

# A WESTAC Perspective:



## Framework for a National Transportation Policy

# RATIONALE

**C**larity of vision and solid policy are the framework for a competitive, efficient and successful transportation system. We offer this Framework developed through collaboration among the many competing interests at the WESTAC table.

Members gave extensive input, including a full day session at the Semi-Annual Meeting in Vancouver on November 14, 2007. Lisa Baratta of WESTAC initiated the project and was the lead author. Three outside reviewers – Dr. Trevor Heaven, Dr. Bill Waters, and Dr. Graham Parsons – also contributed with very thorough and helpful comments.

In producing the Framework, WESTAC seeks to give the input of industry and labour, from a largely western organization, to a subject normally falling exclusively to government. We welcome and solicit the suggestions of others in making improvements and in progressing the strategies.

## **About WESTAC**

The Western Transportation Advisory Council (WESTAC) is an influential, non-profit association of key transportation organizations, represented by senior business, labour and government decision-makers. The Council highlights *the contribution of transportation to Canada's economic and social well-being* and focuses on priorities to *ensure our competitiveness in world markets*.

# SUMMARY

Effective policy requires coordinated and collaborative action among governments and private parties. In creating a National Transportation Policy, these parties have a collective responsibility.

This document is proposed as a Framework for a National Transportation Policy. The document lays out a vision and objectives, and provides some strategies that all transportation stakeholders across governments and industry can pursue to achieve the objectives. To be credible and achievable, the framework requires input and buy-in from the broader transportation sector. As we move forward, tactics for achieving each strategy plus performance measurements and course correction, will be needed.

## System features

Canada's transportation industry is market-based: the quantities and prices of services are determined primarily by market forces rather than government intervention or planning. The national system is a vast array of inter-connected public and private sector institutions, organizations, and installations.

Historically, the public and private sectors played clearly divided roles: the public sector built, owned and operated transportation infrastructure, while the private sector used that infrastructure to conduct freight operations and citizens used it to meet their mobility needs.

Today, the private sector has a bigger role as it owns and operates significant infrastructure including railways, ports, airports, and in some cases, highways. This framework focuses on facilitating transportation through collaborative action between the public and the private sectors.

## Outcomes

To maximize the contribution of the transportation system to our economic well-being, a new emphasis on the system, rather than any particular mode will be required.

The system faces significant capacity constraints at key gateways, and the federal government does not have the tools or the jurisdiction to remedy all of the problems on its own. Coordinated and collaborative action by the public and private sectors is required.

And finally, the framework must be as dynamic as the transportation sector and the economy it serves. As a living document, it must evolve as the needs of Canadians change and as the market changes, and as strategies and tactics are tried and evaluated.

If we succeed in this, Canada will be a more attractive country in which to do business because we have demonstrated a commitment to excellence across all parts of the supply chain.

*The transportation system refers in this document to Canada's strategic network – the national trade system (gateways & urban hubs: major ports, airports, border crossings, roads & rail lines that support interprovincial & international trade) plus primary or feeder corridors (linking resources, manufacturing & tourism centres with the national system). It handles the vast majority of trade & passenger travel.*

*The four-tier National Highway System (NHS) is included. It encompasses core routes (interprovincial & international corridors), key links to intermodal facilities, feeder routes linking population & economic centres, & northern/remote routes that are the primary means of access.*

## Vision

Canada's strategic transportation network will enable sustainable economic growth by ensuring the environmentally responsible, efficient, safe and secure movement of people and goods.

### The strategic transportation network:

- Encompasses the national trade system, the primary and feeder corridors, and the primary access means for northern/remote areas in terms of infrastructure and operations
- Recognizes the importance of both sustainability and economic growth
- Focuses on people and goods in recognition that many parts of the transportation network are used simultaneously for the movement of people and goods. It is critical that a national transportation policy supports multiple uses.

## Principles

Two overarching principles will deliver the vision:

- I. Maximize the capability of the transportation network
- II. Earn public support through socially responsible behaviour

The first principle is largely internal; the second involves those beyond the industry. Yet, neither principle stands alone. There are synergies between them, and improvement in one may also produce benefits in others. Similarly, lack of attention in one area may negatively impact other areas.

