Underpass, Trinity Rail Underpass, 232 St. Underpass, 248 St. Underpass, 264 St. Underpass, and Peardonville Underpass.*

**Six-laning Trans-Canada (Highway #1) from Hope to 264 St. in Langley:** Highway 1 serves as the primary east-west corridor serving and connecting the Lower Mainland to the rest of BC, and Canada. Adding lanes will improve safety, access, and reduce congestion on this key corridor. The commercial traffic carrying goods and cargo in this area is vital to the provincial economy and Canada's Asia Pacific Gateway Strategy.

**George Massey Tunnel Replacement Project:** Currently, the GMT is a significant bottleneck in Metro Vancouver and is operating at capacity with counter-flow measures in effect during peak travel times. The tunnel also has significant safety issues, as a 2016 report indicated it was prohibitively expensive to upgrade to today's seismic standards.

## OTHER INFRASTRUCTURE (ACROSS CANADA)

**Truck Parking:** As Canada and the U.S. move towards the implementation of mandatory electronic logging devices (ELDs) – which track driver’s hours of service and replace the paper logbook regime – the availability of adequate truck parking is more critical than ever. In turn, safe parking for commercial vehicles supports a healthier and more efficient national supply chain. The federal government needs to explore with the provinces potential solutions and develop a strategy on truck parking for Canada’s National Highway System.



**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. We realize funding required to upgrade these outdated systems is significant, but such an investment is dwarfed by the immediate and long-term damage the economy would suffer if these investments are not made. Ongoing staffing shortages appear to be getting worse, thickening the border and impeding the facilitation of cross-border commerce. As a result, the Canadian cross-border business community is forced to brace for unprecedented disruptions and weakening of the Canadian supply chain.

## CONCLUSION

While not exhaustive, the above represents a list of specific projects and general project areas for consideration. In each case, funding for road-based infrastructure would significantly improve the trucking industry’s ability to carry the nation’s domestic and international trade. As always, CTA along with the provincial associations stand ready to provide additional information should it be required.

**Contact:** CTA Public Affairs at [publicaffairs@cantruck.ca](mailto:publicaffairs@cantruck.ca) for more information.