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Chair: Peter Schiefke



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• (1545)

[English]

The Chair (Peter Schiefke (Vaudreuil, Lib.)): I call this meeting to order.

Welcome to meeting number 13 of the Standing Committee on Transport, Infrastructure and Communities. Pursuant to Standing Order 108(2) and the motion adopted by the committee on Thursday, September 18, 2025, the committee is resuming its study of the changing landscape of truck drivers in Canada.

Today's meeting is taking place in a hybrid format, pursuant to the Standing Orders.

I would like to make a few comments for the benefit of our witnesses and members. First, please wait until I recognize you by name before speaking. For those participating by video conference, click on the microphone icon to activate your mic, and please mute yourself when you are not speaking. For those on Zoom, at the bottom of your screen, you can select the appropriate channel for interpretation—floor, English or French. For those in the room, you can use the earpiece and select the desired channel in front of you. I remind you that all comments should be addressed through the chair.

For members in the room, if you wish to speak, please raise your hand. For members on Zoom, please use the “raise hand” function. The clerk and I will manage the speaking order as best we can. We appreciate your patience and understanding in this regard.

Colleagues, I would like to now welcome our witnesses.

[Translation]

From the Association du camionnage du Québec, we have Marc Cadieux, chief executive officer, and Josyane Pierrat, director of compliance and legal affairs.

Welcome to you both.

[English]

From Insurance Bureau of Canada, we have Maximilien Roy, interim vice-president, strategy; and Cecilia Omole, manager, commercial policy. From the Professional Truck Training Alliance of Canada, we have Kim Richardson, senior adviser, joining us by video conference.

Thank you for taking the time to appear before us today. We will now start with opening remarks.

[Translation]

Mr. Cadieux, the floor is yours. You have five minutes.

Marc Cadieux (Chief Executive Officer, Association du camionnage du Québec): Thank you, Mr. Chair.

I would also like to thank all of the committee members for allowing us to address you regarding the impact of the Driver Inc. scheme on the trucking industry.

In addition to our comments today, we would like to inform you at the outset that the Association du camionnage du Québec stands fully behind the speech and comments made by its federation, the Canadian Trucking Alliance, on the issue that concerns us: the much discussed Driver Inc. scheme. I also want to recognize the president of the Alliance, Stephen Laskowski, who is with us today. The Association du camionnage du Québec further supports the solutions set out in the brief from the Fraternité des constables du contrôle routier du Québec.

Allow me to introduce our association. For 75 years, the Association du camionnage du Québec, or ACQ, has brought together many stakeholders in the trucking industry. It represents more than 500 members, including carriers, both public and private, and service providers, whose combined operations account for almost 80% of commercial transport in Quebec. Its annual turnover comes to \$2.5 billion.

The ACQ has been making representations on this subject to the Quebec government since June 26, 2012, to be precise. The Driver Inc. scheme is not merely a simple economic problem. It is a devastating phenomenon that jeopardizes the industry as a whole, endangers the safety of all roadway users, and is creating a genuine social crisis.

Every year, this system diverts billions of dollars from our economy, money that should, in the ordinary course, be used to sustain our social network, our hospitals, our schools and our public infrastructure, the very pillars of our national values.

Because of the breadth and complexity of this scheme, it acts like a sprawling web, and there is no single or instantaneous solution to fix the problem. One thing is essential, however: the firm and clear intention on the part of the government to restore balance and put an end to these frauds. Without that political will, no lasting change would be possible.

A real jump start is urgently needed; the authorities need to be given more enforcement powers and tools they can use to act much faster. At present, a single government agency may take as long as three years to process a case before anyone is convicted and fines are actually collected.

That unacceptably long time allows the fraudulent companies to keep operating, keep profiting from the system and perfect their scheme at the expense of the ones that obey the rules. At the same time, the number of Driver Inc. drivers is rising on all our roadways, as are the accidents they cause, often because of a lack of driver training, failure to obey the rules of highway safety and poor vehicle maintenance.

How many more deaths will have to happen before firm, exemplary punitive action is taken by all levels of government?

During this time, our legitimate companies, which are often intergenerational, find themselves having to reduce their fleets, lay people off and struggle just to survive, all of this solely to protect the jobs that are left and preserve a minimum degree of fairness in a profoundly unbalanced market.

Our brief sets out solutions and measures that we consider to be priorities. I will quote some for you. First, lifting the moratorium on the mandatory issuance of T4As in the trucking industry, to provide for better traceability between payments and tax returns. Second, imposing new obligations on carriers, transportation intermediaries and forwarders, to reduce the risks associated with tax and social security fraud and with modern slavery in the haulage industry. That would enhance transparency and accountability on the part of all actors in the supply chain.

In conclusion, Mr. Chair, you will rarely see an industry mobilize country-wide, asking for regulation and oversight and begging the government to take back the money it is owed.

We are therefore calling on your leadership, on all of you, to initiate concerted, determined action on a scale to match the economic, social and human issues raised by this situation.

We thank the House of Commons Standing Committee on Transport, Infrastructure and Communities for offering us this opportunity to submit our comments on this scheme. We are of course available to discuss the items listed in our brief with you.

Thank you, Mr. Chair.

The Chair: Thank you, Mr. Cadieux. You used five minutes on the dot. Congratulations.

[English]

Marc Cadieux: I practised.

[Translation]

The Chair: There you are.

[English]

Next, we have Mr. Roy.

The floor is yours. You have five minutes, please.

Maximilien Roy (Interim Vice President, Strategy, Insurance Bureau of Canada): Thank you, Mr. Chair.

Members of the committee and fellow representatives, thank you for the invitation to be here today to provide an insurance perspective on issues of concern in the commercial trucking sector.

We represent the Insurance Bureau of Canada, or IBC, Canada's national association for private property and casualty insurers. We work with governments, regulators and stakeholders to ensure that the industry is well positioned to protect Canadians from the risks of today and tomorrow.

[Translation]

On a personal note, I live in Longueuil and have two young children. The tragedy that occurred on August 27 that cost the lives of Tanya Lalonde, who was 34, and her son Elliot, who was five, hit me particularly hard, because it happened a few minutes from my home. It could have been my wife and kids.

I offer the family of Ms. Lalonde my condolences.

• (1550)

[English]

The commercial trucking sector is vital to Canada's economy, moving goods across a vast supply chain network. The majority of truck drivers are hard-working professionals deeply aware of the importance of safety both for themselves and for others.

However, the insurance market for commercial trucking has seen a significant increase in the size and the severity of insurance claims resulting from accidents on roadways. For consecutive years, insurers paid out more in claims and expenses than they earned in premiums.

Today, premiums continue to be under pressure, creating affordability challenges for the trucking sector. The key factors contributing to insurance affordability challenges are the new and inexperienced drivers on the road, fraud in the marketplace, an increase in the size of liability claims due in part to nuclear verdicts in the U.S., and a high turnover of experienced drivers.

In 2024, IBC released a report with data showing that drivers who are inadequately trained are more likely to be involved in collisions. We developed a suite of national public policy recommendations to address challenges and worked diligently with partners in the sector to advocate for changes to government-led truck driver education. We continue to advocate for changes in every jurisdiction.

Trucking must be treated as a profession. High-quality training is a key defence against rising claims costs and a way to improve road safety while supporting the economic viability of the sector.

The trucking sector is facing a critical labour shortage. The demand for new drivers will only increase as experienced drivers retire in the coming years. In 2023, 48% of commercial truck drivers in Canada were over the age of 50.

As new drivers enter the profession, proper training is essential. The level of training and driving experience have an impact on insurance pricing. Unfortunately, current entry-level training programs are insufficient. Most jurisdictions offer only minimum standards, which do not adequately prepare drivers for the complexities of driving on Canada's roads.

We have an opportunity in front of us to ensure the next generation of truck drivers is among the most skilled in the world. To promote safer roads, affordable insurance and a sustainable trucking industry, IBC urges government to act in a few key areas.

The first is to improve training. Provincial and territorial governments should enhance entry-level training programs for truck drivers to provide a standardized curriculum for schools and professional instructors, with subsidies to help drivers receive this training at an affordable price. As well, governments should update national commercial vehicle safety standards and mandate harmonized comprehensive entry-level training requirements across jurisdictions, and also mandate continuing education after entry-level training is completed. Additional training will help better prepare drivers for Canada's unique terrain.

The second is to tackle fraud by creating a centralized national database to verify insurance information and identify fraudulent actors. This will help improve underwriting accuracy.

The third is to mandate that truck operators provide comprehensive employment history documentation to support drivers seeking new opportunities. The importance of a safe and prosperous commercial trucking industry today is critical to the Canadian economy, as 20% of Canada's total GDP moves across provincial and territorial borders each year. Governments must prioritize road safety and fair competition.

IBC calls on the federal government to collaborate with provinces and territories to develop cross-jurisdictional solutions that help deter fraud, improve training and protect all road users.

Thank you, sir.

The Chair: Thank you very much, Mr. Roy.

Next, we'll go online to Mr. Kim Richardson.

The floor is yours. You have five minutes, please.

Kim Richardson (Senior Advisor, Professional Truck Training Alliance of Canada): First of all, thank you to the standing committee for allowing the Professional Truck Training Alliance of Canada to present its remarks today.

I would like to start by talking about what the Professional Truck Training Alliance of Canada is. PTTAC is the unified voice of commercial truck training in Canada, with a mandate to standardize and support programs offered in each province and territory. The PTTAC movement began in early 2022 when a group of like-minded professionals and stakeholders connected to share a vision: to see

truck driver training be accessible, consistent and a valued profession in Canada.

PTTAC is the only national group in Canada that represents commercial truck driver training businesses, and it will drive progress and education training in road safety through expertise and influence. The Professional Truck Training Alliance of Canada's key objectives are to make commercial truck driver training a recognized Red Seal trade in Canada; to create national, approved truck training instructor programs; to remove barriers and bring accessibility to [Technical difficulty—Editor] Transportation Specialists Inc. has been a business since 1989, a company that I founded. To date, we've graduated, through our three different facilities, over 17,000 commercial drivers.

I'm here to tell you, on behalf of PTTAC and our industry, that the HR pipeline is a problem. It's spreading across every sector of our industry, and it's not just drivers. We have improper oversight, improper compliance and improper regulations. The federal government needs to play more of a leadership role to correct this.

Transport Canada has dumped responsibilities onto the provinces, and we encourage you to change this. As a proud member of the Ontario Trucking Association for 35 years and as a past chairman of its allied trades division, I have been lobbying since 2018 against the misclassified drivers model initiative, better known as Driver Inc.

The driver industry is the number one contributor to tax evasion, and it's growing every day. The misclassified model encourages drivers to use trucks as cash registers, with road safety not being a priority.

The Professional Truck Training Alliance of Canada is also bringing solutions to the table. Through our partnership with our schools and our insurance and carrier members, we have created education on the misclassified driver model that every school in every province can share with its entry-level drivers. Tens of thousands of entry-level drivers in Canada will receive this information so that they are better informed.

The next step is to develop online education that can be used for entry-level drivers and existing drivers about the misclassified driver model. The vision for this online education is that it can be used by the entire industry: schools, carriers, insurers, associations and government.

What else can we do to stop the infection of poorly educated drivers? We can step up with regulation and enforcement. The industry needs to create some sort of self-policing mechanism that harmonizes and works with government on enforcement and regulation.

Make no mistake—there is not a shortage of commercial drivers. There is a shortage of qualified drivers, and that number is increasing every day in Canada.

A national instructor accreditation course is being worked on by PTTAC. We have partnered with technology experts. Our technology partner, Bluedrop, is helping to develop this education and testing so that the nation can be harmonized. This should be ready by Q1 of 2026.

We need to start at the foundational roots of the industry. That starts with education. The recipe is a good school, a good carrier and a good insurer. The results are safer roads and long-time, sustainable careers. As feds, you need to be strategic with your investments in education nationally. Enabling students to access the Canada student financial assistance program is necessary and vital to the success of our industry.

I will leave you with this: Many in our industry are in support, in principle, of a Red Seal for the professional driver. PTTAC and its school members are major supporters and drivers of the Red Seal component. Carriers for hire and private carriers, insurers, associations and existing drivers are in support of a Red Seal, and so are some provinces.

• (1555)

It is time to legitimize the profession. It is time to clean up our mess, and it's time for the federal government to step up to the plate. Let's put an end to the misclassified driver model. This is the first step in doing so.

Thank you for your time.

The Chair: Thank you very much for your opening remarks.

We'll jump right into it.

[*Translation*]

I will now give the floor to Mr. Groleau for six minutes.

Jason Groleau (Beauce, CPC): Thank you Mr. Chair, and thanks to our guests for being here.

My first question is for Mr. Cadieux.

You are the chief executive officer of the Association du camionnage du Québec. Obviously, highway safety is very important to me. In fact, I am very happy that you are here to answer our questions.

I have discussed the Driver Inc. scheme with a number of transport company owners; some of their companies have been in operation for 90 years. They told me that this crisis was the worst they had ever experienced.

Can you tell me about that?

