

# Road Transport Sector Profile

## Sector Facts and Figures

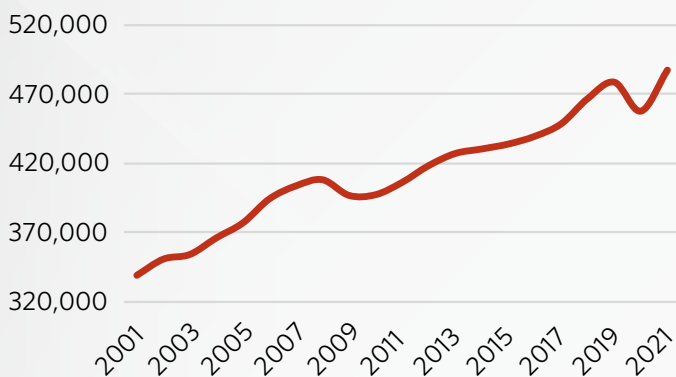
Total GDP <i>Share of Canadian GDP</i>	\$33.3 billion 1.69%
Total Employment (2021) <i>Change since 2011</i>	487,400 +20.0%
Real wage growth (2011-2019)	+6.4%
Labour Productivity (2019)	\$31.4/hr
Average Work Hours/Week (2019)	36.4
Greenhouse Gas Emissions (2019) <i>Change since 2009</i> <i>Share of Canadian industry total</i>	26,923kt +2.7% 4.28%
Union Coverage Rate	35%
Unifor Members in the Industry	23,000
Share of Total Unifor Membership	7%
Number of Unifor Bargaining Units	177
Average Bargaining Unit Size	128

## Current Conditions

From the movement of goods and services to people, the road transportation sector is a pivotal component of Canada's economic and social well-being. This was certainly the case throughout the COVID-19 pandemic, as we saw truck drivers, couriers, warehouse workers, transit and school bus drivers continue to work on the frontlines, ensuring essential workers got around safely and that people could continue accessing the basic life necessities.

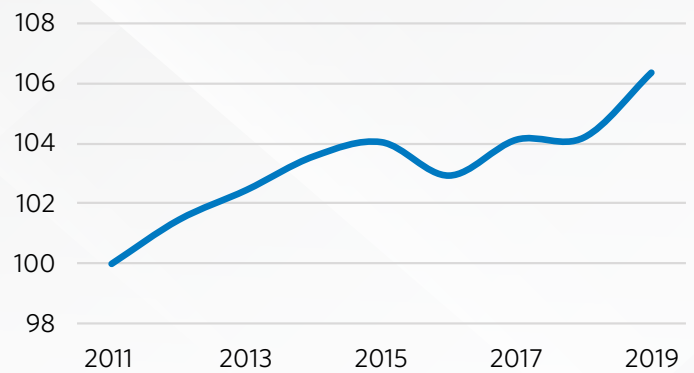
Road transport, including trucking, warehousing and storage, taxi, transit and couriers, contributed \$34.8 billion to Canada's GDP in 2020. Nearly 78% of all domestic trade and 61% of U.S.-Canada trade moved via road transport.

### Road transport employment, 2001 - 2021



The sector, overall, continues to see strong employment growth, having increased by 20% since 2011, reaching over 487,000 workers. Despite this growth, several industries are facing significant driver shortages, including school transportation and freight. The trucking industry anticipates driver shortages to reach 55,000 by the end of 2023. Challenging working conditions are exacerbating these shortages in several industries. The rapid increase in

### Road transport: Real wages (2011=100)



e-commerce (particularly during the pandemic) and higher consumer expectations for same or next-day delivery has intensified conditions for drivers and couriers. Meanwhile, long-haul truck drivers lack access to necessities while on the road due to the lack of proper infrastructure, such as access to washrooms, healthy food, and safe and secure parking and rest stops. In the taxi and limousine industry, the ongoing growth in use of ridesharing apps has seen employment in the industry drop nearly 10% between 2011 and 2019.

