

A set of through rates covering all three arrangements is published by tariff bureaux (associations of motor carriers) concerned with traffic moving between British Columbia or Alberta and geographic regions of the U.S.. In the event of a through rate for a certain movement not being published, shippers may apply to the tariff bureaux in question for the publication of a rate; providing that sufficient traffic volumes are available, the tariff bureau member carriers will establish and publish a through rate for the movement in question. Since the deregulation of American motor carriers in 1980, however, these published rates have served more as information or guidelines rather than set pricing rules.

"An Analysis of the Transborder Trucking Industry"[6] focussing on truck transportation from B.C. to the U.S., indicates that all of the major motor carrier competitors participate in Pacific Inland Tariff Bureau or Rocky Mountain Tariff Bureau rate tariffs and most offer some form of discount off these rates for single line (i.e., where only one carrier is involved) movements. The types of discounts available include straight percentage discounts off published rates, selected reductions on certain types of freight or for certain customers, and discounts in return for large volume commitments from shippers. That study goes on to report that no rate regulations exist to constrain price competition and there is no evidence of carrier collusion to prevent price competition. It is therefore evident that American and Canadian motor carriers have become increasingly competitive and many are prepared to negotiate special deals with shippers who have large volumes to offer.

In shipping to southern California and Texas, Western Canadian firms should note the equipment imbalance that exists. Some sources estimate that as many as half of the refrigerated trailers carrying fruit and vegetables to British Columbia and Alberta return to the Western and Southwestern U.S. empty. Licensed motor common carriers usually are willing to offer reduced backhaul rates in order to attract return loads. This situation presents an excellent opportunity for British Columbia and Alberta food, beverage and other perishable product producers to get their goods to Western U.S. markets cheaply with the assurance that their goods will be in the hands of a properly licensed motor carrier. These refrigerated vans are also suitable for other commodities (i.e., a "reefer" becomes a plain dry van when the temperature control unit is switched off).

In general, however, motor common carrier rates are based on the classification of the commodities hauled. Rates are very high for small shipments and become significantly lower as weight increases. However, some carriers interpret the commodities differently, resulting in different classifications and therefore different rates. For example, rates on office furniture would differ depending on whether the furniture was set up (SU) or knocked down (KD). Certain carriers who want the traffic badly might occasionally offer the KD rate (cheaper) instead of the SU rate. Furthermore, in the deregulated U.S. trucking environment, some motor carriers offer discount programs simply for the asking. The point is that it pays to check with several motor carriers before making a commitment regardless of whether your

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6. Garland Chow, "An Analysis of the Transborder Trucking Industry" in Proceedings of the 19th Annual Meeting of The Canadian Transportation Research Forum, Jasper, Alberta, May 1984.