

Eastern Border Transportation Coalition

Connectivity beyond the border

Saratoga Springs, New York State

September 13th 2011

Québec update: trucking survey

New reality at the border

- Better understanding of border-related transportation issues
- Traffic volumes decreased between 2000 and 2010*:
 - Total vehicles: - 25%
 - Trucks: - 32.6%
- 2007-2010: -15.2%
- Significant compliance to security requirements at the border
- Important proportion of carriers accredited to trusted travelers programs
- Overall, post 911 context seems assimilated by the industry

* Statistique Canada, Northbound traffic

Survey objective and methodology

Objectives:

- Identify new ways to support the industry, contribute to stimulate trade and maintain security
- Acknowledge 2011 carrier's preoccupations



Methodology:

- Consultant firm: Jolicoeur et Associés
- Sample: Québec carriers registered to U.S. DOT from all sizes and regions
- 752 phone interviews (March 2011) : 469 still doing business into the U.S.
- Margin of error: 2.94% / Answer rate: 75.05%

Results: Carrier profile and export activities

Carrier profile:

- For-hire carriers cross the border in a higher proportion
- 41% of carriers crossing the border are owner-operators (1 truck)
- Québec carriers doing business in the U.S. operate, in average, 15 trucks and hire 17 drivers

Export activities

- 60% carriers surveyed mentioned their US activities decreased a lot (34%) or slightly (26%) over the last three years
- Recession (58%) and higher value of Canadian dollar (21%) are main reasons mentioned to explain the decrease



Results: C-TPAT, PIP and FAST

2008: Previous survey* indicated:

C-TPAT (Custom-Trade Partnership Against Terrorism):

- 38% of Québec carriers registered to U.S. DOT were C-TPAT approved
- 55.2% see no benefit in being accredited
- 46.3% had no intentions of asking accreditations



2011 C-TPAT carriers approval	% (n=466)
Carriers approved	47%
Carriers non-approved	53%

FAST (Free and Secure Trade)

- 46% of drivers crossing the border were FAST approved



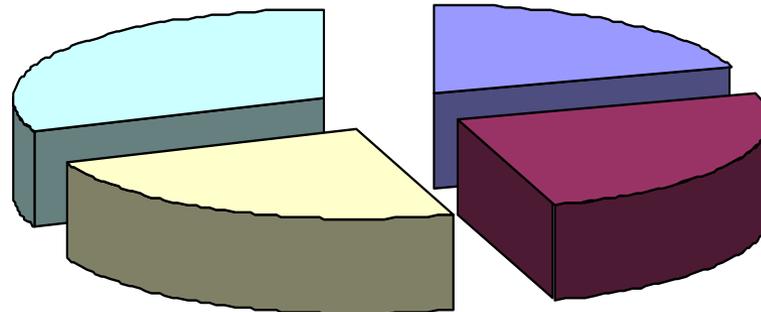
2011:

- C-TPAT:
 - Highest accreditation rate among carriers operating 20 trucks or more and hiring 16 drivers or more
- PIP (Partners in protection):
 - 72% of carriers crossing the border are not PIP members
- FAST:
 - 40% of carriers have between 76% and 100% of their drivers FAST approved
 - 50% of carriers owning one truck (owner-operators) are FAST approved

*2008 C-TPAT/FAST survey conducted by Jolicoeur et Associés for the Ministère du Développement économique, de l'Innovation et des Exportations du Québec

Border delay perception*

Border delay perception at Québec port of entries (southbound and northbound)



- Less than 15 minutes
- 15 - 29 minutes
- 30 - 44 minutes
- more than 45 minutes

Average delays to cross the border is approximately 35 minutes **

*Wait times were not provided by drivers but dispatchers, conformity agents, etc.

**Delays includes: queues export controls, custom clearance, inspections, etc.

Issues contributing to border delays

Issues contributing to border delays	% (n=433)
Lack of booths and customs officers	43
Lack of coordination with customs brokers	34
Abundance and excess of paperwork	24
One hour mandatory pre-arrival of documents	22
Lack of road infrastructure to access booths and custom plazas	18
Customs officers attitude (overzealous, lack of efficiency, etc)	4
Inspections: duration and frequency	4
Others	5
No issue	17

Most challenging issues for transportation businesses

Challenge	Yes (%)	no (%)
Amount of paperwork	30	70
One hour pre-arrival of paperwork	23	77
Queues / delays	38	62
Difficulty to access proper and good information	23	77
Lack of harmonization between Can. and U.S. border agencies	38	62

- 25% of carriers consider that most binding challenges are not among those suggested in the survey. Among those:
 - Length and frequency of inspections (20%)
 - Customs officers efficiency and zeal (21%)
 - Custom broker involvement (15%)

Access to relevant information to comply with border requirements

- Access to relevant information to comply with border requirements is easy for 81% of carriers consulted.
- Among those who mentioned that information was hard to get, 23% wish to consult a web site, 21% would prefer receiving the information by emails and 20% by regular mail or FAX.
- Border wait times provided online by custom agencies are known by 50% of carriers and 53% of them consult the sites occasionally or frequently.

Solutions proposed by carriers to facilitate border crossing and to reduce border delays

Main solutions proposed	% (n=262)
More custom officers and uniform training	27
Reduce the amount of paperwork and stakeholders	12
Standardize procedures	8
Better contribution and service from Custom brokers	7
More booths and infrastructure	6
Eliminate the border	4
Optimise security programs	5
Other responses	25
No issues	7

Conclusions

- Main issues: lack of booths and custom officers (43%) and lack of coordination with custom brokers (34%)
- 17% of carriers observe no issues at the border
- Up to 50% of carriers experience more problems at U.S. Customs, when entering the U.S.
- Average wait times: 35 minutes
- 50% consider border wait times similar in Ontario and Québec

Conclusions (continued)

- Among border issues, the most challenging are: Queues (38%), lack of harmonization (38%) and the excess of paperwork required(30%)
- 8 carriers out of 10 have easy access to relevant information and email remains the best communication mechanism

Solutions suggested:

- Increase the number of custom officers
- Standardize processes and training
- Reduce the amount of paperwork and stakeholders involved

Thank you!

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