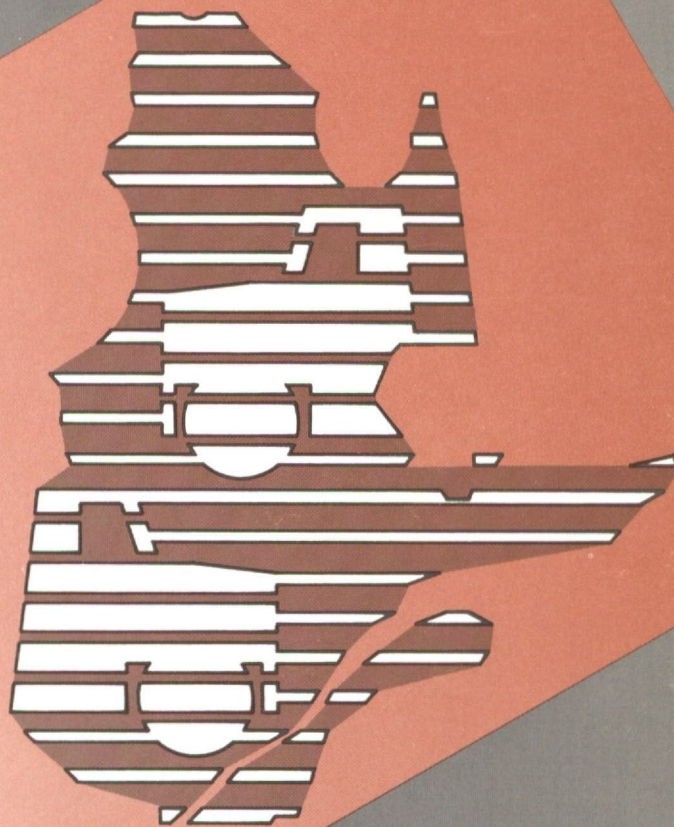


BULK TRUCKING

in Québec

1991



CANQ
TR
TPM
TRM.
104A
1990

Québec 

292838

**BULK TRUCKING
IN QUÉBEC
1990**

DOR-CEN-MON

Novembre 1991

CANQ
TR
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104A
1990

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1

SURVEY

The Québec bulk trucking industry has had approximately 10 000 trucks in service for many years. It has succeeded in adapting to seasonal markets and fluctuations in the two main sectors of activity involved: forestry and construction.

After its 1987 survey, the ministère des Transports consulted transport permit holders in September 1990 to find out what they felt about their working conditions with a view to helping the industry better channel its efforts and forecast market conditions.

A rate of response of 78% was obtained from the 1976 interviews. After appropriate weighting, the margin of error is very low and readers can count on results that are just as reliable as those from the 1987 survey.

Before examining the results of the 1990 survey, it should be noted that, since 1987, the number of bulk carriers has dropped (7480 in September 1990), and that the market has increased by 7% (\$464 million).

Region	Number of responses	Maximum margin of error (%)
01	143	7.2
02	130	7.6
03	346	4.6
04	161	6.7
05	162	6.8
06	420	4.2
07	159	6.8
08	170	6.5
09	50	12.3
10	235	5.6
ALL REGIONS	1 976	2.0*

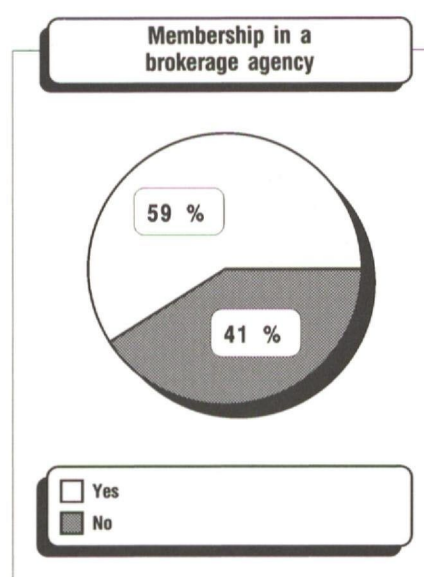
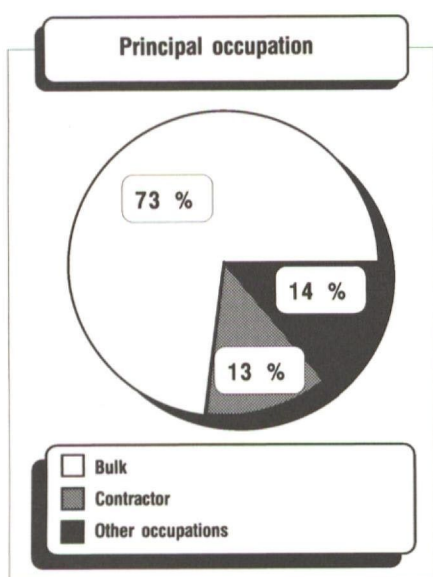
MAIN ADMINISTRATIVE RESULTS OF DATA GATHERED