Marc Cadieux: Mr. Chair, I have made submissions to the various orders of government.

I went first to the provincial government. The first minister of finance I spoke to about the situation was Raymond Bachand. That gives you an idea of the time frame. Next, I approached the federal level on several occasions, to raise awareness about the competition aspect and the extremely unfair competition. Our industry is used to competition and is very adapted to it, but it is not adapted to the competition we are seeing today.

Competition today is not remotely comparable to a commercial competition system.

Competing companies bid on the same contracts as us, but they do not have the same criteria for compensation or training for their drivers. We are working in circumstances where the pay difference can be as high as 25% or 30%. The big schemes that make up these companies don't give their employees vacation pay, don't pay for health insurance—and here, I am talking about Quebec, but my example applies to every province—and don't pay into the Quebec Pension Plan, pay nothing to the Commission des normes, de l'équité, de la santé et de la sécurité au travail, pay for group insurance, and do not contribute to a group pension plan. That being said, I am not claiming that the entire industry is doing this, but this is still a space where the pay differential is 25% to 30%.

• (1600)

Jason Groleau: Let's go back to road safety. You and your carriers have certainly seen the CBC's program *Marketplace*. One of the things it revealed is that people have obtained driver's licences in under 48 hours.

What are your thoughts about that?

Marc Cadieux: Yes, I saw that program, and I have also seen the *J.E.* reporting that was reported 13 times in *Le Journal de Montréal*. Last week, again, I saw that some schemes had falsified the number of years of experience shown on foreign driver's licences. That enabled people to get class 1 licences, which I will talk about a little later. That raises a lot of questions. On top of that is the lack of oversight by all governments, both provincial and federal.

Yes, you can see this litany of accidents. In fact, our colleague has cited a very sad list. There are obviously gaps when it comes to safety and lack of training. Even if they have received training, it is often bogus training.

Jason Groleau: Your brief talks about carriers and owners, the ones that award the contracts. The drivers hired by those companies are dangerous on the road.

In your opinion, do they not have a moral duty to society?

Marc Cadieux: Not only do they have a moral duty, they also have a social duty. This is very important and I'm glad you raised this point.

The fact that there are so many drivers like this on the road, and so many fleets made up of them, means that someone is giving them work, and a high volume of it. We often talk about carriers that have huge volumes. I think the accidents in the last six months in Quebec are proof of this.

Jason Groleau: Sometimes you pick up a rock, you look at what is under it and you want to put it back where it came from.

I will not name all the owners, but I am going to take one as an example. I would like you to confirm this information. Canada Post is a Crown corporation funded by taxpayers. Has it abandoned traditional carriers in favour of Driver Inc.?

Marc Cadieux: Mr. Chair, you will understand that I will have to answer with some discretion.

However, I can say that this name has been brought to my attention. A carrier who is a long-standing member where I come from lost a major contract on the south shore for a bid he had submitted. He absolutely could not understand why he had not been able to engage in fair competition, because the differences between bids were much too high. It has to be said that the only way they could compete with the others is to engage in unfair bidding.

Jason Groleau: Mr. Cadieux, it is unacceptable for a Crown corporation to encourage this scheme when it is aware of the problem. It is very disappointing, and it is a cause for concern.

• (1605)

Marc Cadieux: This issue has been brought to my attention, but I do not have the tools that are needed for proving it.

Jason Groleau: Thank you.

The Chair: Thank you, Mr. Groleau.

Mr. Lauzon, you have the floor for six minutes.

Stéphane Lauzon (Argenteuil—La Petite-Nation, Lib.): Thank you, Mr. Chair.

Thanks to all the witnesses for being here today.

Mr. Roy, you said clearly in your presentation that drivers who were less well-trained were more likely to be involved in accidents. That kind of bothered me.

When you say that less well-trained drivers are more likely to have accidents, are you basing this on figures? Are the figures in your reports?

In other words, do you have figures for us to make it clearer?

Maximilien Roy: I will let my colleague Ms. Omole talk to you about that.

[English]

Cecilia Omole (Manager, Commercial Policy, Insurance Bureau of Canada): Thank you for the question.

Yes, we have seen a lot of statistics that would support that assertion. For instance, we've seen, between 2015 and 2023 specifically, increases in claim counts within Ontario in the amount of 83%. In Alberta it's 88%, and for the Atlantic region collectively it's 86%. When we talk specifically about claims costs, the costs of these accidents, we've also seen increases there. From 2015 to 2023, it's the

same situation: Ontario has an increase of 89%. For Alberta, it's 166%, and for the Atlantic region collectively, it's 82%.

Unfortunately, we don't have data for the other jurisdictions, but from what we can see there are systemic issues in Canada.

[Translation]

Stéphane Lauzon: You have given us figures, but how did you determine that less well-trained drivers were responsible for the accidents?

Are you able to look into their profile and ascertain how they received their training, the length of training, the language it was given in, and the province where it was given? We know that when an accident happens, drivers may be caught outside their home province.

Before including them in your statistical reports, how did you get access to the data about the drivers, given that there is interprovincial trade?

Can you explain that to the committee?

[English]

Cecilia Omole: Yes. We did do a report in 2024, which Maximilien referenced. A third party did that analysis for us. We're happy to share that as well. It's available on our website.

Essentially, what they determined was that, indeed, yes, those who had fewer years of training and fewer years of driving experience were more likely to end up in accidents. They did all that analysis. We have the data in our report to show that trend. Certainly, we can see that those individuals who have less experience are far more likely to get into an accident. We were able to tie that directly to the quality of the training they received.

We did not look specifically at potential language barriers, for instance. However, that is something we would not be surprised to see if that were the case, because that can impact one's ability to understand road signage and road comportment as well.

[Translation]

Stéphane Lauzon: Does insurance fall more under provincial jurisdiction than federal?

What is your role in this area and what is the role of the federal government? How can we help you?

[English]

Cecilia Omole: From our perspective and for our membership, we represent the majority of property and casualty insurers in Canada. We're very pleased to see that Parliament is looking into this issue. It's something that we've been talking about for a number of years in consultation with other trucking stakeholders, whether they are the carriers or the schools. We've all kind of been on the same page as it pertains to these issues that have been flagged.

Certainly, from our perspective, we feel strongly that training is the biggest line of defence right now. When you have safer drivers on the road, you're more likely to have less accidents and fewer claims and, in general, members of the public will also feel safe. From our perspective and for our members who represent the insurance sector, we'd like to see government harmonize the training regimes across the provinces and territories.

We've seen right now that there are a number that have implemented mandatory entry-level training programs, or some schema related to mandatory entry-level training programs. At this point in time, it's very fragmented. There are different levels of hours of instruction, for example, and different hours as they pertain to the types of modules that the individuals would be studying. We'd like to see some greater consistency across Canada.

• (1610)

Stéphane Lauzon: Thank you.

[*Translation*]

If I have time left, I would like to ask one last question.

The Chair: You have one minute left.

Stéphane Lauzon: As you see, I am very concerned about the terms that apply to insurance. To have insurance coverage, drivers have to have a legal licence that recognizes what they are qualified for. I think it is very important that drivers follow the rules that apply in their province. It has to be done legally and within a specified time.

What is your role when it comes to determining whether a driver has a licence and whether the licence is valid?

[*English*]

Cecilia Omole: As it pertains to the validation of information, insurers go based off of what they are provided by their clients and by the insured specifically. If they're receiving falsified information, it is very difficult for them to have a good response to underwriting the risk. Certainly, they've detected fraud. We've spoken to some of our members, and they've seen it already. We would want to see better quality information being provided.

[*Translation*]

The Chair: Thank you, Mr. Lauzon.

Next is Mr. Barsalou-Duval.

You have the floor for six minutes.

Xavier Barsalou-Duval (Pierre-Boucher—Les Patriotes—Verchères, BQ): Thank you, Mr. Chair.

I want to thank the witnesses for being with us today. This study is very important to me.

I think there really is a cancer in the haulage industry, and I think that has already been voiced by a number of people who have testified here at the committee.

I am going to start with a question for Mr. Cadieux from the Association du camionnage du Québec.

You said earlier that you had had an opportunity to meet with representatives of the government in Ottawa on several occasions.

Could you give us an approximate number? Have you had five meetings, or 10 or 150? For how many years have you been having those meetings? Maybe you also have a list.

Marc Cadieux: Sir, I didn't bring the list today, but I can say it is a long one and it goes back to 2012. The meetings have been primarily at the provincial level. On the federal side, we started our efforts more than six or seven years ago. We ourselves have made efforts as the Quebec association but also with our federation, the Canadian Trucking Alliance, whose president is here today.

So I can say there have been multiple meetings, under governments of every stripe.

Xavier Barsalou-Duval: Right.

Let's focus on the federal government, since that is the order of government we work in.

You say that you have been talking to the federal government about this situation for at least seven years. To my knowledge, these meetings have produced virtually no results or changes in federal government policy.

Could you tell us what answer you got, or what kind of feedback you were given? What justification was given for this failure to act?

Marc Cadieux: In fact, I will have to say, of course, that Ms. Freeland announced a budget of \$26.3 million at Employment and Social Development Canada, particularly to have specialized teams to do investigations into misclassification.

You have opened a door for me. I will let you know right off the bat that I also want the government to restore the money that was provided, so that team can continue to do its work, work that was excellent, in my opinion. The person in charge of that team is Mélanie Beaulieu.

She has come to meet with us, and we meet regularly with her team. She even came to see us at our convention. For two or three years, she has contacted our members to explain the work done by Employment and Social Development Canada. It started out slow, because we obviously had to detect all the schemes and ways of doing things. Also, there were restrictions in certain jurisdictions that did not allow us to take an audit and investigation process further.

I can't say that nothing has been done, but I can say that there is still a lot more to do.

Xavier Barsalou-Duval: If I am not mistaken, that measure was announced in the 2022 fall economic statement.

Marc Cadieux: That's right.

Xavier Barsalou-Duval: Here we are in 2025, and since then, the government has given no further indication on this subject.

Tell me if I'm wrong, but the situation on the ground has not improved since that time.

● (1615)

Marc Cadieux: Cases are handled confidentially. However, in light of the discussions we have, I can tell you that there actually are performance indicators on the table when it comes to the number of cases opened.

Certainly, as long as all remedies have not been exhausted and there is no conviction, the results of those investigations will not be released. However, I would sincerely like it to be possible to do more, because it seemed to us that the financial data were not very appealing when we started talking about these cases.

Right now, we are talking about loss of life, of course. That is on a whole different level. I think that what my colleagues have said—

Xavier Barsalou-Duval: I have another question for you.

A bit earlier, at another meeting of this committee, we heard from people who testified in favour of the Driver Inc. model. They told us this model was perfectly legitimate, companies are using it, and the ones that operate in the traditional way were unable to adapt to the new circumstances we are in today.

Are your members people who are just sitting there and not adapting to change?

Marc Cadieux: At the ACQ, the Association du camionnage du Québec, we do not use the Rand formula. Some very active members get onto me when things are not progressing fast enough.

All the companies that belong to the ACQ operate fairly and pay their contributions on their employees' pay. I can tell you they are very aware of the problem.

Right now, the trucking industry is obviously going through some very hard times, in economic terms, but there is another one that is very serious.

Xavier Barsalou-Duval: Thank you.

I have a question for the representatives of the IBC, the Insurance Bureau of Canada.

You referred to certain data relating to the increase in the number of claims, but also in the number of accidents. I know that there was a short paragraph in the report published on your website that addressed this data, and it was pretty concerning.

Just now, you said that the number of accidents or claims was rising faster than the number of trucks on the road. You provided figures.

Would it be possible to provide that data to the committee so we could take it into account in the proposals we will be making?

For example, we would like to get data by province or about the ratio of the number of insured trucks to the number of accidents.

[*English*]

Cecilia Omole: The report we mentioned earlier is available on our website, and I'm happy to provide that after this meeting. It talks a lot about the very information that you referenced.

As I mentioned earlier, we don't have a breakdown per province. This is based off of the General Insurance Statistical Agency, and it

only has certain jurisdictions. We are happy to provide that information. There is a lot of analysis captured within it.

[*Translation*]

The Chair: Thank you, Mr. Barsalou-Duval.

[*English*]

We'll gladly take that from you to help our analysts put together a report. Thank you.

Next, we'll turn it over to Mr. Albas.

You have five minutes, sir.

Dan Albas (Okanagan Lake West—South Kelowna, CPC): Thank you, Mr. Chair.

Thank you to all of our witnesses, both here and online, for being here and sharing your expertise with our committee.

I'm going to start with a quick question for Mr. Cadieux.

In regard to abandoned vehicles that are towed, I understand there's a significant amount of money owed to towing companies in Quebec. Is that correct?

Marc Cadieux: Yes. The association representing the towing industry has close to \$3 million in unpaid bills where they had to act.... As you know, they often have to act on the exclusive network of roads under the authority of our province's national police. They do have to react, and often they are not paid.

