

WHAT HAPPENS TO THE DEPARTMENT'S SHARE?

The company makes payment directly to the Transportation Partnerships Fund. Funds are used for:

- highway improvement projects in the region the funds were generated in
- research and development projects
- truck safety initiatives
- costs of administering the program

WHAT ELSE DO I NEED TO KNOW?

- The company is responsible for all vehicle registrations, insurance and permit fees.
- The company must pass a Pre-Entry Safety Audit to ensure safe driving habits and maintenance practices.
- The company is responsible for obtaining approval from Rural Municipalities on affected haul routes.
- The company must ensure that all vehicle operating requirements are met.

Transportation Partnership Program record to date:

- Trucks operating under the Transportation Partnership Program are about 5 times safer compared with all commercial vehicles operating in Canada.
- The program has generated in excess of \$68 million annually of additional economic development.
- The program has generated approximately \$2 to \$2.5 million annually of new revenue for highway projects.



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THE SASKATCHEWAN TRANSPORTATION PARTNERSHIP PROGRAM

Gravel Haul Initiative



The Transportation Partnership Program allows partners to increase the efficiency and safety of their freight transportation.

WHY WAS THE PROGRAM CREATED?

The program was created to provide a system that is safe, reliable, efficient, environmentally sound, and financed by public and private sector funds.

The cornerstone of the program is to forge partnerships with private sector companies to reduce truck transportation costs.

Savings generated from these partnerships enable companies to be more competitive and provide new revenue for highway projects.

WHAT ARE THE OBJECTIVES?

1. Enhance trucking safety
2. Support economic development
3. Improve trucking efficiency
4. Route Management
5. Ensure that taxpayers do not subsidize costs associated with the impact that these trucks have on the roads

HOW DOES THE PROGRAM WORK?

The department and a private sector company examine the company's trucking systems and identify opportunities to reduce transportation costs. They also give consideration to enhancing safety.

Once the company selects a preferred trucking system, the department and the company negotiate a comprehensive transportation partnership agreement. Agreements include requirements in the following areas:

- vehicle configurations
- weights and dimensions
- defined haul routes
- reduced speed and a speed recording device on public highways when hauling over primary weight
- vehicle operating and maintenance procedures
- equipment specifications
- driver qualifications

HOW ARE SAVINGS DETERMINED?

To determine savings, we take the difference between transportation costs when using legal weight vehicles and compare them with transportation costs when using over weight vehicles.

All additional road impact and bridge improvement costs associated with using the over weight vehicles are deducted from the truck haul savings. This will determine the net savings.

Savings are then shared equally between the department and the company.

SAMPLE:

- Product is 100,000 tonnes of subbase
- Distance to stockpile site is 20 km
- Trip cost is \$45.00
- Added road impact is \$0.05/tonne
- Trips at legal weights = 4167
- Trips at permitted weights = 3334

Trip savings: $4167 - 3334 = 833$

Total savings: $833 \times \$45 = \$37,485$

Road impact: $\$0.05 \times 100,000 = \$5,000$

Department's share equals one half the net savings plus the road impact:

$$\frac{\$37,485 - \$5,000 + \$5,000}{2} = \$21,242$$

COMPANY KEEPS

$$\begin{aligned} \text{Total Savings} - \text{Department's Share} \\ \$37,485 - \$21,242 \\ = \underline{\$16,243} \end{aligned}$$