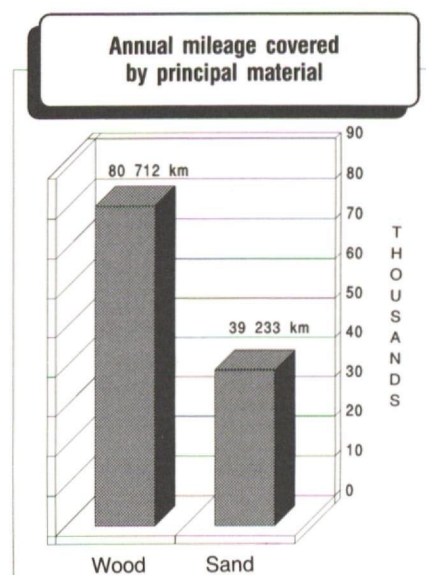
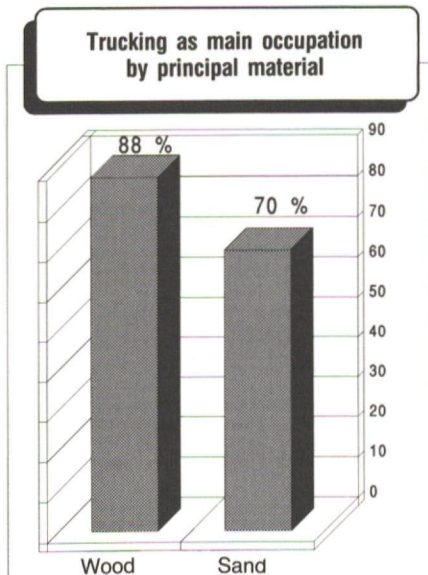
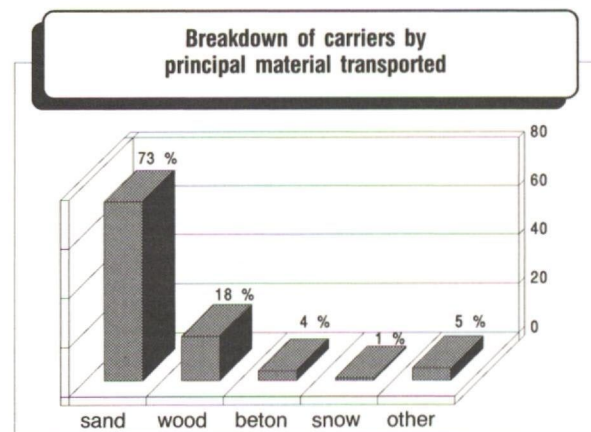
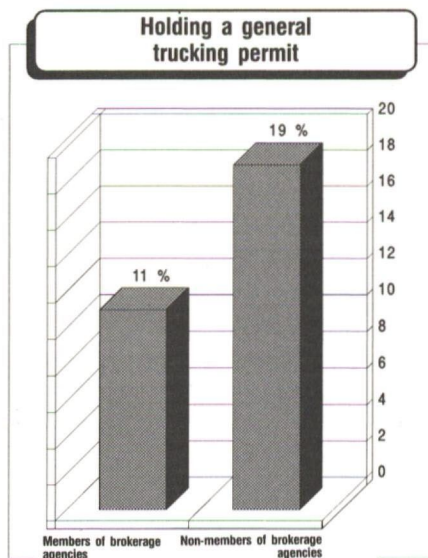
	Bas du fleuve 01	Sag-Lac- Saint-Jean 02	Québec 03	Trois-Rivières 04	Sherbrooke 05	Montréal Suburbs 06	Gatineau- Hull 07	Abitibi- Témiscamingue 08	Côte-Nord 09	Island of Montréal 10	TOTAL
TELEPHONE CALLS – RESULTS											
A) Initial sample (n)	190	153	508	205	209	668	232	260	71	358	2,854
B) Not reached after 5 calls	23	3	76	11	16	34	10	18	6	36	233
C) Nonexistent or cancelled numbers	5	5	9	8	6	112	41	26	2	47	261
D) Nonresidential numbers	0	0	0	0	0	0	0	0	0	0	0
E) Lines out of order	0	0	0	0	0	1	0	0	0	0	1
F) Ineligible	0	4	8	6	9	0	0	0	3	1	31
G) Numbers out of sampling range	0	0	0	0	0	0	0	0	0	0	0
H) Foreign language and incapacity	0	0	0	0	0	13	4	4	1	0	22
I) Absent	17	10	58	16	15	54	11	37	9	25	252
J) Incomplete interviews	0	0	0	0	0	0	0	0	0	0	0
