

Short Term Industry Outlook

Three-month outlook: If overall conditions do not improve over the next three months, **37%** of carriers report that they will be in serious financial trouble.



Business Conditions

Revenue Decrease: Over **90%** of carriers reported that they have experienced a decrease in revenue since COVID-19 was declared a pandemic. On average, carriers have experienced a **33%** decrease in revenue since the crisis began.

Many Carriers Report Empty Miles Have Increased Between 200% and 300%

Key Issues: Many carriers reference customer closures, falling rates, and an explosion in empty miles as some of the leading issues. While the fixed costs associated with a given trip remain (equipment, labour, fuel, etc.), a decline in loaded miles in particular is having a direct impact on the bottom line.

Profit Margins: A number of carriers are reporting that their profit margin has all but vanished and that they are operating at near zero margins.

Customers and Supply Chain Issues



Issues Collecting Payments from Customers: **63%** of carriers indicated that they have customers' that have asked for payment deferrals or have simply not paid recently.

Customer Base: **78%** of carriers reported a significant portion of their customer base has either closed or scaled back operations significantly (e.g. retail stores, manufacturing shutdowns, etc.)

Government Support

Canada Emergency Wage Subsidy (CEWS):

- **38%** qualify and have applied for the CEWS
- **13%** believe they may qualify but have not applied yet
- **49%** do not qualify for the CEWS