I would like to also state, at the same time, that we are facing a lot of these companies that are not insured at the time of an accident. They subscribe to an insurance policy, but then they cancel it. They're running the rest of the year with their insurance slip as being valid for a year, but we have no way, with our controllers and our national police, to verify that. This is what I was just talking about with my colleague.

We would have to establish certain networks to get information when they are towed away. Also, some of those trucks are abandoned in the yards of those wrecking companies. They are not claimed, and you cannot dispose of them for a year. You must also pay all the dues to extract all the contaminants from those trucks in order to be able to send them to the scrapyard, so you've lost money on your bill to tow the truck and you're also paying to get rid of it.

● (1620)

Dan Albas: Thank you, sir. I appreciate the answer.

I'll bring this to you, Mr. Roy. You talked in your second recommendation about having some sort of real-time verification for things like insurance. Could you explain how that might solve the problem Mr. Cadieux has raised?

Maximilien Roy: I can start.

Dan Albas: Make it very short, please.

Maximilien Roy: Sure thing.

Fraud is really an issue when it comes to insurance. If there are many people defrauding the system, then it increases premiums for everyone. If we could find a way to share information through a centralized database, then we could pinpoint the identified fraudulent actors. We could reduce premiums for all those who are insured. For us, having a centralized national database would be a pretty good way to share that information.

Dan Albas: That's excellent to know.

In regard to uniform facility underwriting rules, can you maybe tell the committee what facility underwriting is, why it differs from the usual type of insurance and why that may be causing problems on the roads?

Cecilia Omole: If I understand your question correctly, it pertains to Facility Association, which is meant to be kind of an insurer of last resort for those really high-risk drivers. I'm unable to comment specifically on the underwriting criteria they use or the process, but generally speaking, it's the highest-risk drivers who would fall under Facility Association. We don't like to encourage that. They always want to be the last resort. They would like to have these individuals in the regular insurance market. It's generally kind of a last resort.

Dan Albas: There seems to be an issue, though, where there's either no insurance or there are different types of insurance. Every province has their own rules. As the Insurance Bureau of Canada, what do you think are some of the things your industry needs to tackle when it comes to document fraud or location verification and those kinds of things, in addition to facility insurance and when it's appropriate and when it's not?

Cecilia Omole: Certainly, when it comes to underwriting criteria, each of our members will have their own perspective and their own approach. We wouldn't be able to comment generally and say that this is what the insurance industry does as it pertains to underwriting. However, as it refers to fraud, certainly they would want to look into having the best-quality information. Of course, a lot of that information comes from the actual client or the insured. If they're acting in a fraudulent way, then the onus is on the insurer to not underwrite that risk.

Dan Albas: I do think that your organization has done some excellent work, but I do think this is an area.... If you have any information or further opinions that you could put in writing to the committee, I would appreciate it.

Thank you, Mr. Chair.

The Chair: Thank you, Mr. Albas.

Ms. Nguyen, the floor is now yours. You have five minutes, please.

Chi Nguyen (Spadina—Harbourfront, Lib.): Thank you very much.

Thank you to the witnesses for joining us today to give us some more perspectives on this really important conversation.

I have just a general question. If a truck driver is properly licensed and operating within the bounds of the law, how does that affect their insurability and risk profile? Do you have specific con-

cerns as to whether or not they're classified as "Driver Inc.," and the model in general itself?

That's a question for the Insurance Bureau folks.

Cecilia Omole: As it pertains to the factors that influence the insurance, a number of variables are at play. It comes from specifically the driving history. Are they a safe driver? Have they had a lot of accidents? What type of training have they received? What type of vehicle are they operating? What types of goods and services are they dealing with? Are they transporting dangerous goods? Are they transporting consumable goods, such as fruit? There are different levels of risk. That will help inform the insurer as it pertains to developing a risk profile for the truck driver. Those are just some of the variables.

Of course, for our members, each company will have its own approach to underwriting. We would not be able to comment generally about how insurers do it. Each company does it differently. Generally speaking, a broad number of variables would influence that risk.

Chi Nguyen: I have another question that I want to ask. I understand that over the last decade or so, the cost of the equipment has gone up quite a bit. I'm curious to know whether that has affected premium costs as well.

• (1625)

Cecilia Omole: Certainly, if we look at today's economic circumstances, the variables of U.S. trade pressures, tariffs, inflation, labour mobility and unemployment all influence pricing. When we're talking about premium pressures, all those variables would have an impact. The degree to which they will influence the premium varies, but certainly those factors will have an influence.

Chi Nguyen: Can you speak a little bit more about what else we can be doing on the fraud front to ensure that we are weeding out bad actors?

Cecilia Omole: Really, when it comes to fraud, one of our public policy recommendations is to create a centralized national database, one that would reach across each jurisdiction. It can't work in just one area because, as we all know, trucks travel across Canada and oftentimes will travel to the United States, for example. We need to be able to capture that information in one repository that can be shared across jurisdictions so that insurers have the best quality of information for underwriting.

Chi Nguyen: It sounds like a lot more collaboration and coordination of datasets, etc., would be very useful at this point.

My last question.... I don't know that I have another question. I think I might be done.

The Chair: Thank you.

Before I move on, do I have the consent of the committee to ask a follow-up question on what Ms. Nguyen was speaking about?

Some hon. members: Agreed.

The Chair: It actually builds on what Mr. Barsalou-Duval was speaking to earlier as well.

Thank you, colleagues.

I'm looking forward to getting the data cross-referenced with regard to increased traffic and increased insurance claims. That's going to be important for us, because then we can say whether or not there is something that needs to be addressed here. We know that truck traffic has increased over the last decade or the last two decades, and we're really trying to see what the increased cost is compared to how many trucks are on the road.

In addition to that, I'm going to build on what you were speaking to. Costs have gone up with regard to replacement costs for trucks. A Volvo truck once cost \$120,000. Now it costs a quarter of a million dollars over the last decade, let's say. You also have theft and you also have fraud and all those kinds of things.

Would you be able to provide this committee—because you're a numbers-based industry, we know you have this information—with a breakdown of how many of those increased costs you referred to in your opening remarks with regard to a 180% increase in the cost of claims, I think it was, are attributable to increased accidents on a per capita basis?

Also, there are the increases in costs in replacing products and increases in fraud. Would you be able to do a breakdown of that for us so that we can actually look into what costs are attributable to the Driver Inc. model that we're addressing here today? Would you be able to provide the committee with that?

Cecilia Omole: We are challenged as it pertains to data aggregation and data breakdown. What we generally have, when it comes to claims cost and claims count, is that they are aggregated across a few regions. I mentioned Ontario, Alberta and the Atlantic region collectively.

With regard to replacement costs, we do leverage information from Statistics Canada to do a monthly inflation report, so we do have a sense of replacement cost pressures for commercial vehicles. However, as it pertains to a per capita breakdown, I don't believe we would have that.

The Chair: Thank you very much.

Thanks for your indulgence, colleagues. I appreciate it very much.

[*Translation*]

Mr. Barsalou-Duval, you have two and a half minutes.

Xavier Barsalou-Duval: Thank you, Mr. Chair.

I am going to ask the Insurance Bureau of Canada representatives my question.

Earlier, we mentioned the possibility of having a Canada-wide insurance registry, because roadside inspectors tell us they are unable to find out whether the proof of insurance they are given is

valid or not. I assume that this kind of registry would allow for access to all provinces.

However, there is still the whole question of people who are not insured at all. How often do you hear about this? Is it common practice or not? Is there a way of counting the number of cases?

[*English*]

Cecilia Omole: Yes, this is actually something that's recently come to our attention. In fact, I will be speaking with my Quebec counterparts later this week. Unfortunately, I don't have any specific data or details about it, but it is certainly something that we are examining at this time.

[*Translation*]

Xavier Barsalou-Duval: Thank you.

I am now going to turn to Mr. Richardson of the Professional Truck Training Alliance of Canada.

Standard 16 in the NSC, the federal government's National Safety Code, requires at least 100 hours of training. Witnesses we have heard in the committee have told us that in their opinion, even the 100 hours of training in the NSC is not adequate.

Do you agree with that statement?

• (1630)

[*English*]

Kim Richardson: I would agree that, in some cases, it's not adequate enough training. I think what needs to be considered is what's happening to the individual once they're licensed and they enter the industry, and what the finishing program or ongoing education looks like from the private and for-hire carrier perspective or where they go to work.

The hours in truck, in yard and in class do vary across the provinces, and we've seen some provinces that are just implementing mandatory entry-level training now—

[*Translation*]

Xavier Barsalou-Duval: I have to interrupt you because I don't have a lot of time left.

Mr. Cadieux, not so long ago, we had an opportunity to participate in a press conference together to call for changes in the industry. We stressed ten recommendations.

If you could prioritize only one of those recommendations, which one would it be?

Marc Cadieux: Certainly the one that is most important to me at present is the one concerning issuance of a T4A. That is a priority we have been calling for, for quite some time.

The Chair: Thank you, Mr. Barsalou-Duval.

[English]

Next, we have Dr. Lewis.

Dr. Lewis, the floor is yours. You have five minutes please.

Leslyn Lewis (Haldimand—Norfolk, CPC): Thank you.

Mr. Richardson, thank you for your testimony here today.

Your company and your training school in Caledonia have been helping drivers and carriers in southwestern Ontario for decades. I just want to recognize your contribution to the industry. Your work with the Professional Truck Training Alliance of Canada, educating and warning new drivers about the risks of being misclassified, is something that is very important and is something that this Liberal federal government should also be doing.

Trucking is also a vital part of our local economy in Haldimand—Norfolk. It is vital to our farmers, to our manufacturing sector and to small businesses.

My first question for you is this: Do you see the Driver Inc. model affecting the availability of properly trained, safe drivers on our roads?

Kim Richardson: These individuals who are getting their commercial licences are actually going to carriers and asking if they can be paid in the Driver Inc. model, the misclassified model. The good carriers out there are saying no. They're not participating, so it is affecting that, for sure, Ms. Lewis.

Leslyn Lewis: You mentioned in your opening statement that trucking is one of the few professions for which students cannot access federal loans under the Canada student financial assistance program, unlike students in nursing and in other skilled trades.

Why do you think the government has excluded those entering trucking from federal training supports? Do you see that expanding access could help fix the misclassification and the poorly trained driver problems that so many have spoken about at committee?

Kim Richardson: From our research, we're being told that this is a policy that's been in place and that commercial truck driver training programs historically don't have the length of time that's necessary to pursue the Canadian [*Technical difficulty—Editor*] the other vocational trades that are out there do have access to this.

My question to the committee is this: What other profession can you go into where you get four to six weeks of education and then go on to a carrier that supplies good, existing, behind-the-wheel training, where an individual is going to make somewhere between \$70,000 and a hundred grand in their first year? They are very easily able to pay that loan off. [*Technical difficulty—Editor*] carriers, which leads to good insurers, which leads to long-term, sustainable careers.

Leslyn Lewis: Is it your position that, even though it's a short duration, the net benefit to society would warrant having drivers able to access this funding?

Kim Richardson: Yes...100%. By educating those entry-level drivers who are coming in about the misclassification model and Driver Inc., it's going to help drive some of those folks out of the business.

• (1635)

Leslyn Lewis: We also heard that Crown corporations like Canada Post might be contracting Driver Inc. carriers. Is it possible that Ottawa has turned a blind eye to the enforcement issue, perhaps because the financial incentives for lower-cost contracts are causing this?

What impact is the use of misclassified drivers having on our local economy in communities like Haldimand—Norfolk and, frankly, across the country?

Kim Richardson: That's a great question and a great point.

These trucks are being treated as cash registers for those who are entering into the misclassified driver model. Are contracts being awarded to people and to organizations coming in at a cheaper rate? Absolutely, and the price is our road safety. The price is affecting the general public every day.

Leslyn Lewis: We've also heard from trucking businesses at committee that they just simply can't compete with Driver Inc. companies without undermining labour laws. Do you have any knowledge of that, based on your industry?

Kim Richardson: Many of our customers are constantly talking about the 30% they have to keep up with. There's 30% to 40% [*Technical difficulty—Editor*] taxes, as well as other programs out there that are affecting every carrier that is doing it properly.

Leslyn Lewis: If you could propose any one action for the government to take today to restore fairness and prevent any abuse in the industry, what would it be?

Kim Richardson: Reintroduce the T4A.

Leslyn Lewis: Thank you.

The Chair: Thank you very much, Dr. Lewis.

Finally, for this round, we'll go to Mr. Kelloway.

You have the floor for five minutes.

Mike Kelloway (Sydney—Gloucester, Lib.): Thank you, Mr. Chair.

Thank you to the witnesses here and online today.

This has been a really interesting study. So far, we've been able to dive really deep into the anatomy, I would say, of the problems—plural. We've talked today about training being the best line of defence in and around this particular problem.

When I look at categorizing the challenges, there are a few. We talked about training. That's under provincial jurisdiction, but you talked about harmonizing training across the country. I don't want to put words in your mouth, but you talked about harmonizing it in the sense of an overview.

Is that the best way to describe it, Ms. Omole? I want to make sure I got it correct and that it's about the oversight of the federal government on provincial training.

