

Owner-Operator's Business Association of Canada Association professionnelle des routiers autonomes du Canada

from the director's chair

Say 'No' to cheap freight

So shut the friggin' country down. Now what? If you think that's going to lower the price of fuel, give your head a shake.

Google truck + high fuel + protest, and you'll get 660,000 hits. You can read about last month's convoy shutting down the Port of Vancouver, and dump truckers grinding the construction industry to a halt.

And along with the stories of B.C.'s trucking woes, you'll find thousands of others about angry truckers protesting runaway diesel prices all over the world.

Desperate truckers block roads, shut down plants, and threaten to cripple the economy with every "fuel crisis" that comes along. We're making the same headlines today that we were back in the late 1990s. When will it sink in that these protests aren't working?

"It's the only way to get the message through," is one classic argument for supporting this kind of action. Maybe it's time to ask what the message is, and who you're trying to get it through to. If the message is "We've got the power," then forget it; they already know that. You just shut the country down, right? And sending a message to governments that tax cuts will solve your problems is the wrong message, to the wrong people.

There's only one solution to the high cost of fuel, or the high cost of anything else that's needed to run your business: rates that cover the costs. Rather than beseeching governments to cut fuel prices, how about going after your customers to pay what it costs to move their freight?

Take a good look at what's happening in the industry – these are watershed times. With increased demand for trucking services and driver shortages squeezing capacity, there's never been a better opportunity to improve the rate structure.

Owner/operators have a huge amount of clout in this market – how many times have you said that to the CBC reporters? But most of you aren't taking advantage of it in a way that will make any difference.

First of all, get over the idea that you have to settle for less because there are a dozen drivers lined up to take the job. Buying into that myth and continuing to work for less than it costs to run the truck just keeps the "bad" carriers in business; as long as they have a workforce willing to haul for less, why would they pay more?

And you're darn tootin' we need to show some solidarity and "stick together."

It's easy to believe that's what's happening when you get a few hundred truckers mobbing around the parking lot or the union hall, raising their voices and their fists.

But you know what?

At the end of the day, the abysmal conditions that are driving truckers to the edge of bankruptcy are business issues between you and your customer: and that's whoever writes the cheque to you every month. Each owner/op needs to do a hard analysis of his or her own business and figure out what they need to cover operating costs, pay themselves a decent wage, and realize a profit for their efforts. Profit, after all, is why you're running a business in the first place.

Need some help with this? Take advantage of the business tools OBAC has to offer – for example, workshops that can show you how to build profitable and sustainable rates based on operating costs, rather than Joanne Ritchie OBAC Executive Director



struggling to keep costs in line with rates. It's this kind of business savvy you'll need to show when going after your customers for rate increases.

There's plenty of evidence that shippers are paying higher rates and fuel surcharges to have their freight moved.

If you're not seeing the benefits, then your carriers are either not collecting appropriate surcharges or are not passing them through. So, yes, get more aggressive in going after your fair share of the increases, but be prepared to do a better job of showing your customers why your rates need to go up. The more enlightened carriers know that a stable workforce improves their position with customers who are willing to pay for reliable service.

Those carriers see the value of building sustainable partnerships with their lease operators, and they're paying higher rates, paying fuel surcharges or capping prices on yard fuel, and paying the "extras" like hourly rates for delays and waiting time. So get on side with this kind of carrier, and don't waste your time with those who won't ante up.

And don't underestimate the impact of 40,000 individuals, all doing the right thing at the same time, especially with a national organization behind you for back up and support, and to lend strength and credibility to your efforts. That's what OBAC's all about. It's providing the collective voice Canadian truckers have needed for a long time. What are you waiting for?