



DTA Services Ltd.  
505 Consumers Road  
Suite 600  
Toronto, ON, M2J 4V8

August 19, 2008

Hon. Lawrence Cannon  
Minister of Transport, Infrastructure and Communities  
330 Sparks Street  
Ottawa, Ontario  
K1A 0N5

Dear Minister:

I am the President and the owner of DTA Services Ltd., one of Canada's oldest (since 1920) and most successful freight management businesses.

As the attached letter indicates, I have been in contact with the Ontario Minister of Transportation and the Ontario Minister of Finance regarding the dire straits that the Canadian truck transport industry now finds itself due to the extremely high cost of diesel fuel. In addition to Minister Duncan's letter to me, please find attached my original letter to the Hon. James Bradley which outlines in greater detail key concerns of the industry.

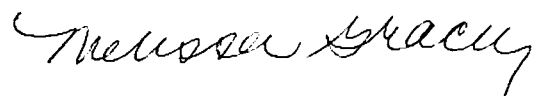
Suffice it to say that Canada's just-in-time inventory management system is dependent upon a plentiful and robust truck transportation capability. This capability is being eroded as independents go bankrupt and the fleets cut back. Trucking companies must pass on the cost of fuel (when they can) to their customers, which is an expense that they, during these competitive tough times for manufacturers, cannot absorb.

While my associates and I recognize that the price of oil is not set in Canada, it is clear that the price of diesel is affected to some degree by federal and provincial taxes. While the provincial tax is flat, it is my understanding that the federal tax is variable. I also recognize that at current prices even a 50% reduction in federal and provincial taxes, and assuming that any reduction flows through to the retail price, the residual price would still be substantial higher than it was even a year ago. Nonetheless, margins are so thin that even a dime a litre can make a difference for some operators. This is not a request for a "free ride" or a "tax break." It is a simple request to take less from hard-working operators and ultimately, the shippers.

Sceptics would say that any tax reduction would not find its way to the marketplace directly, which is why I suggest that a tax credit be given on the corporate tax return. Such credits are being offered to urban transit riders. Could not a similar type of tax credit be offered to the trucking operators upon which our urban society depends for food and so much more?

Minister, I invite you to address our conference on issues within the Canadian truck transportation industry to be held in Toronto from 7:30 – 10:00 AM on October 21 of this year. I will be sure to send you a formal invitation.

Yours truly,

A handwritten signature in cursive script that reads "Melissa Gracey".

Melissa Gracey  
President

Attachments

c.c. Hon. Jim Bradley – Minister of Transportation, Ontario  
Hon. Dwight Duncan – Minister of Finance, Ontario  
Hon. Frank Klees – Opposition Critic for Transportation