Cecilia Omole: What the Insurance Bureau of Canada would like to see—and I think it is in line with other trucking stakeholders—is harmonization as it pertains to the training standards. We are aware of national safety code standard 16, which outlines what should be captured in entry-level training. However, as many of you may see, across jurisdictions, some have implemented them and others have not. Some have added certain hours of instruction and others have not. There's a very different patchwork approach across Canada.

In terms of a comprehensive review and a comprehensive approach to training, we would like to see greater harmonization across jurisdictions, because trucks travel across Canada. We'd like to see greater consistency in the training that's offered, as well as in the instruction provided by the teachers.

Mike Kelloway: Thank you for that.

My second question is for Mr. Cadieux. You mentioned the need to ensure that we continue to make investments through ESDC. You referenced the \$26 million. I think that is important. Can we build on the good work you say is being done? What else could be done through ESDC? If something is working that's great. It's fantastic.

When we're looking at solutions, what else could the mechanism of the federal government...? We have the provinces over here. It seems like some recommendations are talking about greater connectivity between the federal government and the provincial governments.

When we look at ESDC and some of the things you mentioned that we're doing well, what can we do to build on them?

Marc Cadieux: Mr. Kelloway, I will let my colleague and *consoeur* answer your question.

[*Translation*]

Josyane Pierrat (Director of Compliance and Legal Affairs, Association du camionnage du Québec): Thank you for your question.

We think information sharing between government agencies at the federal and provincial levels should be much faster, since companies may come under federal jurisdiction in Quebec. For example, there could be information sharing between the CNESST—the Commission des normes de l'équité, de la santé et de la sécurité du travail—and Revenu Québec.

Instead of those agencies doing their investigations and audits over again, they could share the information so that everyone could come to the same conclusion. In addition, there should be more enforcement powers, because it can take up to three years to get a decision, because of delays, the law firms involved in the cases and other factors. So it is much too long.

• (1640)

[*English*]

Mike Kelloway: I have a minute and a half. The last question....

An hon. member: [*Inaudible—Editor*]

Mike Kelloway: No, we're not going to give the question to the Conservatives. I can hear them talking. No, they get nothing today. This isn't the fun dome, or whatever you want to call it.

Some hon. members: Oh, oh!

Mike Kelloway: Do incorporated drivers present different claims or liability challenges compared to traditional drivers? I think you've touched upon that in various forms, but a definitive answer would be helpful.

Cecilia Omole: Yes. I have spoken briefly with our members, and we do not have a formal position on this. It's still something we are looking into. I would believe that they would be seeing some differences there, but we're unable to comment on what those differences might be at this time.

The Chair: Thank you very much, Mr. Kelloway.

To all of our witnesses, on behalf of this committee, I want to thank you for your time and your testimony today on this very important study for Canadians.

I will suspend for a couple of minutes to allow our clerk to transition to the second panel of witnesses.

This meeting is suspended to the call of the chair.

• (1640)

(Pause)

• (1650)

The Chair: I call this meeting back to order.

Colleagues, I'd like to now welcome our witnesses for the second panel today. Appearing as individuals, we have Mr. Edward Webb, lead safety auditor, by video conference. We have Gurpreet Chatwal, chartered professional accountant and tax specialist. We have Amarjot Singh Sahney, former owner-operator and driver.

Welcome to you.

We're going to open up the floor for opening statements, and for that, I will start off with Mr. Webb, who is joining us online.

Mr. Webb, the floor is yours. You have five minutes, sir.

Edward Webb (Lead Safety Auditor, As an Individual): Thank you, everybody, for allowing me to talk today. Commercial driver training is a complicated process, and carriers, upon hiring a driver regardless of the classification, feel that if they have a class 1 licence, they are properly trained by a driving school.

Incorporated drivers versus employees, and which is better or worse on the road, is a difficult question from the outside looking in. It's easy to blame incidents on a group of drivers without knowing their backgrounds and safety training, their mentoring with a carrier and what driving school they received their MELT from.

To understand which drivers could or couldn't be safer on the roads, we as an industry need to start at the beginning of the process and find these issues before trying to blame a single group of drivers. I'm hoping some points that I'll be discussing will create a conversation and possibly start a change in the industry, and with other industries to follow.

With the MELT program—I know it's been brought up lots—different provinces have different aspects to their programs. Drivers will look for the easiest one, not the best one, and the cheapest one, not the safest one. Also, if it is a grant or carrier that is paying for that driver, they go to ones the carrier has a connection with. That school may or may not follow the correct guidelines set out by the province. The largest area of concern is training schools' legitimacy across the country.

My concern is inconsistencies in the delivery of MELT around the country. It's a big issue, because there is not standardization.

All schools should have the same program for the training of drivers across the country, and the specialized services—overdimensional, TDG—would need extra training, based on the province and approved by the federal transportation office. The basic structure should be countrywide and have room for specialized and enhanced training.

As I see it, training at the school level is just as important as the drivers once hired by the carrier. That standardization training needs to be similar throughout the country. The national safety code is federal, but provincially run. I feel this area does need some change as well, if not looked upon in more depth.

On safety training platforms, regardless of whether it's an incorporated driver or a company driver, those platforms give a standard training to the driver, if the carrier uses them. Not all carriers use those platforms; they use internal ones. That becomes an issue as well. Standardization of current safety platforms is good, but the usage is not verified. That's something that needs to be looked at, I think.

With analytics being part of our daily lives in the transportation industry, these features in the equipment or through dash cameras and ELDs need to be controlled rather than a feature that can be turned off. This is an area I see that does need some regulatory change and possibly full industry acceptance to operate in the transportation sector regardless of size. This asset-monitoring tech should be used regardless of the size of the carrier.

As we all see, the number and severity of incidents on North American highways is a massive concern. Trying to pin the incident on an incorporated driver versus a company driver is extremely difficult. However, we can look at closer training of these drivers within the companies themselves. This can be done through regulatory audits, insurance audits, standardized national safety code OHS audits. There are different groups, such as third party approved auditors, who can work with MTO or other groups.

For what I do, there's no evidence that different training for incorporated drivers versus employees.... Both should be audited. In most cases, drivers are on their own at home doing these courses, and most likely, someone else is completing them.

Cross-province sharing of information, including CVSA inspections nationwide, incidents on abstracts, a shared template for abstracts, poor drivers, poor owner-operators and poor carriers, all should be part of the changes to the industry.

Proper driver evaluation processes need to be broken and handled by provinces differently based on the type of work that they do.

The education of owners or directors of companies is an area that needs attention. I'm not sure how to start it, but if you own your own transportation business, possibly you should have the same training as your drivers and staff, and not just the CVOR or safety fitness exams. I promote this myself in my work life. I feel it's extremely important to get the upper management to be just as knowledgeable as all the drivers.

Overall, I feel the industry has not adapted to the changes in the driver pool; the mental state of drivers today, especially work-life balance; improper training in the industry; restrictions on carriers and drivers in many different parts of the overall operation of the individual business needs—FAST cards, LMIA/foreign worker program, graduated licences for commercial drivers—insurance companies agreeing to carrier standards; and driver schools being certified and inspected annually.

• (1655)

Transportation is affected by the same issues that affect other industries across Canada and the public at large. I feel that resolution and standardization can create both a more consistent skill set and a level playing field for all drivers.

That's all I had.

The Chair: Thank you very much.

Next, we'll turn the floor over to Mr. Chatwal.

Mr. Chatwal, the floor is yours. You have five minutes, sir.

Gurpreet Chatwal (Chartered Professional Accountant, Tax Specialist , As an Individual): Thank you.

Good afternoon. My name is Gurpreet Chatwal. I'm a chartered professional accountant specializing in tax. I practise accounting tax and have several clients who are drivers, owner-operators and large and small business owners specializing in the transportation industry.

I appreciate this opportunity to appear before the committee.

I have been following these hearings for some time, and I've noticed a recurring theme that suggests there has been a large-scale revenue loss to Canada Revenue Agency, sometimes described as \$1 billion or even \$5 billion. As a tax professional who has worked in this field for over 20 years, I can tell you that this proposition is not supported either by the design of our tax system or by the CRA's own position. I'm here today to provide a professional and technical explanation of how the tax system actually works and to clarify that the Canadian Trucking Alliance costing model, which forms the basis of this claim, is methodologically flawed.

Let me start with what the CTA's model claims.

In its public brief, particularly appendix A, the CTA presents a comparison between a payroll employee and an incorporated driver. They say the employee driver earns about \$80,500 a year, with about 2,300 hours at \$35 per hour. When they add statutory entitlements such as vacation pay, statutory holidays and sick leave, and then layer on the CPP, EI, EHT and WSIB, they come to a total cost of about \$102,000. Then they compare that with an incorporated driver scenario in which they assume the carrier's cost is \$80,000 and the driver pockets about \$10,500 in HST, suggesting a major savings to the carrier and an equivalent loss to the government's revenue.

That analysis might sound persuasive on paper, but it collapses entirely when you apply the actual law in real-world business conditions.

First, the treatment of HST is completely wrong. HST is not income. Every registered supplier under the Excise Tax Act is required to collect and remit HST on taxable supplies. Businesses claim input tax credits on what they pay and remit the balance to CRA. There is no legal or practical way to pocket HST. It's not profit. It's trust money held for the Crown.

Second, the model ignores a \$1-million employer health tax exemption, which is critical. Most small and medium-sized carriers fall below this threshold, yet the CTA model applies EHT at the maximum rate to every carrier, big or small, inflating the numbers dramatically.

Third, the model uses the maximum possible contribution rates for WSIB, CPP and EI, as if every worker earns at the ceiling and every firm is rated at the highest premium. That is simply not how the system works. WSIB is experience-rated, CPP is capped and defined at a maximum and, most importantly, EI participation for a

self-employed person is voluntary under statute. If someone wants to opt in or out, that is a policy choice, not a case of tax evasion.

When you correct these assumptions to reflect how small and medium-sized businesses actually operate, taking into account the EHT exemption, the WSIB rates and the voluntary EI, the supposed cost gaps narrow sharply. In many cases, once you factor in the contractor premiums that the market already pays, the total cost of using an incorporated driver can be equal to or even exceed that of a payroll employee.

On corrected inputs, the per-driver cost gap falls roughly to only \$2,000 to \$3,000 compared with the CTA claim of \$22,100 per driver. When you scale that across the estimated 120,000 drivers, it declines from the stated \$1 billion to only \$150 million—approximately a 95% drop. Most of this is only based on deferral rather than tax loss of revenue, and in that model, Ontario EHT and WSIB account for the majority of the variance.

From CRA's perspective, there is no tax loss of revenue. Corporate income remains fully taxable. The Canadian tax integration system ensures that when corporate income is eventually paid out to the individual as dividends, the total combined tax is roughly the same as if it were earned directly as employment income. The only difference is timing—it is a deferral, not tax avoidance.

The CRA enforcement framework possesses robust tools to monitor and address non-compliance, with T2 filings and audits together with personal services business or PSB rules to provide effective oversight. These mechanisms ensure that incorporations used for legitimate commercial purposes remain lawful while misuse is detectable and enforceable through existing channels.

When the CTA claims that there's \$1 billion or even \$5 billion lost in revenue, it is not describing the tax leak; it is describing a misunderstanding.

• (1700)

The CRA rules are deliberate, coherent and designed to produce a natural result between employment and corporations. The system is working as intended. To suggest otherwise and say that CRA has lost billions is to imply that the agency itself has failed in its duties. There is no evidence of that, and CRA has never made such a statement.

I want to be clear that this is not about supporting or opposing any business model. It is about ensuring that fiscal policy discussions are grounded in fact, law and accurate data.

Thank you for your time. I look forward to answering any technical questions about how taxes and benefits affect the transportation industry.

The Chair: Thank you very much, Mr. Chatwal, for your opening remarks.

Next, we'll go to Mr. Singh Sahney.

The floor is yours, and you have five minutes, sir.

Amarjot Singh Sahney (Former Owner-Operator and Driver, As an Individual): Thank you, Mr. Chair and members of the committee. Thank you so much for giving me the opportunity to speak today.

My name is Amarjot Singh Sahney. I work as both a driver and an owner-operator. I am here to share the driver perspective, as the Driver Inc. issue is a perspective that has been largely missing from this discussion.

To date, the media and several organizations are painting Driver Inc. as fleet abuse and exploitation towards the newcomer, but the reality is very different. Most newcomer drivers cannot even incorporate when they first arrive in Canada. They are required to work as a payroll employee under a temporary foreign worker or LMIA program in order to obtain permanent residency.

During those two or three years, many workers work under slave-like conditions just to maintain their status and to achieve their PR, which is permanent residency. They are assigned routes that established drivers don't want to take. They spend 36-hour rests on the road away from home. They are often sent to remote provinces that struggle to fill trucking positions, and they have low, fixed salaries. This is simply to secure their permanent residency.