K) Household member refused to answer	0	0	0	0	0	11	2	0	0	5	18
L) Person chosen refused to answer	2	1	11	3	1	23	5	5	0	9	60
M) Interviews completed	143	130	346	161	162	420	159	170	50	235	1,976
ESTIMATED RATE OF RESPONSE (TRE)											
N) Numbers not reached: B + E	23	3	76	11	16	35	10	18	6	36	234
O) Numbers reached: (A – (N + G))	167	150	432	194	193	633	222	242	65	322	2,620
P) Unusable numbers reached: C + D	5	5	9	8	6	112	41	26	2	47	261
Q) Usable numbers reached: O – P	162	145	423	186	187	521	181	216	63	275	2,359
R) Estimated total number of usable numbers not reached: (N Q/O)	22	3	74	11	16	29	8	16	6	31	211
S) Estimated total number of usable numbers: Q + R	184	148	497	197	203	550	189	232	69	306	2,570
No answer – estimated %: ((R + 1 + H) / S)	21.3	8.7	26.6	13.5	15.1	17.4	12.2	24.6	23.0	18.2	18.9
Refusals – % ((J+K + L)/S)	1.1	0.7	2.2	1.5	0.5	6.2	3.7	2.2	0.0	4.6	3.0
TRE – %: ((M + F)/S)	77.6	90.6	71.2	85.0	84.4	76.4	84.1	73.3	77.0	77.2	78.1