### I. Maximize the capability of the transportation network

- Objective 1 Improve the operations and efficiency of the existing system
- Objective 2 Strategically expand the capacity of the system
- Objective 3 Ensure the availability of a skilled labour pool to meet the industry's needs
- Objective 4 Ensure statutory, regulatory, and institutional regimes support a strong system
- Objective 5 Proactively identify and address emerging transportation needs

### II. Earn public support through socially responsible behaviour

- Objective 1 Better mitigate the environmental impacts of transportation
- Objective 2 Minimize transportation's negative impacts on safety and health
- Objective 3 Optimize the transportation system's security
- Objective 4 Lessen the adverse impacts of the transportation system on communities
- Objective 5 Engage and educate the public about the need for a strong transportation system

# I. Maximize the capability of the transportation network

## Objective 1 Improve the operations and efficiency of the existing system

Canada has an extensive, well-developed multimodal transportation network, built through massive public and private investment. It is incumbent upon us to use the existing system optimally. This means better asset utilization, better cooperation among system participants along the supply chain and increased use of technology. Operational improvements can reduce the need to invest in added capacity.

- potential strategies:**
- maintain and preserve existing strategic infrastructure
  - improve management and operations of existing facilities
  - increase accountability between and among service providers
  - evaluate privatization opportunities and the range of pricing options

## Objective 2 Strategically expand the capacity of the system

The national transportation system is a tremendous asset, and like any asset, it requires investment to maintain its high level of performance – performance on which Canada’s economic growth and ultimately standard of living depends. The system must expand to accommodate population and trade growth, and to support changing priorities, such as environmental sustainability.

- potential strategies:**
- explore opportunities for public-private partnerships and/or privatization
  - utilize and promote new/expanded financing tools to encourage private sector investment in transportation infrastructure
  - improve primary access to remote and rural areas
  - enact land use policies to permit long-term physical expansion of transportation infrastructure in harmony with surrounding land development

## Objective 3 Ensure the availability of a skilled labour pool to meet the industry’s needs

Demographics are changing and all industries are facing a shortage of workers. The transportation industry must be proactive and aggressively recruit new workers to accommodate growth and replace retirees. Employers must demonstrate that they have a desirable work environment – existing work practices may need to change to attract new workers.

- potential strategies:**
- research potential employee sources to tailor messages to different demographic groups
  - target youth to pursue a career in transportation
  - increase employment from non-traditional sources (First Nations, women, retired persons)
  - create accessible, innovative skills development and apprenticeship training programs
  - leverage environmental achievements
  - involve management and labour in identifying opportunities to improve ability to attract workers

## Objective 4 Ensure statutory, regulatory and institutional regimes support a strong system

In recent years, many aspects of the transportation system have been deregulated, to the benefit of travelers, shippers, taxpayers and all Canadians. Regulations to ensure safety, security, and meet other public objectives remain. A balance is needed between the need for regulations and the ability of the industry to operate efficiently and to encourage investments.

- potential strategies:**
- identify/inventory potential statutory, regulatory, and institutional changes
  - harmonize rules to increase trade or improve transportation efficiency without eroding safety
  - improve fluidity of cross-border movement of people and goods
  - encourage regionally-grown gateway strategies
  - improve international competitiveness of Canadian transportation industry

## Objective 5 Proactively identify and address emerging transportation needs

Research is key. Transportation stakeholders, both public and private, must be forward-thinking by actively looking beyond today’s realities to analyze future patterns – in demographics, immigration, the economy, the environment, trade, and land use. Most importantly, organizations need to share the information and work jointly to gather information, as better decisions will be possible with more comprehensive data.

- potential strategies:**
- identify a neutral party to develop data and analytical capacity for making investment decisions
  - conduct transportation-related research and development domestically and internationally
  - utilize dialogue between and among governments, businesses, and labour unions
  - increase responsiveness of public sector institutions to ensure timely decision-making
  - pursue research on full-cost accounting

*Note: The objectives are comprehensive and if met will lead to the optimum transportation system. The potential strategies are given to further clarify each objective. The potential strategies require review for appropriateness and completeness.*

## II. Earn public support through socially responsible behaviour

### Objective 1 Better mitigate the environmental impacts of transportation

The transportation industry has many achievements to be proud of regarding its environmental footprint. The buses, trucks and locomotives of today emit far less greenhouse gases and other contaminants than equipment built only a few years ago. The industry recognizes that more can be done and it is committed to achieving excellence; it aims to go beyond compliance to become a leader in environmental responsibility.