Only after gaining their PR status do many of these drivers incorporate, not to avoid taxes but to finally have control, dignity, freedom and their professional licence. Despite that, Driver Inc. is being blamed for nearly every issue in trucking—safety, compliance and reputation—whenever an incident happens, and immigrant drivers have become national news. These drivers are judged and vilified before anyone has stopped to ask why they choose this model in the first place.

The main reason, in my perspective, is flexibility and family balance. Today's drivers are younger with a family and children. Trucking is a demanding job. Incorporation allows them to create schedules that balance road life with home life. It gives them the ability to plan their work around their personal commitments, family needs and rest time.

The freedom to take extended time off is another major factor. Incorporation allows drivers to take one or two months each year so that they can visit their family abroad, something that payroll jobs rarely permit without risking the driver's position.

Incorporated drivers also value the ability to choose their loads and routes. This independence lets them select situations, circum-

stances and safety preferences rather than being forced into the routes they do not want.

Finally, incorporation represents an entrepreneurial opportunity to many immigrant drivers who are naturally entrepreneurial. Incorporation gives them a sense of ownership and a chance to follow the same path that many large fleet owners once did, starting from one single truck and building their business from the ground up.

I ask this committee why no one examined the real reason that drivers are incorporating. All incorporated drivers are forced into the model against their will, whether incorporation is allowed or not. Safety issues will continue to remain until the root causes are addressed. The real safety problems, in my perspective, are illegal and improper licensing, the aging and overloaded highways, lack of safety rest areas, and racism and discrimination, which mean that immigrant drivers, once praised as heroes during COVID 19, now face racism, online hate and bias from inspectors and within the industry.

According to me, the solution that I can propose to this committee is strict oversight of the driving schools, investment in the modernization of the national highway infrastructure, development of more safe rest areas for drivers and tackling racism and hatred in trucking.

My closing remarks are that the trucking industry is already facing a severe driver shortage. If you continue to restrict their flexibility and independence, we may risk losing more drivers, leading to shipment delays, high freight costs and high inflation for Canadian consumers.

Thank you so much.

• (1705)

The Chair: Thank you very much, Mr. Singh Sahney.

We'll begin our opening questions today with Mr. Lewis for six minutes.

Chris Lewis (Essex, CPC): Thank you so much, Mr. Chair.

Thank you to all of the witnesses here this late afternoon for your excellent testimony.

Mr. Webb, I'd like to start with you, please.

I understand you're the lead safety auditor. That's what I have in my notes here.

Edward Webb: Yes.

Chris Lewis: Is that for a certain province, a certain location or across the country?

Edward Webb: I do audits on trucking companies in Ontario and Alberta.

Chris Lewis: Thank you.

Mr. Webb, in my riding of Essex, just last week I learned of a tractor-trailer colliding with a crash truck on Highway 401 east-bound to LaSalle, which is a community in my riding. The semi driver who rammed into the other vehicle was unharmed and charged with careless driving, while the driver of the crash truck, who was working to protect our workers, ended up in hospital. This is just one of many examples of unsafe trucking practices that years of Liberal neglect have allowed to happen through weak enforcement.

As an auditor, could you outline the most common safety deficiencies you've observed among truck drivers during inspections? How have these failures related to compliance with national safety code standards?

• (1710)

Edward Webb: The majority of the things I see in the market today is fatigue, so drivers are being pushed. That is probably number one.

The second would be distracted driving. Cellphones are the biggest one, including iPads or whatever objects they have in the cab.

One of the biggest things I've found is that these drivers just don't know; they don't know where they're going. I see that their training, once they get into the carrier, is not significant enough in a lot of cases. What they have to follow is there under the national safety code, but every carrier, including the companies I've worked for, do everything in their power to get the driver in the truck, but we forget, once they're in the truck, the extra training that they need and to document that stuff. That's the stuff we have to work on.

Chris Lewis: Thank you.

Sticking with you, Mr. Webb, I've heard from many constituents in my riding who are afraid for their own safety on the roads. One fleet manager in my riding wrote to me saying:

The safety of our community is at risk! Windsor-Essex relies highly on the transportation industry. With the new Gordie Howe Bridge about to open, there is great fear for our industry and the law-abiding companies, citizens, taxpayers, and families our local transportation industry contributes to.

Earlier in the study, we heard from a witness from the Atlantic Provinces Trucking Association that national safety code auditors through the CCMTA should work closely with law enforcement and ESDC auditors to conduct more roadside blitzes and focus on the roadside enforcement of this issue.

Could you speak to how gaps in NSC enforcement are allowing unsafe truck driving methods to remain on our roads?

Edward Webb: From what I see, the biggest problems are between the national safety code and the differences in the provinces. We don't share that information. An auditor from Alberta doesn't know what MTO is doing in Ontario. We don't know what is hap-

pening in Nova Scotia. That lack of general information going across the provinces becomes an issue.

I'm in agreement. I think more standardization of that information, shared between the provinces and jurisdictions, regardless of whether it's a federal employee, provincial employee or a contractor...all that information should be shared. That also equates to making sure the insurance companies are also sharing their information, because that will give us a better base of what is actually going on.

Chris Lewis: Thank you, Mr. Webb. I have one final question for you, sir.

In your experience as a safety auditor, do you have any recommendations to this committee on how there can be stronger enforcement of the NSC, or how the NSC standards should be amended to ensure Canadians no longer pay the price on the roads because of unsafe trucking practices?

If you could answer in one minute or less, please, I would appreciate it.

Edward Webb: Standardization is going to be the biggest thing. For people like me who go in and look at these carriers, educating the carriers themselves is the biggest problem. As I said in my statements, owners just don't know what they have to follow. We as a country, when somebody starts a trucking company, all we give them is, "Hey, you have to get a CVOR or a safety fitness certificate." There's no follow-up. There are NCCR audits or ARC audits afterwards, but there's no follow-up with the owners themselves.

In every trucking company that has an issue, it starts at the top and works down. If we can't tackle those owners, we're going to have issues.

Chris Lewis: Mr. Singh Sahney, after a decade of failed Liberal policies, Canadian workers in both auto and transport sectors face growing insecurity and cost pressures.

From your perspective, sir, as a driver, how do these vulnerabilities affect the trucking workforce today and what do you foresee for workers if these trends continue?

Amarjot Singh Sahney: To be honest, it totally varies from....

I didn't understand the question. Can you please repeat it? I'm sorry for that.

Chris Lewis: I'll say it more slowly. I apologize, sir.

The Chair: I'll make sure you get the time.

Chris Lewis: After 10 years of failed policies, Canadian workers in both auto and transport sectors face growing insecurity and cost pressures. From your perspective as a driver, how do these vulnerabilities affect the trucking workforce today and what do you foresee for workers if these trends continue?

• (1715)

Amarjot Singh Sahney: If you ask me personally, being in trucking for almost three years as a driver and being an owner-operator, mostly it was fatigue that was the major cause in my study that I saw. It's not only the driving for 12 hours or 13 hours straight, but sometimes, in the rest areas, there is not enough space to park. You eventually have to park illegally. That also leads to major accidents.

The government should look into that one too. On the 401, when I was driving it, it wasn't that busy, but after six or seven years, it's been super busy at night. If you travel the 401 at night, you see only trucks. Most of the trucks are not even parked inside the rest areas.

Chris Lewis: Thank you.

The Chair: Thank you very much, Mr. Lewis.

Thank you, Mr. Singh Sahney.

Next we'll go to Mr. Gaheer.

Mr. Gaheer, the floor is yours. You have six minutes, sir.

Iqwinder Gaheer (Mississauga—Malton, Lib.): Thank you, Chair.

Thank you to all the witnesses for appearing before the committee.

Mr. Webb, my questions for this session are going to be mostly for you. In the first session of this committee, I was actually losing my mind a bit. You hit the nail on the head in regard to talking about the two models—the Drivers Inc. incorporated drivers versus employees. There was testimony shared in the first hour that they're afraid because there are more incorporated drivers and, therefore, apparently, safety is at risk.

We know that Transport Canada, provinces and literally everyone and anyone who collects collision data and fatality data don't delineate that data between the ones caused by incorporated drivers and the ones caused by employees. All the claims from the first session of this committee that one model is inherently more safe than the other model can't be based on stats, because there are no stats.

Do you have any comments on that?

Edward Webb: I'm in agreement. I have not seen any stats.

I've been doing transportation safety and compliance for 23 years now. I have not seen any distinction between incorporated drivers and employees. There is nobody on the roadside—and I've seen a lot of accidents—who's going to say, "Hey, I'm an incorporated driver" or "I'm a company driver". There is none of that. By focusing on that.... In what I do, I don't see it at all.

Iqwinder Gaheer: I think that confirms what I've heard as well.

You talked about safety. You talked about training schools and standardization. You said that you'd bring changes to the safety

code. You said that the safety code is federal, but it's enforced provincially and that you'd bring changes to that, including, largely, standardization. Do you want to expand on that?

Edward Webb: Here in Alberta, where I'm based, all our auditors are contractors. MTO in Ontario does the national safety code audit for the carriers. It would be nice if.... They can be contractors. That's not what I'm getting at.

The information from each province should be shared, and they should be doing the same type of audit in each province, with the same questions and looking at the same information. That way, we can get a standardization of the answers and the problems we're having in and amongst the different provinces.

Iqwinder Gaheer: I'm not an expert in this space, but is there a requirement for ongoing training for drivers once they have their licences?

Edward Webb: Yes. It's called remedial training. If you have a driver who has a harsh event or a critical event—a speed event, a lane departure, following too close based on their cameras or their ELDs, hours of service violations or bad CVSA inspections—you have to follow up with that driver. You have to retrain them based on what it was, whether it's a pretrip issue or they're speeding—because speed kills. We all know that.

Also, on the roadside inspections, do the drivers actually know how to do a pretrip? I can tell you that in my experience most drivers have a perfect pretrip every day, which we see on the road is not actual in effect. Getting those drivers trained correctly is the proper way.

Iqwinder Gaheer: Outside of a remedial issue or an issue that flags a particular driver, is there ongoing training that takes place?

Edward Webb: For most of the carriers that I see, yes. They will put them through a training platform, which is okay, but you need to go a little further. Redo a road evaluation or do practical training, rather than just a course.

• (1720)

Iqwinder Gaheer: You also spoke about how the carriers should receive training as well. Do they receive any training in the current environment?

Edward Webb: When they go for the CVOR or a safety fitness certificate, they have to do an exam, so they do a bit of training. However, owners, for the most part, do not have all of the same training as their drivers, dispatch or safety people. Technically, if you are going to direct somebody, you should have the same training as them. Otherwise, you don't know what they're supposed to be doing.

Iqwinder Gaheer: Great. Thank you.

I want to switch my questioning to Mr. Chatwal. You spoke about the tax issues. I feel like this entire issue is a tax issue masquerading as a safety issue. We just discussed with Mr. Webb how this is a completely different issue entirely.

Thinking about tax, you said the CRA currently has tools in its tool box that can be used to address any kind of tax non-compliance. What would happen if a change was brought in regarding the T4A? This has been discussed at this committee. If that is made mandatory and carriers have to submit it to the CRA, they'll know what a particular incorporated driver is making.

Gurpreet Chatwal: If your concern is that the drivers are not reporting their true incomes, this is not a simple fix. If you're saying the T4A should be addressed only to this specific industry, there's a lot more compliance than that. Right now, per the legislation, all incorporations are required to provide only an invoice. If it's industry-specific, that's a different story, but we're talking about something Canada-wide here. We have every industry.

You are saying that only incorporations related to Driver Inc. should be reporting a T4A. It's not that simple. You'd need to administer every single payment you made to a corporation specifically to just drivers. For any payment you made to, let's say, Bell Canada or other incorporated businesses, you wouldn't need to issue a T4A. It's not that simple, and I don't think it's an easy fix.

The Chair: Thank you very much, Mr. Gaheer.

Iqwinder Gaheer: I'll come back to it. Thank you.

The Chair: That sounds good.

[Translation]

Mr. Barsalou-Duval, you have the floor for six minutes.

Xavier Barsalou-Duval: Thank you, Mr. Chair.

Thanks to the witnesses for being with us today.

I am going to start with you, Mr. Webb.

In your presentation, you said that a lot of things had been said about the Driver Inc. model, but you don't have raw data in order to arrive at formal conclusions. As the Insurance Bureau of Canada representatives said, the existing and known data that we can mention include the rising number of accidents and the rising number of claims. We know that in Quebec over the last year there has been a record number of deaths in accidents involving heavy trucks. Another public number shows the rise in the number of drivers working on the Driver Inc. model.

Given all that, I am sure my question will interest you. The Motor Vehicle Transport Act allows the Department of Transport to study practices in the transport industry. That is one of the requests we have made.

Do you think that Transport Canada studying the Driver Inc. model will enable us to know more and connect the dots among these factors?

[English]

Edward Webb: Yes, I guess you could. As I said earlier—and I listened to the other people talking about this—I don't see the model versus the employee and the difference between the training. It starts with the carrier and when they bring them on—

[Translation]

Xavier Barsalou-Duval: Right.

[English]

Edward Webb: I hope I'm answering that correctly.