OVERALL PICTURE

2.1 Bulk carriers

- More than 5400 of the 7480 permit holders declared that trucking was their main occupation; 3600 derived over 90% of their total annual income from that activity.
- 4400 holders registered 4800 trucks (47% of total number) with brokerage agencies, an increase of about 300 vehicles over 1987.
- One bulk trucker out of seven held a general trucking permit (14%).
- Less than 45% of the members of brokerage agencies worked more than 80 days per year. Members worked an average of 95 days, and non-members, 156 days.





- The bulk trucking industry averaged 48 000 km annually. The total distance covered by non-members of brokerage agencies was one third higher than that by members. Wood carriers drove 30% more kilometres than dump truck owners per working day.
- Three quarters of the industry's business involved mainly the transport of sand, a situation similar to that of 1987. Wood carriers have dropped significantly in number over the past three years (– 17%).
- In general, wood truckers worked on a full-time basis (88% against 73% for the industry as a whole).
- Wood carriers made much greater use of their vehicles (81 000 km) than sand carriers (40 000 km).

2.2 Market

Total market: \$464 million

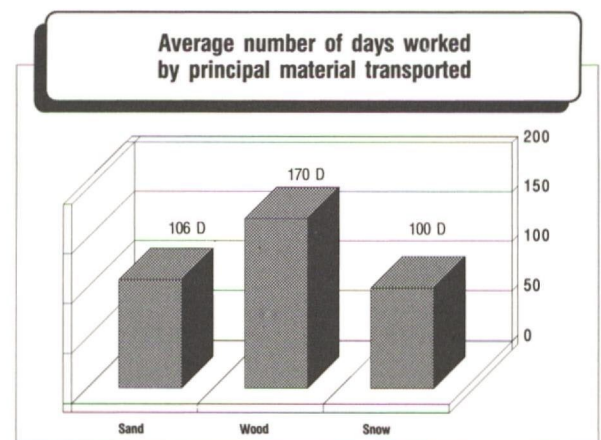
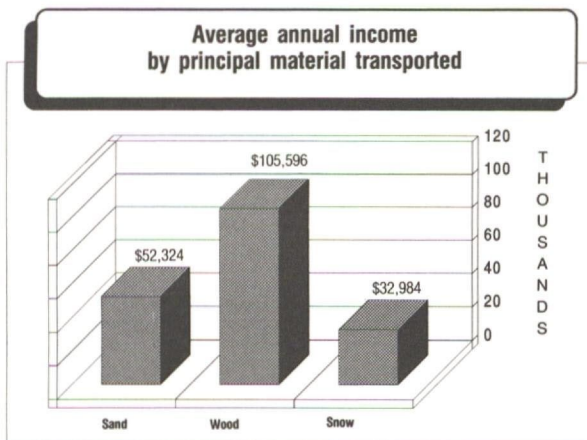
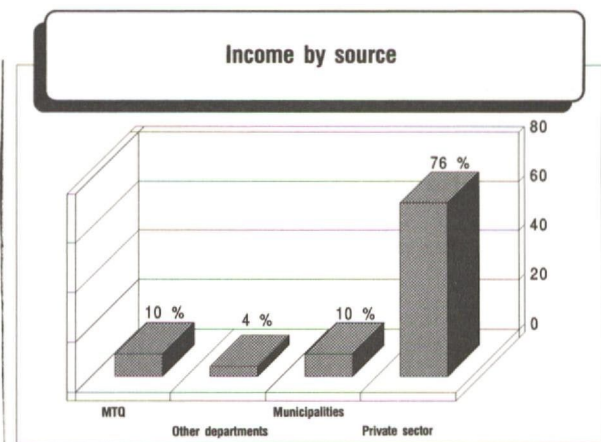
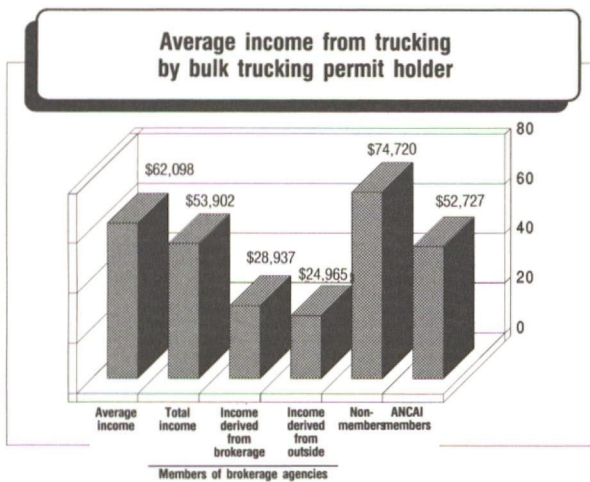
Wood: \$140 million

Sand and gravel : \$294 million

Other: \$30 million

Income derived from brokerage agencies: \$130 million.

- The truckers' income averaged \$62 000; the income of truckers who were not members of brokerage agencies was nearly 40% higher than that of members.
- Member truckers derived half of their income from brokerage agencies, with more than 75% of that income coming from private sources.
- Income per kilometre, about \$1.30, was similar for members and non-members, both for wood and sand carriers.
- Wood carriers earned twice as much as sand carriers.



- Since 1987, the average number of working days has remained stable in the forestry sector, has dropped by 7% in the sand sector and has increased by more than 20% in the snow removal sector.

- Wood carriers derived more than four-fifths of their income from trucking. Over the past three years, this virtually exclusive proportion has been maintained, while in other sectors (the sand market, for example) carriers have been providing a much greater variety of services.

