



Your way ahead

BCTA Industry Update

Dave Earle
President and CEO

BC Trucking Association



Challenges & Opportunities



Driver shortage?



GHG Emissions



Economic Outlook

Like Tim's, Decades of a Driver Shortage?

- 2021, BC Trucking Commissioner quietly opened applications for up to 20 positions on the drayage Independent Operator list.
 - 220 applications received??
- Bottom line, terms and conditions of employment are uncompetitive and what's worse, are **perceived** to be uncompetitive.

So....why?

“Strong rate competition was commonplace throughout this period. Prior to the recession, lower rates were offered by existing firms to stave off competition from new entrants....In order to be competitive, carriers shed unproductive assets and targeted more lucrative niches in the transportation market.”

From *Trucking in a borderless market: A profile of the Canadian trucking industry, 1988 to 1994*

Like Tim's, Decades of a Driver Shortage?

“In reality, there is no shortage of people who want to get into truck driving, nor is there a shortage of people who have obtained commercial driving licenses.

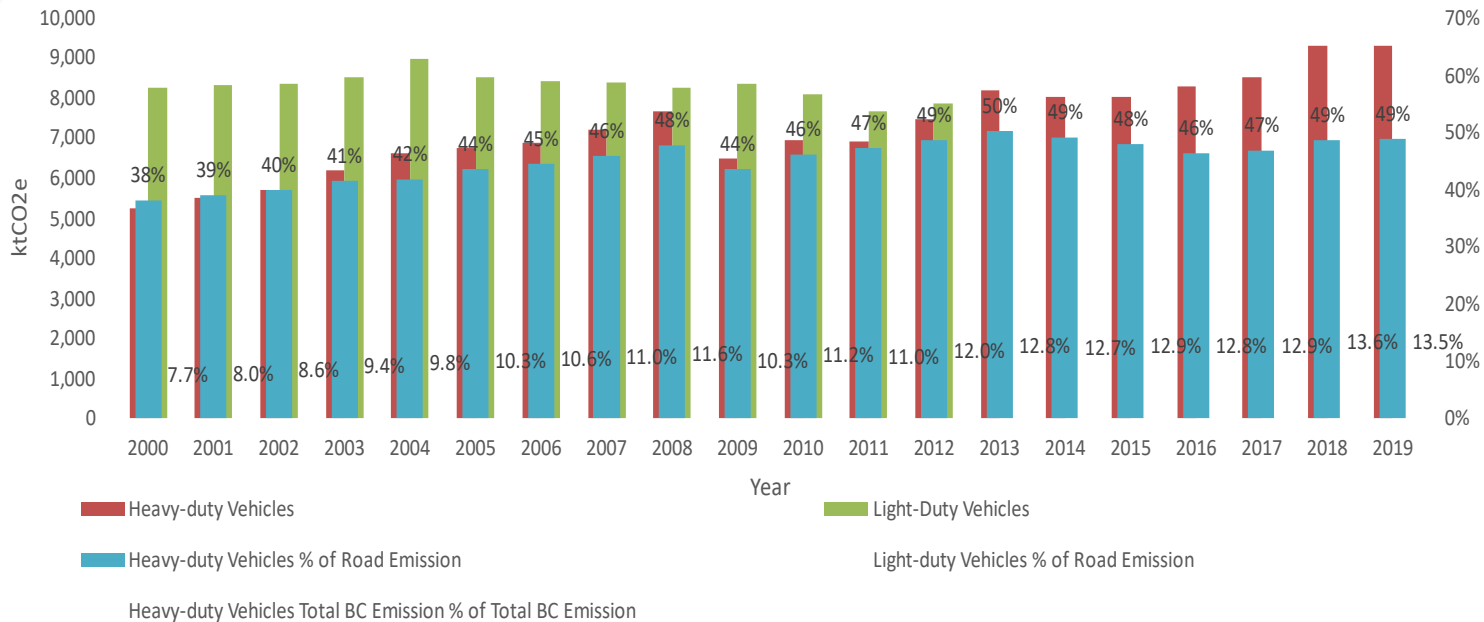
California alone, there are 640,445 people who hold active Class A and Class B commercial driver's licenses, according to the Department of Motor Vehicles. Meanwhile there are only 140,000 'truck transportation' jobs in the state.”

Time Magazine, 2021

BC: 103,000 Class 1 license holders in BC; 45,000 HD trucks with trailers, 40,000 jobs...?
35,000 hold a class 3.....

BC Commercial GHG Emissions

BC's Heavy-duty Road Vehicle Emissions



- 49% of emissions from MHD vehicles
- 13.5% of BC's total emissions
- ~60,000 HD (>11,794kg) vehicles registered in BC
- ~156,000 MD (>4,527kg, <11,794kg)
- BC's fleet grows by ~4,049 MHD vehicles per year
- Average HD is **MY 2010.3**
- Average MD is **MY is 2009.6**

Medium- and heavy-duty transportation emissions up by **29%** over the past decade (2010-2020)

Medium & Heavy-duty Battery Electric Vehicles

Only **city tractors/straight truck** with range of up to **400 km**

75.8% of HD trucks operate in BC are **long haul**

Charging time 5-16 hours (level 2) or 2.5-3 hours (level 3)

No public commercial charging infrastructure

Weight penalty of up to 5,794 kg (Class 8)

Expensive (up to 4x the cost of diesel tractor)

US weights (36,500 kg), not Canada weights (63,500 kg)

Hydrogen - What's Next

- Pilots
- Infrastructure expansion to support widespread adoption
- Collaborations between manufacturers, fuel cell suppliers & energy companies to develop comprehensive hydrogen ecosystems to encompass production, fueling infrastructure & maintenance
- Policy support & incentives