Union representation stands just above national levels, at 35%. Wage growth in the sector between 2011 and 2019 stood at 6.4%, just above the national average of 5.6% and, for the most part, has stayed on par with overall productivity.

The total number of vehicles on Canada's roadways has increased by over 16% since 2009, reaching 25.4 million in 2019. This poses concerns in terms of growing road congestion, which has negative economic and social impacts, especially as it relates to carbon emissions. Compared to air, marine and rail, road transportation emits the highest amount of greenhouse gases - over 26,900 kilotonnes in 2019.

## Unifor in the Road Transport Industry

Select Unifor Employers	Approx. # Members
Coast Mountain Bus	5,000
DHL Express	2,500
Brink's Canada	1,100
First Student	1,000
Blue Line Taxi	400

Unifor represents 23,000 members in the road transport sector, spread across 177 bargaining units – accounting for 7% of Unifor's entire membership. Unifor members can be found throughout Canada, but are primarily concentrated in the provinces of Ontario and British Columbia. They work in a variety of industries and roles, including

trucking and warehousing, couriers, owner-operators, transit operators, armoured car workers, taxi and airport limousine workers and school bus drivers.

The majority of members – approximately 28% – work in public transit services, with nearly 5,000 members working in B.C.'s Coast Mountain Bus alone. While many members work as drivers and operators, members are also found in the skilled trades, including mechanics, technicians and electricians, as well as guards, warehouse workers, customer service representatives, support persons with logistic responsibilities like clerical and import and export brokerage specialists and cleaners. Unifor represents just under 5% of all road transport workers.

## Moving Forward: Developing the Road Transport Industry

The road transport sector continues to face ongoing threats in regards to technological advances that endanger worker job security and job quality. This includes advances in developing autonomous vehicles, the intrusive use of technology used in surveilling and tracking truck drivers, continued expansion of ridesharing apps impacting the taxi industry, and the increased trend towards digital currency affecting the armoured car industry.

Tech companies, such as Uber, are using their influence to lobby governments to change labour laws in their favour, ensuring their

workers remain classified as independent contractors in order to avoid additional labour costs. Simultaneously, they are aggressively using their business and work models to expand into new areas, such as courier and freight delivery, which will continue to put downward pressure on wages and working conditions.

Public transit systems across Canada continue to face financial constraints due to a lack of stable, long-term government investments, resulting in reduction of service and route closures. In 2021, the federal government announced nearly \$15 billion in transit funding, which includes the establishment of a permanent \$3 billion a year transit fund starting in 2026. While positive, this is far from the \$75 billion transit advocates estimate that is required over the next several years for

infrastructure investments alone. In response, several municipalities are looking at replacing traditionally fixed routes by introducing on-demand, 'microtransit' type alternatives, which threaten transit operator jobs.

The issue of climate change and public demands for political leaders to take strong measures in reducing greenhouse gas emissions has resulted in the federal government setting a mandatory target for all new light-duty cars and passenger trucks to be zero-emission by 2035, while also providing funding to support zero-emission transit vehicles. Companies looking to curb on growing fuel costs are also beginning to explore or invest in electric freight trucks, however, the high costs and current lack of infrastructure to support these types of vehicles remains a challenge.

## Major Sector Development Issues

- Technological advances in areas such as autonomous vehicles, ride sharing apps, digital currency and the use of surveillance devices to monitor workers, continue to threaten both job security and job quality.
- Investments supporting the transition to zero-emission cars, trucks and transit, will be essential in curbing greenhouse gas emissions, while creating opportunities to support Canadian electric vehicle manufacturing.
- There is a lack of critical infrastructure to support truck drivers, including access to safe rest stops, washrooms and parking areas continues to be a concern for long-haul drivers.
- Strong public investments in transit infrastructure and operations are needed to ensure public transit remains affordable and accessible, while resisting the introduction of on-demand 'microtransit' schemes.