[Translation]

Xavier Barsalou-Duval: Your answer was good, and that's why I interrupted you. Since I had an answer, I wanted to move on to another question.

My next question is for you, Mr. Chatwal.

You said you were a chartered professional accountant. I have the same academic background as you and I am also an accountant. I studied accounting at university. Some points in your remarks caught my attention. You can confirm those points by answering the questions I am going to ask you.

To my knowledge, when someone is an incorporated company and is a subcontractor, it is the employee, not the employer, who must pay certain social security contributions. For example, if I am an employer, I will have to pay a portion of my employee's pension plan, while if the person working for me does not have employee status and instead is self-employed, the employee will have to pay the pension plan contribution. The same applies to employment insurance premiums and vacation pay.

Do you agree with me?

• (1725)

[English]

The Chair: Mr. Chatwal, before you respond, for the benefit of our interpreters, could you speak closer to the microphone, please?

Thank you, sir. I'll let you respond.

Gurpreet Chatwal: Let me understand your question. You said that the difference between incorporation and an employee is that an employer is required to pay the CPP employer portion of the payroll—I think that's what you're referring to—and asked if there was any difference for someone who is self-employed, a Driver Inc.

Yes, if there's a Driver Inc., you would obviously have your income go into your corporation. You have two options. You have an option to take payroll, where you would pay your employee portion and the employer portion of CPP, but you also have a mechanism where you can take dividends. Dividends don't require you to pay CPP. This is entirely within the statute.

[Translation]

Xavier Barsalou-Duval: That is somewhat my question, correct. You have admitted there is a difference between the two models in financial terms. In the case of an employee, the employer had to pay one portion of the pension to the existing pension plan, with the employee paying the other portion. In the case of a self-employed worker, it is not necessarily automatic.

The same thing goes for employment insurance. You said in your opening remarks that signing up for employment insurance was not automatic. In fact, it is voluntary for self-employed workers. However, in the case of an employee, one portion is paid by the employer and another portion is paid by the employee. In the case of a self-employed worker, it is 0%. For vacation pay, you don't get any when you are a self-employed worker. However, when you are a company and you have employees, you have to set a portion of money aside. It costs you money, in fact, because it is a reserve set aside for that vacation pay. So these three items are costs to the employer, but a self-employed worker will not receive them. Is that it?

[English]

Gurpreet Chatwal: Yes, that is correct. Under an employment, the employer does have to pay the employer portion of the CPP. They also have to pay the employer portion of EI, which is 1.4 times the EI of the employee. Under the Driver Inc. model, the driver has the option to pay CPP and has the option to pay EI.

[Translation]

Xavier Barsalou-Duval: Thank you.

What you say confirms that there is a financial difference between hiring an employee and hiring a self-employed worker, one who works for themselves. That operational difference will be reflected in the operational costs. Those expenses, which the employer does not have, give the employer a direct advantage in terms of operations, billing and competitiveness it can get out of this.

I would like to raise another point. You said that tax evasion is not connected with the models. So I would like to ask you some questions about this T4A that so much is said about. What does the Canada Revenue Agency do, for taxing people? It does it based on the tax slips issued by organizations, which alert the CRA that a wage has been paid. If I earn an annual wage of \$50,000 or \$100,000 and I do not declare any income, my T4 means that the CRA is going to let me know it has received a T4 slip from my employer and I have to pay the appropriate tax on the income I earned. Since 2011, however, self-employed workers have no longer received T4A slips. That means that the Canada Revenue Agency has no information about income earned or the tax that should be paid by that organization.

Is that true or false?

The Chair: Please answer in ten seconds, because we are already a minute over Mr. Barsalou-Duval's speaking time.

[English]

Give a 10-second response please, and perhaps it will have to wait until Mr. Barsalou-Duval has the floor once again.

Gurpreet Chatwal: There's a lot that's been said. I would like to answer your first part about the CPP and EI.

[Translation]

Xavier Barsalou-Duval: Because there isn't much time left, I would prefer that you focus on the T4A slip.

[English]

The Chair: Let's wait until Mr. Barsalou-Duval has the floor once again, and then we'll allow you to provide a more fulsome response, Mr. Chatwal.

Next, we'll move to Mr. Lawrence.

Mr. Lawrence, the floor is yours, and you have five minutes, sir.

Philip Lawrence (Northumberland—Clarke, CPC): Thank you.

My questions will be for you, Mr. Webb, and I'll be building on the earlier discussion you had with my colleague Mr. Lewis.

Mr. Webb, we heard some compelling testimony with the previous panel. The Insurance Bureau said that claims were up in Ontario by 80% and in Alberta by 88%, and that the amount of those claims, the quantum of claims, also dramatically increased and far outstripped population growth and the growth in trucking.

Clearly there's a significant issue, and this is a new issue. It has to be because this rise is relatively new. It started in 2015, and that's to 2023. As someone who is a professional involved in auditing the safety of this industry, could you give us some thoughts or some speculation as to why there's this dramatic increase?

• (1730)

Edward Webb: Fatigue is one of the biggest problems. The people who are running the companies don't know anything about the fatigue. I'll get to the other part of that, which is that nobody is investigating correctly these incidents that are happening. They not looking—

Philip Lawrence: I apologize, Mr. Webb.

I'm just curious. The fatigue was likely an issue before 2015, and we didn't see this dramatic spike. You don't have to be an investigator to realize that something new has occurred or likely has occurred. I'm just wondering what that might be.

Edward Webb: For me, it's the root cause. They're not looking internally at what causes these incidents. The trucking company does not look to see what's causing the incident. From that, you can stop the incidents from happening again. I see that as a huge problem.

Philip Lawrence: I understand that, Mr. Webb. I'm not disputing anything you're saying.

This is a relatively new phenomenon. Within the last 10 years, there's been this dramatic increase. I've quite frankly seen it anecdotally, in addition to empirical evidence, in my riding. In Cobourg, there's an area where the 401 snakes a little bit. It is not unusual for there to be a transport truck that's gone off the road there.

This didn't happen five or 10 years ago. It's backed up by the empirical evidence of an 80% increase in Ontario and 88% in Alberta over the last 10 years, which has greatly outstripped the growth in transportation and the population growth.

Is there anything that you can point to that was different in 2023 from it was in 2015? If you can't, that's fine. It's more than fair.

Edward Webb: There's a whole bunch of information out there. It's the training of the drivers, getting licences or buying a licence, so the driver doesn't know....

We, in Canada, allow somebody to come to the country and after six months, they go to school and get a class 1 licence. They have no driving experience, period, but we put them behind a wheel of a 90,000 pound unit.

Philip Lawrence: This is where I wanted to go to next.

Let's say that someone wants to become a transport truck driver tomorrow. Could you walk through for the committee what the process would be to obtain one and get yourself into the cab?

Edward Webb: First of all, you have get to your learner's or go to a school for your MELT program. They would have to find a legitimate school, hopefully. They go in, apply, pay and do their training courses.

Depending on the province, it's 103 to 113 hours. Then there is the driving portion of that, which I feel is very limited. From there, hopefully, they have enough knowledge or the areas that they lack in are corrected before they do their road exam, which is another problem. From what I'm hearing in the industry—and I can't verify—drivers are taught how to pass the exam, but not how to actually drive. That becomes a significant problem as well.

Philip Lawrence: I am the shadow minister for interprovincial trade, and you did raise my curiosity with respect to the differences.

I know that you are more responsible for Alberta and Ontario, so let's just use those as an example. Is there a wide difference between the education or the training requirements for our truck drivers from coast to coast?

Edward Webb: There's not a wide variety, but there's definitely a difference. I can speak to a lot of differences.

Some of the schools are allowing drivers to sit in the cab with another driver and they get all the same hours as the guy driving, so that's a problem inside the schools. They're just not regulated enough to keep the drivers trained correctly and for the schools to train them correctly. We see it every day.

Philip Lawrence: Thank you, Mr. Webb, for an excellent conversation. I appreciate that.

• (1735)

The Chair: Next, we go back to Mr. Gaheer.

The floor is yours for five minutes, sir.

Iqwinder Gaheer: Mr. Chatwal, let's pick up where we left off.

I want to ask the same question, but maybe in a different way.

At this committee, we've discussed that potentially there is a tax issue when we talk about incorporated drivers. What are the chances that there are incorporated drivers who are not reporting their income or are reporting a false income when they file taxes?

Gurpreet Chatwal: Just to be fair, the T4A question has been raised a few times. It should be fair and consistent across all self-employed businesses. Why focus on just one industry, requiring T4A there and not for all self-employed incorporated businesses?

If you're saying that tax evasion is in this industry and you have evidence to support that, then absolutely the T4A would allow you to deter any tax evasion.

The Chair: Mr. Chatwal, I'm going to ask you to speak closer to the mic, if you could, just for the benefit of our interpreters, who are doing a phenomenal job.

Gurpreet Chatwal: I apologize.

The T4A is a mechanism that definitely helps to avoid any tax evasion, because it's income that's mandatorily required to be reported to the Canada Revenue Agency. The Canada Revenue Agency has a matching principle, where they go on the back end and check that any income that's reported in box 48 is in compliance with the revenue that's reported.

Iqwinder Gaheer: Making the T4A mandatory for this particular industry could increase tax revenue for the government, but this is just one industry. I'm a lawyer—for example. Lawyers, plumbers or anyone who has an incorporation could potentially be reporting a false income.

Gurpreet Chatwal: Absolutely.

Iqwinder Gaheer: Are there any other recommendations that you have as a solution to the tax issue that's involved, potentially?

Gurpreet Chatwal: I don't have any recommendations. I am happy with the tax system that we have in place. It's very robust. There are lots of mechanisms for HST, corporate tax, payroll and dividends that I deal with every day with the Canada Revenue Agency and the auditors. It's very robust and detailed.

Iqwinder Gaheer: Thank you.

Mr. Sahney, my questions are for you. Thank you so much for coming to committee to testify. I was really hoping that an actual driver would come and testify as well.

You talked about fatigue being an issue. Your other point was about long drives, potentially not having areas to park, take a break, use the bathroom or to get some coffee or food, and how that's causing disruptions as well. That resonates. I hear that all of the time. There is a limit, though, in terms of how much a driver can drive, that's set by legislation. Are companies violating that?

Amarjot Singh Sahney: In Canada, the drivers can drive for 13 hours, and in the U.S. it's 11 hours, when we're talking about a particular day. However, that's not the only thing. According to me, the main concern.... Let's say there are accidents. First of all, we should check why those accidents happened. Were they actually killing or cheating the logbooks? We don't know. Nobody talks about that kind of stuff. Maybe it was a Monday and the guy had a hangover or something, he was not in good standing to drive a semi-truck, and nobody talked about that thing.

Iqwinder Gaheer: When you're talking about the logbooks, are those maintained by drivers themselves?

Amarjot Singh Sahney: That's correct. They are maintained by the drivers themselves.

Iqwinder Gaheer: Why would a driver have an incentive to cheat the logbook? Is it to get more hours or pay?

Amarjot Singh Sahney: That's correct. It's to get more hours because they are paid by the hour. Most of them are paid by mile too, so it's hard to cheat when they go by miles. However, by the hour, let's say you're working 12 or 13 hours, you can stretch that by two more extra hours off on duty, which you can do on the log. It is legit, but nobody is focused on those things.

Iqwinder Gaheer: One, would carriers know this is happening? Two, do carriers push this to happen so they can make more profit?

Amarjot Singh Sahney: I don't think so, because a carrier would push somebody for safety. The drivers are driving semis, which cost them \$250,000. In the case of an accident, I think their premiums are going to be pretty high. I don't think they would actually be the main cause of pushing the driver. I think it's the greed of the driver, if he's doing that.

Iqwinder Gaheer: I want to highlight one more issue. It's not really a question, but it's regarding your testimony about when someone is an employee, potentially, during the phase they are trying to get PR, and then they eventually want freedom so they switch over to incorporation.

Amarjot Singh Sahney: That's correct.

Iqwinder Gaheer: Unfortunately, I've heard of cases—not a big sample size, thankfully—where drivers are being abused. They're not being paid their sick days. They're not being paid workers' disability and all of the different benefits that come with being an employee because, unfortunately, these particular bad actors, these carriers, know that this person's trying to get PR. They're trying to get permanent residency, so they can't cause too much of a commotion.

• (1740)

Amarjot Singh Sahney: I think the legislatures should actually look into it. Most of the drivers are abused because they're getting permanent residency. Most of the people with temporary work permits are over here to get their residency one day, and they planned

their vision towards that through the medium of a class 1 driver or AZ licence.

We have some programs in our legislature. Let's say, in the Atlantic program, if you work under a specific company for one year or something, they have the provincial jurisdiction so that they can provide you with a provincial permanent residency. That's actually a part of PR.

Iqwinder Gaheer: Again, I don't know how widespread this is. It's just something that I do see.

Thank you, Chair.

The Chair: Thank you very much, Mr. Gaheer.

[*Translation*]

Mr. Barsalou-Duval, you have the floor for two and a half minutes.