AZETEC
ALBERTA ZERO-EMISSIONS TRUCK ELECTRIFICATION COLLABORATION



EMISSIONS
REDUCTION
ALBERTA



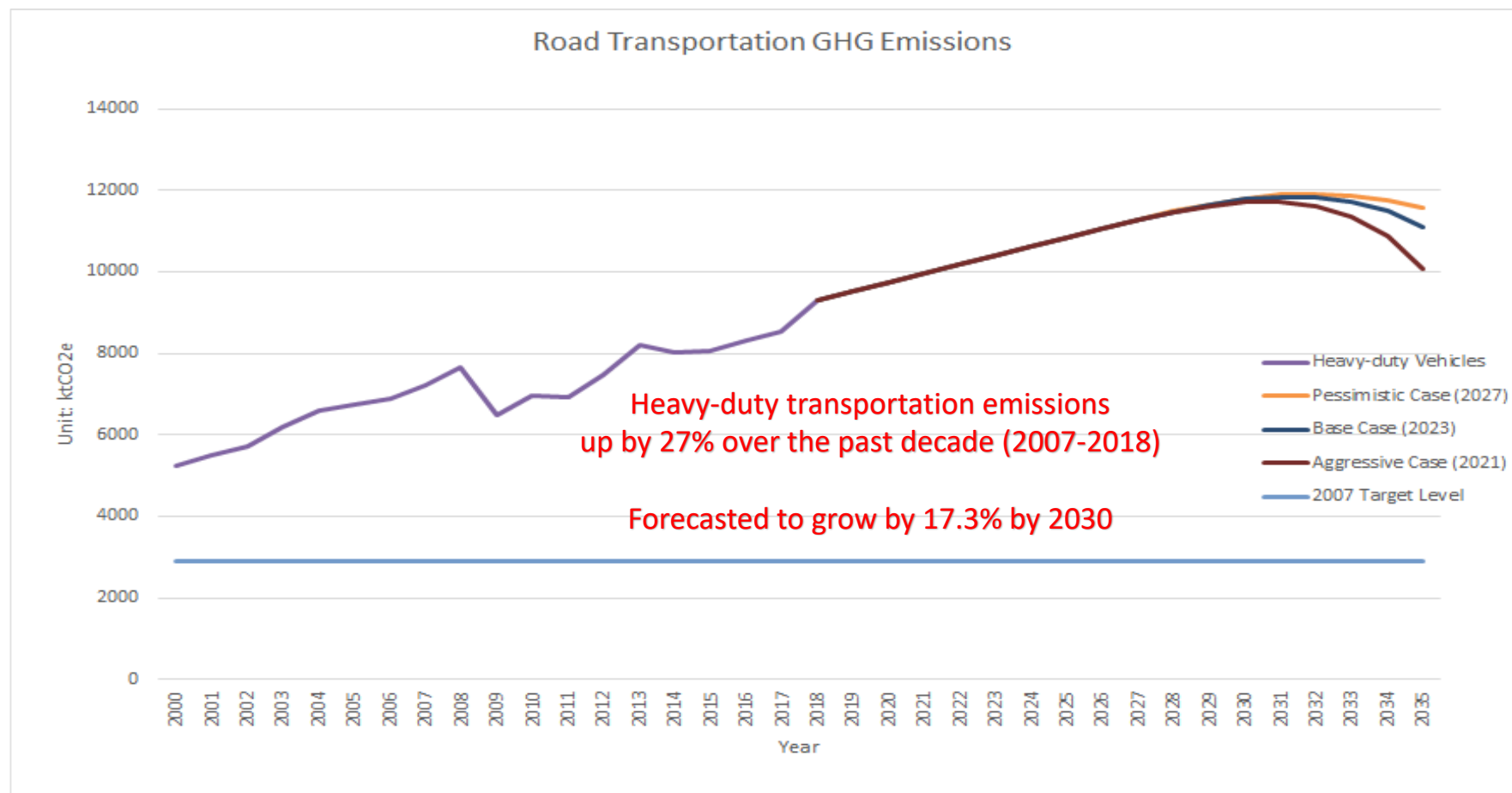
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The Cold, Hard Math

- ~216,000 medium- and heavy-duty (MHD) vehicles in BC
- BC's fleet grows by ~4,049 MHD vehicles per year
- Average model year (MY) of HD vehicle is 2008, MD vehicles is 2009
- ~2.9% average fleet turnover (not linear)
- 2008 saw the first light zero-emission vehicle (ZEV) sold in BC
- Now 10% of new car sales in 2020
- Fleet penetration after 15 years was still only 3%



Road Transportation GHG Emissions



Climate Change + New Tech

- Critical that transportation greenhouse gas (GHG) emissions either plateau or decline to achieve government targets
- Already seeing and will see more government intervention:
 - Vancouver Fraser Port Authority – rolling truck age failed
 - Zero emission MHD commercial vehicle mandate – 2024? Clean BC?
 - Increased regulations on smog emissions from HD vehicles



Economic Outlook

Port Development

- Drayage economically regulated
- 2023 down 16% total drayage moves; down 31% year over year past 4 weeks
- 600% more expensive to purchase land in Lower Mainland than Calgary
Losing distribution centers and activity (VBOT 4,500 jobs)
- RB2 generational project; not coming soon
- 2/3 container traffic on rail

Economic Outlook – Does Anyone Care?

BC Business Council:

- Weakest Job Growth in a Decade for BC in 2024
- Private Sector Employment Down in BC While all Other Provinces Record Strong Gains
- No Job Growth in BC Private Sector Since 2019
- All provinces, youth unemployment double general population (BC 8.5%)
- BC Running Largest Provincial Deficit
- Real BC GDP per capita -4.3% by 2025

Questions?