Region	Ministère des Transports du Québec (\$M)	Other departments (\$M)	Municipalities (\$M)	Private sector (\$M)	Québec as a whole (\$M)
01	5.8	1.6	0.7	19.6	28.2
02	3.0	2.8	4.2	28.0	37.3
03	6.3	2.8	9.2	53.6	71.8
04	2.3	1.5	1.3	24.0	29.0
05	5.5	—	3.0	23.7	32.7
06	5.3	4.8	14.8	70.3	97.0
07	4.2	—	1.4	34.6	40.3
08	6.5	3.8	1.9	44.7	57.1
09	2.0	0.8	1.0	9.0	12.6
10	4.0	1.1	7.2	44.2	57.6
All regions of Québec	46	19	46	353	464

2.3 Equipment used

Fleet of vehicles:

10 141 bulk trucking vehicles:

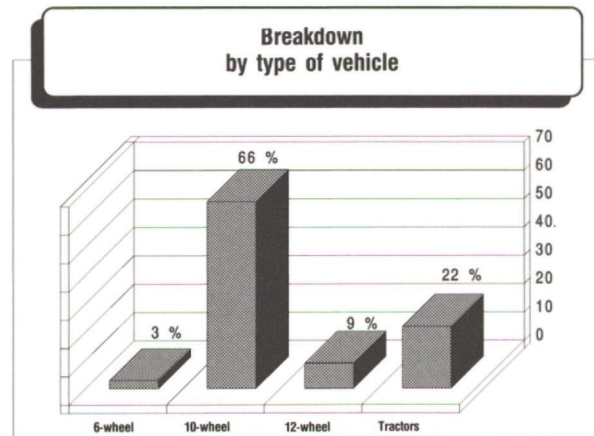
285 – 6-wheel

6 656 – 10-wheel

918 – 12-wheel

2 281 – tractors

- There seems to have been an evolution in the type of trucks used: 6-wheel and 10-wheel models have been less popular, while 12-wheel trucks and tractors have been constantly gaining ground.
- The greater the number of trucks owned, the more likely it was to be supplemented by a bulldozer or an excavator. About 34% of bulk trucking permit holders had this equipment.
- Tractors and 12-wheel trucks were in much greater demand: respectively 49% and 31% were in operation more than 160 days/year.

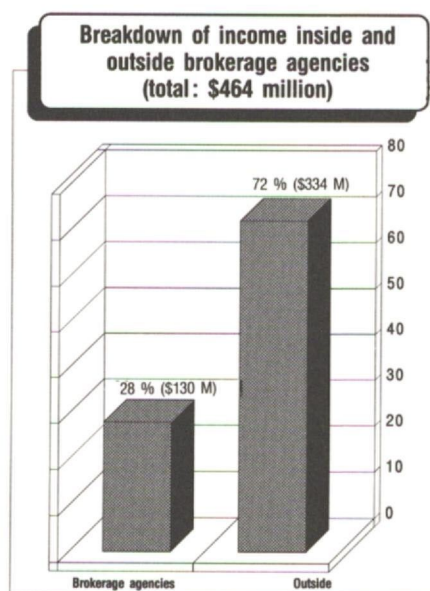
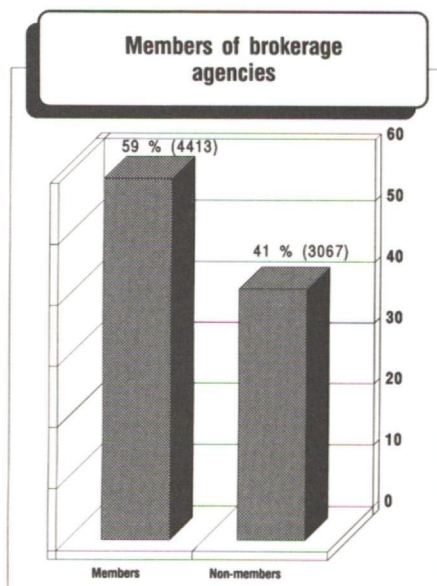


