

Asia Pacific Gateway and Corridor Workforce Productivity and Innovation Roundtable Presentation

HUMAN RESOURCE REQUIREMENTS RELATING TO IMPENDING DRIVER SHORTAGES

Ralph Wettstein, President
Canadian Freightways

AGENDA

- Average Age of Drivers in Canada
- Average Age of Driver at Canadian Freightways
- Obstructive Sleep Apnea (OSA)
- New Pre-employment Screening Program
- Moving Forward – Skilled Trade
- The Transportation Training & Development Association (TT&DA)

Average Age of Drivers in Canada

- Drivers Age < 30 Yrs old = 9%
- Drivers Age < 45 Yrs old = 31%
- Drivers Age < 55 Yrs old = 35%
- Drivers Age > 54 Yrs old = 25%

– TURNOVER RATE = 22%

Average Age of Driver at Canadian Freightways

- Average age for in town drivers = 48 Yrs old
 - Turnover rate is 6%
- Average Age for long distance drivers = 52 Yrs old
 - Turnover rate is 5%

Drivers in Canada

- 2008 there were 174,300 drivers
- 2009 there were 151,000 drivers
- Turnover rate in Canada = 22%
- Number of new drivers entering the workforce each year is continuing to decline
- **Number of new drivers that will be required by 2016 will be 172,000**

Obstructive Sleep Apnea (OSA)

- What is it?
- OSA Symptoms
 - Primary
 - Secondary

OSA – Why does this matter to Trucking?

- **UNTREATED**
 - Driver is 7 times more likely to be involved in a Motor Vehicle Accident (MVA)
- **TREATED**
 - Fewer MVAs, lessens health risks, average monthly health care savings of \$600, increased productivity, quality of life, improved driver retention rate

OSA – Why Does This Matter to Business?

- Federal Motor Carrier Safety Administration (FMCSA) in the US (Canada will follow) are considering changes to Class 1 driver medical exam that will require OSA screening for all commercial drivers
 - Financial pressure on drivers & employers to seek and pay for treatment, Average cost per employee is \$2,500
 - Approximately 2 or more year wait to receive treatment through Provincial health care.
 - Potential for 6% of all truck drivers to not receive care or treatment and will not renew their class 1 drivers license

New Pre-employment Screening Program

- The Commercial Vehicle Safety Alliance (CVSA) recently introduced program that allows carriers to see detailed 3 year history of a driver's on road inspections, violations & accidents
- Information was not previously available

What does implementation of a Pre-Employment Screening Program mean?

- Allows employers to view prospective employees 3 year driving history
- Violations incurred by drivers will affect a company's Commercial Vehicle Operators Record (CVOR), deterring hiring of drivers with poor history
- Potentially eliminate 7% or more of commercial truck driving workforce

Moving Forward – Skilled Trade

- The Professional Truck Driver is not classified as a Skilled Trade by Government of Canada
- Only 30% of drivers coming out of driving schools have access to various funding programs, such as student loans, social assistance, skill development

Skilled Trade

- Without support, a higher level of Professional Driver's License training program costs between \$6,000 and \$12,000
- If occupation is deemed a trade in Provinces, then Federal Government will update the National Occupation Classification (NOC) information
 - Next NOC Truck Driver review expected in 2016

Skilled Trade

- NOC is used to assess an occupation for immigration purposes
- If occupation does not require post secondary education, it is classified as C or D occupation
- Currently Professional Driver falls under the C category

Skilled Trade

- 2/3 of under 40 year old Canadian Workforce in the future expected from immigration and “skilled trade” applicants will be given first preference
- To successfully have an occupation be designated as a trade, industry must apply to Provincial Dept of Education or Advanced Education and Technology

Skilled Trade

- Currently, industry in Province of Newfoundland/Labrador is applying to have Professional Driver a Provincial Trade
 - Industry Support & Political “will”

Transportation Training & Development Association (TT&DA)

- Working with various Government Departments, agencies & associations in conjunction with the Red Deer College to develop and promote adoption of Professional Driver Certificate Program (PDCP)
- Proposal to have publicly funded truck driver training program leading to Class 1 license, a “Certificate” from Red Deer Collage and a “Professional Driver” endorsement awarded by Alberta Transportation

Support for Professional Driver Certificate Program Proposal

- Proposal supported by Carrier Members of TT&DA as well as:
 - Alberta Transportation
 - Red Deer College
 - Alberta Motor Transport Association (AMTA)
 - Canadian Transportation Human Resources Council (CTHRC)
 - Truck Training Schools Association of Alberta (TTSSA)
 - Transportation Insurance Industry

Government Response to TT&DA

- Alberta Transportation
 - Willing to accept proposal
- Alberta Advanced Education & Technology
 - Requires support from other government departments & demonstrated strong support from carriers

Government Response to TT&DA

- Alberta Employment & Immigration
 - No direct support for programs but regional offices would consider funding individuals
- Alberta Aboriginal Relations
 - No direct support for programs but individual Aboriginal groups would fund individuals interested in program

Consequences in Not Taking Action Now

- Increase in Commercial Vehicle Accidents
 - Employers will lower hiring standards
 - Employers will take shortcuts in equipment maintenance
- Increase in Injury & Fatalities
 - More accidents resulting from equipment failure
 - More accidents resulting from hiring of less skilled drivers
- Increase in Shipping Costs to Business
 - Higher driver wages due to supply and demand
 - Higher insurance premiums due to increased accidents

Thank you.