Xavier Barsalou-Duval: Thank you, Mr. Chair.

If I understand correctly, for this study, the meeting today is the last one where the committee will be hearing witnesses, since we have invited three ministers and there are two meetings left.

I would therefore like to propose a motion, which I will read to you, to extend this study. I believe it deserves two or three additional meetings, or even more. However, I will start by proposing to add one meeting, because I think it is essential that we hear at least the victims who have experienced tragedies recently.

The motion is as follows:

That the Standing Committee on Transport, Infrastructure, and Communities add one meeting as part of the study of the changing landscape of truck drivers in Canada, so that the first hour is devoted to hearing testimony from victims of "Driver Inc." and the second hour to hearing from representatives of Justice for Truck Drivers, the Caledon Community Road Safety Advocacy Group (CCR-SA), and The Joy Smith Foundation.

These three groups are fighting for drivers' rights, but also for victims' rights.

I remain open to any proposal to amend. If there are members who want to add more meetings, I will be glad to support their amendment.

The Chair: Thank you, Mr. Barsalou-Duval.

We will take a break for the motion to be circulated in both official languages.

[*English*]

I'm going to suspend, colleagues, for a couple of minutes, to make sure that all members have the wording in both official languages.

In the meantime, we only have 12 minutes left of witness testimony. I'm looking around the room here. Is it okay if I ask the witnesses to leave, because this may take a bit of time? It's out respect for their time.

Some hon. members: Agreed.

[*Translation*]

Xavier Barsalou-Duval: I am not opposed to letting the witnesses leave. However, if we adopt the motion right away, we would have time left to ask the witnesses questions.

The Chair: Just to circulate the motion and talk about it, it may take 15 minutes.

[*English*]

Witnesses, what's happening now is that we have a member who's put forward a motion to extend the study. We're going to now look into that motion, and discuss and debate that motion. We want to respect your time, so I want to thank you for your testimony today. We wish you safe travels home.

You can log off, Mr. Webb, online, and for the witnesses who are joining us in person, you are free to leave. We thank you once again.

The meeting is suspended to the call of the chair.

• (1740) _____ (Pause) _____

• (1750)

The Chair: I call this meeting back to order.

I will turn the floor over to Mr. Kelloway, followed by Mr. Albas.

Mr. Kelloway.... No, it's Mr. Lauzon.

[*Translation*]

Stéphane Lauzon: Thank you, Mr. Chair.

We agree to my colleague's motion, but the term "Driver Inc." would have to be replaced by "heavy trucks". I discussed this with my colleague and he seemed to agree.

We are fine with the rest.

The Chair: Perfect.

[*English*]

Go ahead, Mr. Albas.

Dan Albas: In the spirit of changes and amendments, I would like to propose an amendment, and hopefully the good member will consider this to be a friendly amendment.

I'm going to use the original text, and then I'll specify what I'm going to change. We are sending this language to the clerk so that he can follow along and send it to other members. Where it says, "That the Standing Committee on Transport, Infrastructure and Communities add"—and this is the change—"two meetings". Then going back to the rest, it says, "as part of the study of the changing landscape for truck drivers in Canada", add "comprised of". The whole next paragraph is the same, but then, after the "Joy Smith Foundation", we will add, "one meeting, of no less than two hours,

wherein representatives from 6S Trinity Transport, J + R Hall Trucking, Dan Express"—no relation to me—"Carmen Transportation, Ludwig Transport Limited and L'Association des Professionnels du Dépannage du Québec be invited to testify."

I can say it again, but we are sending the text so that all committee members can take a look at it.

Mr. Chair, if I can, I will use the moment right now to say that I think it is really important that we have the Association des Professionnels du Dépannage du Québec, in addition to all of these other ones, just based on the testimony we heard today that there is \$3 million in outstanding fees that are owed to these tow companies. I'd like to hear what they have to say.

The Chair: I'll turn it over to Mr. Kelloway, and then I might break, just to make sure we can all look at this, because it is a substantive change.

Mike Kelloway: That's what I was going to suggest—just suspending so we can review the changes.

The Chair: Colleagues, I'll suspend again for a couple of minutes, just to make sure this is circulated. It is quite a substantive change. We'll get that circulated. The meeting is suspended to the call of the chair.

• (1750) _____ (Pause) _____

• (1800)

The Chair: I call this meeting back to order.

[*Translation*]

Mr. Lauzon, you have the floor.

Stéphane Lauzon: Thank you, Mr. Chair.

After consulting Mr. Albas and Mr. Barsalou-Duval, yes, we agree to adding two meetings to this study, keeping the amendment we proposed at the start: to replace "Driver Inc." with "heavy trucks".

Now I would like to propose a friendly amendment. The motion having been amended, I think the next witnesses to appear before the committee might be talking about sensitive subjects. We could give them the choice of appearing in camera. Some might become more emotional when they talk about what they have been through.

I don't know whether my colleagues agree with that.

The Chair: Do you agree, Mr. Barsalou-Duval?

Xavier Barsalou-Duval: I don't see any problem with giving witnesses the choice of appearing in camera, if they want.

Mr. Chair, I will take this opportunity to tell you I will have a sub-amendment to propose.

The Chair: That's perfect, on the first point.

Mr. Lauzon, you still have the floor for the second point that you want to support.

Stéphane Lauzon: The Bloc Québécois and the Conservative Party have proposed witnesses for the two meetings. On our side, we might intend to propose another witness. I would like us to be given the chance to submit the name of a witness. I would like that proposal to be considered as a friendly amendment.

The Chair: Mr. Barsalou-Duval, you have the floor.

Xavier Barsalou-Duval: I am not opposed to it. From the same perspective, I would propose to add a representative of Canada Post to the witness list.

The Chair: Right.

Stéphane Lauzon: That's fine with me.

Yes, we would actually like to hear a representative of Canada Post.

The Chair: Are there any objections, questions or comments?

Dan Albas: I have a brief question.

Does Mr. Lauzon know what witnesses he would like to hear?

For the purposes of our discussions, it is important to know the names of the witnesses and how many there would be.

The Chair: Mr. Lauzon, do you already have the names of the witnesses to suggest?

If not, we could set a time limit. I think Mr. Albas is afraid we would have too many witnesses in a single meeting.

• (1805)

Stéphane Lauzon: My goal was not to add a list of witnesses, let alone to extend the study.

On our side, we absolutely want to finish this study and work on our recommendations. It is just a matter of leaving room to add one or two witnesses at the most.

I don't want to move a sub-amendment. A friendly amendment would let us add one or two witnesses, if necessary. There might not even be any.

The Chair: Thank you, Mr. Lauzon.

Mr. Albas, you have the floor.

[*English*]

Dan Albas: I think Canada Post was one of them. Who's the other one?

Stéphane Lauzon: We don't have a name right now, but we should look at it and bring it for the next meeting.

[*Translation*]

Dan Albas: Right, when there is one.

[*English*]

Stéphane Lauzon: There's only one more.

[*Translation*]

Dan Albas: In the spirit of collegiality, I agree with Mr. Lauzon.

However, I would like the clerk to write down exactly what I said.

The Chair: We will give him a few minutes to do it. In the meantime, we will take a short break.

I will take the opportunity to say that your French has greatly improved, Mr. Albas. Bravo!

Laila Goodridge (Fort McMurray—Cold Lake, CPC): We are really proud of you.

The Chair: It's quite something.

[*English*]

We'll suspend for two minutes, colleagues, just to give our wonderful clerk a chance to put this all together into something that resembles what we all discussed here. Then we'll come back.

• (1805)

(Pause)

• (1815)

The Chair: I call this meeting back to order.

[*Translation*]

Mr. Barsalou-Duval, has a solution been found?

Xavier Barsalou-Duval: From what I understood, the clerk was asked to draft something, so I would like to let him read it for us. What was proposed before the meeting was suspended is fine with me. That was to replace “Driver Inc.” with “heavy trucks”, to add Canada Post and to let the Liberals add a witness of their choice.

The Chair: Thank you, Mr. Barsalou-Duval.

I will give the clerk the floor so he can read us what he has drafted.

The Clerk of the Committee (Philip den Ouden): Thank you, Mr. Chair.

[*English*]

After all the discussions among committee members, we have come up with the following text, which I will read back to the members now: “That the Standing Committee on Transport, Infrastructure and Communities add two meetings as part of the study on the changing landscape of truck drivers in Canada, comprised of one meeting of no less than two hours, wherein the first hour is devoted to hearing testimony from victims of heavy trucks and the second hour to hearing from representatives of Justice for Truck Drivers, the Caledon Community Road Safety Advocacy Group and the Joy Smith Foundation, and one meeting of no less than two hours, wherein representatives from 6S Trinity Transport, J + R Hall Trucking, Dan Express, Carmen Transportation, Ludwig Transport Limited and the Association des Professionnels du Dépannage du Québec be invited to testify; that the victims of Driver Inc. be provided the opportunity to testify in camera; that the Liberal Party of Canada provide the clerk with one additional witness to appear at one of the two meetings and; that Canada Post be invited to appear at one of the two meetings.”

[*Translation*]

The Chair: Mr. Barsalou-Duval, you have the floor.

Xavier Barsalou-Duval: At the meeting with the victims, I think we should focus on them. It would not be ideal to have the Canada Post representatives here at the same time, for example, or other groups that have nothing to do with them.

Second, I think I understood, in the discussions we had during the break, that the number of meetings scheduled might be inadequate for hearing all the witnesses we want to have. So if we needed to schedule a third meeting in order to be able to hear all the witnesses on the list, that would not be a problem for me.

● (1820)

The Chair: Thank you, Mr. Barsalou-Duval.

Mr. Gaheer, you have the floor.

[*English*]

Iqwinder Gaheer: I thought there was a friendly amendment to change “victims of Driver Inc.” to “victims of road transportation”. Is that right?

Chi Nguyen: He got that.

Iqwinder Gaheer: The way it was read, it was different.

You'll change that. Okay. Thank you.

The Chair: Go ahead, Mr. Albas.

Dan Albas: First of all, I'll make a formal request that we have the clerk seek more resources, just in case, but hopefully it won't be necessary. I do support my colleague's call for three meetings. That would make it a lot easier for our clerk to be able to accommodate such a wide witness list.

Also, while it's very well intentioned that we have offered in camera to victims, it should be very clear that...because some victims will want to come and will want to make a difference publicly. I just hope that we are doing this to create that option for someone who feels compelled to testify, in very personal details, so that they have that choice. It should not be that we have an in camera session with victims and only that.

I do support my colleague, and hopefully we have the consensus we need around this table.

The Chair: Thank you very much, Mr. Albas.

Yes, the idea is to give the option to those who would like that. Then, there are those who are going to want to speak publicly, to share their experience and to talk about why it's so important that we make the trucking industry safer.

We'll go to Ms. Nguyen and then to Mr. Kelloway.

Chi Nguyen: It's okay. We already covered the point. It was around making sure it was up to the victims and that they have the opportunity to make that choice.

The Chair: Okay. Thank you, Ms. Nguyen.

Mr. Kelloway.

Mike Kelloway: Obviously, the option for the witnesses is important, and that's the intent and that's the goal, to give people the option.

I guess the second piece is that we're looking at three meetings. I'm inclined to think about that, for sure. Given the testimony that we've received to date, it requires us to give some really serious thought to that.

There are a lot of things that have been brought up, some from the provincial perspective and some federal, but my concern—and the study is so damn important—is that we may go from a third meeting to a fourth meeting to a fifth meeting. We were open to two meetings. I think we can manage that pretty effectively.

With respect to the third meeting, what I'm seeing right now—and it's really good to see—are some recurring themes happening. You're seeing themes with respect to training and fatigue and issues and challenges that could be placed on Revenue Canada, but now they're starting to come up consistently, which is a good thing when you're doing a study. You're finding some common themes that you can drill down into and ask the questions: Why is this happening, and how do we change it? My concern is that I think we're starting to see that repetition come in—so it's a good thing, yes—but we're starting to see repeat themes.

I agree to the first meeting, yes, and the second meeting. I think there's an option for a third, perhaps, but I think everyone around the table is of the same mindset, which is to give what I think will be a very concrete report to the federal government on matters that are related to the federal side, and also to the provincial governments, looking at and digging deep in terms of analyzing whether they need to do some mandatory continuing education. It's not for it to be remedial, but for it to be expected and followed up and that there's aftercare associated with it.

I would just give some thought and consideration to that moving forward on this particular amendment.

The Chair: Thank you, Mr. Kelloway.

I have Monsieur Barsalou-Duval, followed by Mr. Gaheer and Mr. Lauzon.

Colleagues, there is some broad agreement, but correct me if I'm wrong. Do we want to take this off-line, figure it out and then come back to the next meeting and adopt it quickly? I'm just wondering where we are right now.

Maybe I'll let you guys speak, and then we'll figure it out.

Go ahead, Monsieur Barsalou-Duval.

● (1825)

[*Translation*]

Xavier Barsalou-Duval: Thank you, Mr. Chair.