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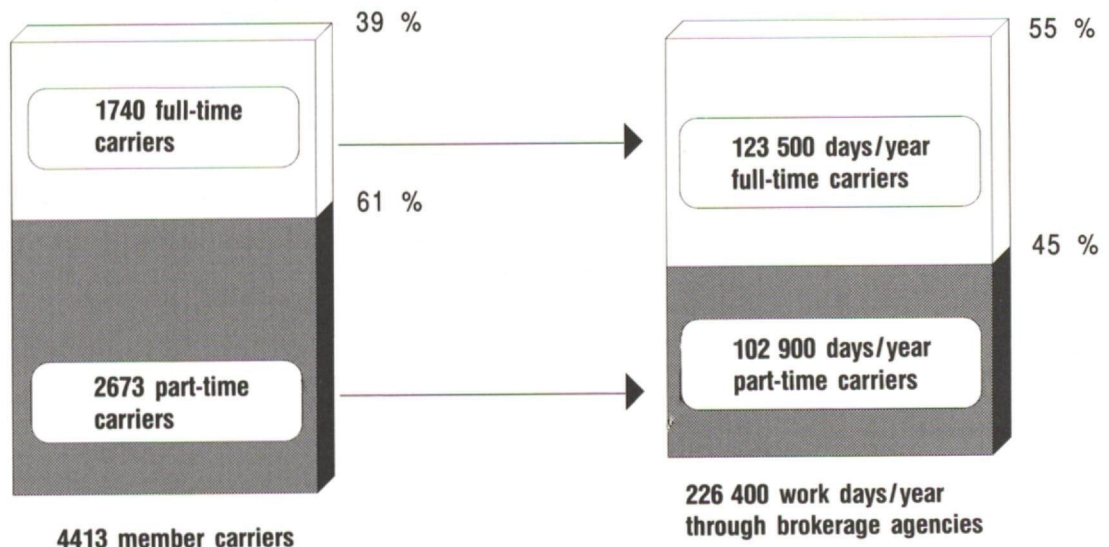
SECTORAL PROFILE

3.1 Brokerage agencies

- Approximately 4400 bulk trucking permit holders were members of brokerage agencies, a ratio of six out of ten that had remained stable.
- Income earned through brokerage agencies represented 28% of that for the Québec bulk trucking business as a whole.

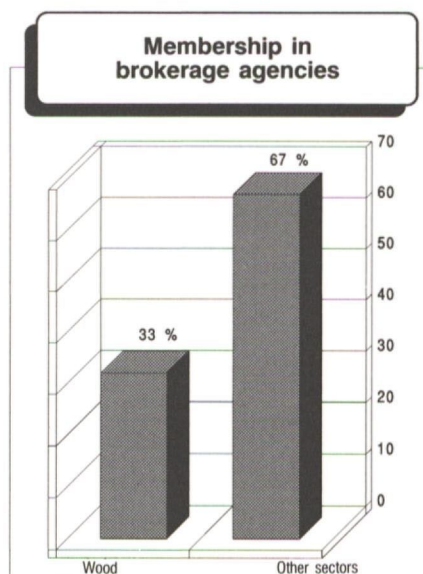
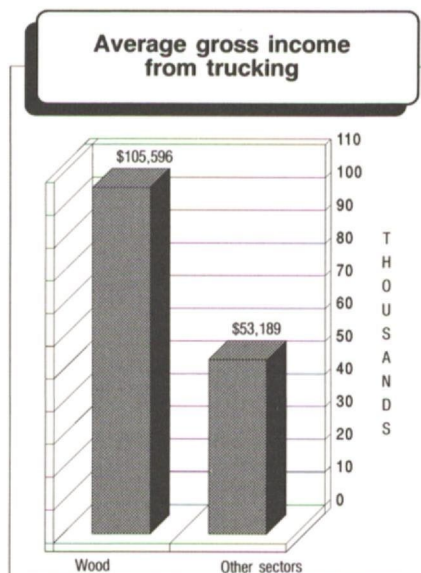
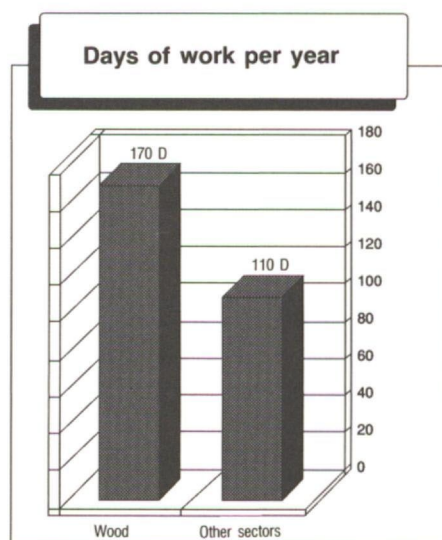


- Truckers registered with brokerage agencies were not as busy as those who were not registered: 64% fewer days of operation, but only 39% less income.
- In 1987, brokerage agencies provided less work for their members.
- Fewer than 4 out of 10 member truckers worked exclusively for brokerage agencies, where they met 55% of the demand (123 000 working days).