#### potential strategies:

- reduce greenhouse gas emissions
- explore use of renewables and recyclables
- commit to share best practices
- reduce fuel consumption

### Objective 4 Lessen the adverse impacts of the transportation system on communities

Communities are impacted by transportation, by trucks, trains, buses, ships or planes – or by transportation facilities such as intermodal yards and port terminals. Governments and industry must pursue investments to mitigate community impacts and build support. Recognition of communities' unique situations (e.g. gateway communities, northern communities) requires tailored strategies.

#### potential strategies:

- promote best-in-class urban design to better integrate freight facilities into surrounding communities

### Objective 2 Minimize transportation's negative impacts on safety and health

Safety is of paramount concern to the transportation industry: the safety of its employees and the public. The ultimate goal is a system that best serves Canadians while having no adverse health impact on the surrounding communities, citizens and employees.

#### potential strategies:

- ensure high safety standards are met
- minimize public exposure to hazardous materials
- publicize safety achievements

### Objective 5 Engage and educate the public about the need for a strong transportation system

A more positive image of the transportation industry across Canada is needed. For too long, it has been ignored or taken for granted. Increasingly, people are recognizing the negative impacts or shortcomings of the system while not having clarity on the benefits. Public support is vital to the ongoing success of the industry. Spin-off benefits of a supportive public include: a better ability to attract employees and a willingness for public funds to be used for transport purposes.

#### potential strategies:

- make transportation personal, through an active communication strategy
- inform public about environmental and safety achievements
- address internal conflicts to present a unified public image and message

### Objective 3 Optimize the transportation system's security

The transportation industry has always recognized the importance of security, now heightened in the post 9/11 world. The public and private sectors have made significant investments to improve security of facilities.

#### potential strategies:

- ensure a committed and balanced approach to security and efficiency
- develop mechanisms to improve coordination among governments and industry

"The public" is an inclusive term that refers to elected officials at all levels of government, First Nations, the media, and the wider community that encompasses every resident.

Note: The **objectives** are comprehensive and if met will lead to the optimum transportation system. The **potential strategies** are given to further clarify each objective. The **potential strategies** require review for appropriateness and completeness.

# MEMBERS

## GOVERNMENTS

City of Prince Rupert  
Government of Alberta  
Government of Manitoba  
Government of Saskatchewan  
Government of the Northwest Territories  
Government of Yukon  
Human Resources and Social Development  
Canada (Labour Program)  
Metro Vancouver  
Transport Canada

## CARRIERS & LOGISTICS PROVIDERS

Armstrong Group  
BNSF Railway  
British Columbia Coast Pilots Ltd.  
Canada Steamship Lines Inc.  
Canadian Pacific Railway  
CN  
Consolidated Fastfrate Inc.  
CRSA Logistics Ltd.  
Pacific Pilotage Authority Canada  
Reimer Express Lines Ltd.  
Seaspan International Ltd.  
Southern Railway of British Columbia  
Sylvan Distribution Ltd.  
TransLink

## SHIPPERS

Canadian Tire Corporation, Limited  
Canadian Wheat Board  
Shell Canada Limited  
Sultran Ltd.  
Viterra

## PORTS & TERMINALS

DP World Vancouver  
Nanaimo Port Authority  
Neptune Bulk Terminals (Canada) Ltd.  
Port Metro Vancouver  
Prince Rupert Grain Ltd.  
Prince Rupert Port Authority  
Ridley Terminals Inc.  
The St. Lawrence Seaway Management  
Corporation  
Thunder Bay Port Authority  
Western Stevedoring Company Limited

## LABOUR

Canadian Merchant Service Guild  
CAW - Canada  
Grain Services Union  
International Longshore & Warehouse Union  
Canada  
Teamsters Canada  
Teamsters Canada Rail Conference  
United Steelworkers

## RECIPROCAL MEMBERSHIP

Chamber of Marine Commerce  
Chamber of Shipping of British Columbia  
Greater Vancouver Gateway Council  
Northwest Corridor Development Corporation  
The Van Horne Institute

## HONORARY DIRECTORS

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