

Truck, Bus, Transit and Specialty Vehicles Sector Profile

Sector Facts and Figures

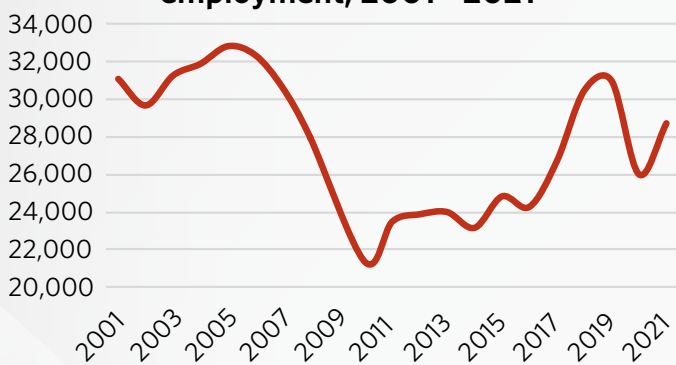
Total GDP <i>Share of Canadian GDP</i>	\$2.9 billion 0.15%
Exports	\$4.8 billion
Imports	\$8.9 billion
Foreign Trade Balance <i>5-year change</i>	-\$4.1 billion -6.6%
Total Employment (2021) <i>Change since 2011</i>	28,700 +22.3%
Real wage growth (2011-2019)	+7.9%
Labour Productivity (2019)	\$52.7/hr
Average Work Hours/Week (2019)	36.4
Greenhouse Gas Emissions (2019) <i>Change since 2009</i> <i>Share of Canadian industry total</i>	137kt -10.5% 0.02%
Union Coverage Rate	22%
Unifor Members in the Industry	4,900
Share of Total Unifor Membership	22%
Number of Unifor Bargaining Units	16
Average Bargaining Unit Size	310

Current Conditions

Transportation and public transit vehicles will continue to experience significant growth in the coming years. Throughout the COVID-19 pandemic, the use of courier and delivery services meant a surge in delivery and goods transport across the country. That growth created orders for new specialty vehicles and increased overhaul and maintenance of existing vehicles.

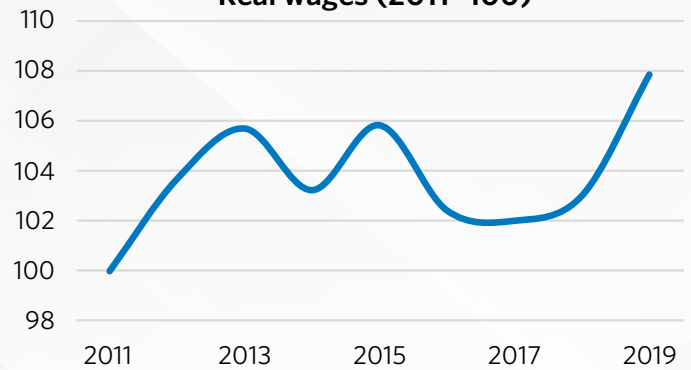
After a significant drop in employment in the industry between 2005 and 2010, an uneven yet significant resurgence ensued. Employment nearly doubled, rising to 31,000 workers by 2019. The COVID-19 pandemic brought a significant decrease in employment but the resurgence experienced in 2021 is fuelling industry expectations of a rapid recovery.

Truck, bus, transit and specialty vehicles employment, 2001 - 2021



Activity in the industry resulted in the creation of \$2.9 billion in GDP in 2021. At the same time, the foreign trade balance is large and negative, growing by 6.6% in the last 5 years. “Buy America and Buy American” rules for transit vehicles purchased using

Truck, bus, transit and specialty vehicles: Real wages (2011=100)



United States federal government funds have resulted in growing pressure on North American companies, particularly Canadian-owned businesses, to move manufacturing work south of the border.

Workers in the industry average a 36.4 hour work week. The average real wage was on the rise before the COVID-19 pandemic. Some members experienced layoffs and work reductions due to public health restrictions, reduction of orders or some activities moving to factories located in the United States due to Buy America/n rules. There is also a notable shortage of apprenticeship opportunities in the industry to keep pace with anticipated industrial growth and retirement of skilled workers.

The industry’s potential for significant growth across Canada is driven by government plans at all levels to expand and renew existing transportation and public transit fleets. However, it remains to be seen how consumer behaviour will adjust to relaxed post-pandemic rules for travelling. This change may affect demand for trucks and rolling stock that move goods across the country as well.

Unifor in the Truck, Bus, Transit and Specialty Vehicles Industry

Select Unifor Employers	Approx. # Members
Paccar Industries	1,400
Prevost	1,100
Nova Bus	950
New Flyer	900
Alstom	700

Unifor represents nearly 5,000 workers who build and maintain trucks, buses, transit and specialty vehicles across the country. The majority of our members in this sector build buses and rolling stock for public transit systems across Canada and around the world. In smaller

workplaces, Unifor members build large and medium-sized truck, trailers and defence vehicles.

Much, but not all, of the equipment produced in this sector is purchased by local and national governments in the global marketplace. Our membership includes highly skilled welders, assemblers, fabricators, logistics specialists, materials handlers and quality controllers.

Unifor members work in 16 bargaining units from Alberta to Quebec in small and large bargaining units ranging from 15 to 1,400 members.

Moving Forward: Developing the Truck, Bus, Transit and Specialty Vehicles Industry

Local, provincial and national governments the world over will be renewing and expanding transportation and public transit fleets. Workers in Canada have significant experience and expertise in the assembly, maintenance and overhaul of in-demand vehicles. In addition, using locally-sourced Canadian materials has the potential to significantly reduce CO2 emissions over the life of a vehicle.

Plans to expand transportation and public transit infrastructure promise to reinvigorate the industry. These plans are driven by demand for rail transportation between cities and provinces, high quality and expanded public transit systems and more transportation options between smaller communities, including publicly owned bussing options. To ensure public investments benefit Canada's truck, bus, transit and specialty vehicle industry, governments must adopt procurement policies that consider domestic economic benefits and enforce content policies.

The industry continues to experience a shortage of trained skilled trades professionals. Although this shortage is not a new problem, governments have only begun to pay more attention to labour shortages and the critical need for apprenticeship opportunities in the industry. More action is needed to encourage and incentivize employers to create apprenticeship positions and retain apprentices through high quality, stable employment.

Major Sector Development Issues

- Maximize Canadian content in public transit vehicle procurement including rolling stock and buses.
- Increase the number of apprentice positions at Unifor employers through bargaining and public policy.
- Capitalize on Canadian expertise in building zero-emissions buses and trains with content requirements that reduce emissions over the life of a vehicle.
- Support Unifor's call for a National Public Transit Strategy and Fund.