3.2 Wood transport *

- In 1990, roughly 29% of the total income for the bulk trucking industry was derived from the wood sector: 18% (1300 employees) of human resources and 21% (2200 trucks) of all bulk trucking permits issued in Québec. It should be noted that, in 1987, the forest generated up to 36% of bulk transport receipts.
- The average income derived from transport, as estimated by forest truckers, was very high, i.e. twice that of the other sectors, a trend that had been on the rise since 1987.
- Truckers in the forest sector operated more days than the industrial average: 170 days per year, that is, 50% more days, as against 35% more in 1987.
- Wood carriers had been operating through brokerage agencies much less frequently than bulk truckers as a whole. Barely a third of them were members of an agency in 1990.



* Transport of wood includes wood chips and crosswise or lengthwise sawn timber.

3.3 Dump trucking **

- A great majority in the industry were dump truckers (82% of permit holders). They owned approximately 8000 vehicles, and generated 70% of the receipts for the industry as a whole.
- Most dump truckers (68%) were members of brokerage agencies.
- The average income derived from this type of transport was relatively low: \$52 760 on the average in Québec.
- Since 1987, the public sector had added \$10 million annually to the total income of these carriers; the private sector did better with an increased demand of \$40 million.

** Dump trucking includes the transport of the bulk materials defined in the Regulation, except wood.

4

THE REGULATION AS VIEWED BY CARRIERS

4.1 Setting rates and tariffs

QUÉBEC AVERAGE	
Favourable: 85 % Unfavourable: 8 % Opposed: 7 %	
Members of brokerage agencies	92 %
Non-members of brokerage agencies	73 %
Principal occupation	88 %
Secondary occupation	78 %
+ 90 % trucking income	88 %
- 10 % trucking income	75 %
Sand (principal material)	86 %
Wood (principal material)	78 %

4.2 Freeze on the number of permits

QUÉBEC AVERAGE	
Favourable: 86 % Unfavourable: 8 % Opposed: 6 %	
Members of brokerage agencies	93 %
Non-members of brokerage agencies	77 %
Principal occupation	89 %
Secondary occupation	79 %
+ 90 % trucking income	90 %
- 10 % trucking income	74 %
Sand (principal material)	88 %
Wood (principal material)	83 %

4.3 Limit on the number of permits by region

QUÉBEC AVERAGE	
Favourable: 70 % Unfavourable: 23 % Opposed: 7 %	
Members of brokerage agencies	78 %
Non-members of brokerage agencies	58 %
Principal occupation	74 %
Secondary occupation	61 %
+ 90 % trucking income	76 %
– 10 % trucking income	60 %
Sand (principal material)	72 %
Wood (principal material)	66 %

4.4 Limit on the type of material transported

QUÉBEC AVERAGE	
Favourable: 72 % Unfavourable: 21 % Opposed: 7 %	
Members of brokerage agencies	79 %
Non-members of brokerage agencies	62 %
Principal occupation	74 %
Secondary occupation	65 %
+ 90 % trucking income	77 %
– 10 % trucking income	59 %
Sand (principal material)	72 %
Wood (principal material)	69 %

4.5 Exclusivity granted to brokerage agencies

QUÉBEC AVERAGE	
Favourable: 61 % Unfavourable: 23 % Opposed: 16 %	
Members of brokerage agencies	83 %
Non-members of brokerage agencies	30 %
Principal occupation	65 %
Secondary occupation	51 %
+ 90 % trucking income	65 %
– 10 % trucking income	46 %
Sand (principal material)	66 %
Wood (principal material)	45 %



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