I get the impression we are on the same wavelength. We could start right away with what we have on the table at the moment.

On the question of a third meeting, we could simply leave it to our clerk to handle that. We would add at the end that if the clerk is not able to meet the request with two meetings, he could schedule a third without it being the official will of the committee to hold three meetings.

I think the idea is to allow all the witnesses who have been named to appear. It is mainly the Liberals who want to add witnesses.

We generally hear three or four witnesses an hour. I don't want to blame anyone, because everyone is entitled to want to invite witnesses, but that is beyond me.

I don't know whether everyone agrees to operate that way. Regarding the third meeting, we would do better to allow the clerk the latitude to schedule a third if necessary. Regarding the victims, I would still prefer that they be the only ones present at that third meeting.

The Chair: Thank you, Mr. Barsalou-Duval.

[*English*]

I have Mr. Gaheer, Mr. Lauzon, Mr. Albas and Mr. Kelloway on the speaking list.

Go ahead, Mr. Gaheer.

No? Okay.

Mr. Lauzon, you have the floor.

[*Translation*]

Stéphane Lauzon: Thank you, Mr. Chair.

The idea of a third meeting makes me a bit uncomfortable. We have already gone from one to two meetings, and now there is a request to add a third.

I looked at the witness lists for meetings 9, 10 and 12 and I saw that these were completely different groups. I don't understand why the witnesses would have to be all from the same group that day. The way our work is organized, our meetings are divided in two and we take a break between them. So a kind of reset happens when we have the second panel come in, after they have waited outside the room while the first group testifies. So I don't see why we could not stick to two meetings. Once again we are being asked to change the number of meetings, which has already been increased.

Mr. Barsalou-Duval, you are saying that what changes things is the fact that we may want to invite another witness, apart from Canada Post, while all the witnesses come from the Bloc Québécois and the Conservatives' list. At this stage, I am also entitled to change my mind and say we need to take time to think about it. It may be too early to talk about a particular witness, because it was decided on the fly; with a bit of distance, however, it may be that I will have a specific name to propose, so it can be added to the amendment and we can decide on a timetable.

Give us some time to see whether it is possible to hear the witnesses proposed by the Conservatives, the Canada Post representatives and another witness in two meetings. Let's see how it would be organized and come back with a motion that is not clumsily written and with a stable amendment, rather than tossing ideas in the air and saying we could add a meeting just in case we need one. We aren't talking about a friendly amendment anymore; we are talking about a change where the effect would be to bring all the employees and members back for another meeting, at the discretion of the clerk.

Personally, I like things to be clear. When a friendly amendment is proposed, Mr. Barsalou-Duval, you can't add things on the fly, like additional meetings. We need to step back and come up with a recommendation.

I don't want to ignore all the discussions we have had today, but if we find a useful witness, we will consult the clerk to see whether two meetings are enough to hear all the witnesses. If not, then we will at least have arguments that have not been written on the back of an envelope. Right now, I get the impression that additions are being proposed that have been written on the back of an envelope. It is important to work in an organized manner and work with the clerk, and I think the chair has some work to do with the clerk to prepare for a future meeting.

So we should simply step back and come back at the next meeting with a more specific plan.

• (1830)

[*English*]

The Chair: Colleagues, I'm going to chime in and say that I think we're all on the same page. There is agreement to extend the study. This is an important aspect of the study. We want to have witnesses, including survivors and people who have lost their loved ones to traffic accidents. I don't think we're going to politicize this. We're all trying to do our best. There are details that need to be sorted out, and I think we have some goodwill here to work together to get it done.

I want to share with you something that Alexandre reminded me of. I should have known this, having sat on the public security committee, where we had witnesses who were survivors of domestic abuse. Whatever is said in camera—if somebody shares their experiences—won't be cited in or useful for the report.

All of that is to say that I feel like we have some goodwill here.

I'd like to adjourn. Otherwise, we won't be able to have the ministers appear. We'll work behind the scenes, come back and adopt something we all agree with, because I think we're very close. I think we all have goodwill, so let's build on it. Are we okay with that?

I'll turn it over to you, Mr. Albas.

Dan Albas: This is the challenge I think we have right now: The Liberals are saying they want another witness, but they also want to have it limited to two. We have to pick a lane as to where we're going to go. If you want to add an extra person, to me that creates more pressure on the two-meeting notice right now.

Mr. Chair, I would suggest one of two things. One is that you guys say you want to have another witness in addition to Canada Post and the unknown witness, and if you want to do another unknown witness, then let's just agree to three and let the clerk figure it out. The other is to go ahead with what Mr. Barsalou-Duval has suggested and just give it to the clerk, and he'll try to make it fit within the existing framework. If it is impractical, then he will inform the chair and the chair will inform us as to why we're going to three meetings.

I do have a question from a practical perspective.

Mr. Clerk, given your experience and how this study has gone so far, what format would you say would be optimal for balancing hearing voices and ensuring each member has adequate time to question the witnesses? I've been to panels where we've had eight people on pre-budget consultations, and you leave out half of the witnesses and it's really disappointing for people when you have a stacked panel.

The Clerk: Thank you for the question.

It's difficult for me to say. That's really a decision that would be up to the committee. I'm in no position to instruct the committee on how it should proceed, but I can take my direction from the committee.

Dan Albas: I understand that, sir, but based on your experience, you must be able to say, "Okay, to me, with this many people in one meeting, this is the optimum for questions and answers." If you had ultimate resources here, what would you say would be the pace to track similarly with the other sessions we've had?

The Clerk: The typical practice of this committee is to have three witnesses provide five minutes of opening statements each, which is 15 minutes of opening statements. That allows enough time for the committee to get through its full panel of questions. This committee seems to like to operate that way.

Dan Albas: How would that work, then, given the number of witnesses we have? Would that be two meetings at two and a half hours, or would that be three meetings at two hours?

The Clerk: I would have to do the math, but it would exceed two meetings if the committee were to do panels of three witnesses, which is its usual practice.

Dan Albas: I appreciate your clarifying that. I know I put you in a very difficult position. You threaded the needle, sir.

The Chair: If it's the will of the committee, we can have meetings that are two and a half hours as opposed to two hours. We can say that we want to have three-hour meetings.

Before I turn the floor over to Mr. Kelloway and then Mr. Lauzon, let me say that this is really something we can all work out behind the scenes. I don't think this is something we need to do here. As you know, things usually work out better when we're all working collaboratively.

Perhaps we can do this: I feel like there's goodwill here, and I don't think anybody wants to be talking out something as sensitive as this, so I think we should all just do our due diligence behind closed doors and come back on Thursday when we have the ministers.

That's my take, colleagues; yours may be different.

Mr. Kelloway, go ahead.

• (1835)

Mike Kelloway: My father always said that he never learned anything when he was talking, and I just listened to you, so I'm in agreement with you, sir.

The Chair: We'll go to Mr. Lauzon, followed by Mr. Barsalou-Duval and Mr. Albas.

[*Translation*]

Stéphane Lauzon: I agree with you, Mr. Chair.

Maybe the Conservatives would have an option to propose so we can stick to our schedule.

One witness has been proposed by the Bloc Québécois and another by the Liberals. The Conservatives could waive one of their five witnesses on the list so only two meetings would be held, and thus give the clerk a bit of latitude. That would be one option to consider at the next meeting.

We are at five witnesses for the Conservatives, one for the Bloc Québécois and one for the Liberals. So at the next meeting, the Conservatives could call slightly fewer witnesses.

The decision is up to your discretion, however, Mr. Chair.

The Chair: Thank you, Mr. Lauzon.

Mr. Barsalou-Duval, you have the floor.

Xavier Barsalou-Duval: Sticking to two meetings might make it possible to reach a consensus.

I haven't done the math, but would it be possible during the second meeting, other than the one where we hear the victims, for us to form panels of four witnesses rather than three?

That would mean we could settle the matter, move forward, and go on to something else.

[*English*]

The Chair: Mr. Albas, we'll go over to you, and then to Mr. Kelloway and Mr. Lauzon.

Dan Albas: I take your deal.

We give up one and you get one, but we simply let this go so that the chair has his direction today.

The Chair: I have Mike first.

Mike Kelloway: This is not being designed to delay anything. Can we just breakdown again...? I was jotting it down. Is your recommendation what Dan's in agreement on? I want to make sure I'm crystal clear on what it is that we're proposing regarding the additions or subtractions we're making. We should be crystal clear on it before we rush into something with respect to making, yet again, more changes.

There are a couple of things here. The fact that we want to have an additional Liberal witness seems to have caused some kind of major kerfuffle. We put a man on the moon in 1969. I'm sure that one witness will not create a house of cards in terms of the committee and how it's organized.

If we can read out again, with your indulgence, Mr. Chair, what Xavier has proposed, so that we're clear on our side before we move on to perhaps more changes that may come.

The Chair: What I'm going to do, colleagues, is to see if we can get on the same page once again. I'm going to suspend for a couple of minutes and work behind the scenes to see if we can find something. When we come back, there will be a speakers list.

Laila Goodridge: Can we just vote?

Dan Albas: We were asked a specific thing from the Liberal side. I made the good-faith offer. Essentially, the Conservatives will drop one witness—yet to be decided. It's going to be tough on us, but we understand. The Liberals will submit two new names, so we'll have Canada Post and two new witness testimonies and the Liberals will have their people.

Mr. Lauzon said that's what the Liberals needed. As long as Mr. Barsalou-Duval is in agreement, I think we have an agreement.

The Chair: I don't have a vote, Mr. Albas—only when there's a tie. I look around the room and see that there's no consensus on this. There are people who still want to talk about it, which is why I'm going to suspend for a couple of minutes to see if we can come up with something. Then we'll resume.

The meeting is suspended to the call of the chair.

• (1835) _____ (Pause) _____

• (1905)

The Chair: I call this meeting back to order with the hope and aspiration that we will find a solution, colleagues.

I have Mr. Albas, followed by Mr. Kelloway and Mr. Lauzon.

Mr. Albas.

Dan Albas: Thank you, Mr. Chair. I'm glad that we're back.

I just want to, again, reiterate to the public at large that what we're here to do is, hopefully, to hear from victims in a format they feel they can express themselves and lend to the report. So far, we have not had victims here. We've also had a number of requests. We learned today that Canada Post has allegedly been using Driver Inc. We've also heard about millions of dollars of unpaid towing fees.

While I recognize that there are some arguments of repetition, that's not uncommon in a study. I'll just give all members, particularly Liberal members, a reminder that this is about the safety of Canadians. This is about finding out what is causing some of these matters in the trucking industry and hopefully resolving them. I really do hope that members can work with us in good faith and that we can actually move forward on this.

I've made some grand gestures, I think, to offer an off-ramp. I just hope that someone will take it.

Again, this is about safety, so let's have these victims come in. Let's give them their dignity and have a study that we can all be proud of.

• (1910)

The Chair: Thank you very much, Mr. Albas.

I have Mr. Kelloway, followed by Mr. Lauzon.

Mike Kelloway: Thanks, Mr. Chair. I appreciate it.

I agree with MP Albas that safety is, first and foremost, the matter of the day here when it comes to this particular topic. It's not one that one party has domain over. Every party wants a safe and secure roadway, and so do the individuals who are driving the trucks, the people who are servicing the trucks and the people who are driving from point A to point B for work, recreation or whatever the case may be.

I think that some very promising discussions have taken place—sidebar conversations on our little break, Mr. Chair. Right now, I don't see the ability to get concrete action, but I think we can take this off-line. Ideally, it would be to adjourn and have our conversations off-line with regard to falling on a place that's agreeable.

What we do agree on is that this study is absolutely essential and important and that we want to get a report *tout de suite* to government—a report, dare I say, that is shared with the provincial governments as well because this is very much a tandem thing. I would dare to say that the report should go to unions and to all the stakeholders that have been here.

I think we're making some progress, but I'm concerned for some of the reasons that I've mentioned in terms of where we land here. The goalposts have moved, and they continue to move. I get that it's part of a committee, especially the way the meeting is composed here. I'm not exactly sure we're going to get consensus. What we do have consensus on is that we need a report that's thoughtful and well rounded.

I think we could get to a better place if we were to adjourn or suspend, whatever the terminology is. I know they mean two different things; I've read my green book. I think that, ideally, taking this off-line will get to a better place, a better place that would get us to some consensus. Then we could move forward.

The Chair: Thank you very much, Mr. Kelloway.

[Translation]

Mr. Lauzon, you have the floor.

Stéphane Lauzon: Thank you, Mr. Chair.

I support what my colleague said and I would like to get back to the question of witnesses.

When I went to see Mr. Barsalou-Duval, we agreed on inviting representatives of the towing industry. In doing our study, we have actually not yet taken the pulse of the towing industry. It seems to me, however, that towing companies may play a fairly important role, since they are almost the first responders. They arrive at the scene of accidents and are able to testify about them afterward. I therefore agree on the proposal to add a meeting to hear from towing companies.

In addition, we had previously discussed the proposal to invite representatives of Canada Post to testify. That interests me as well.

However, I am not sure I agree on the list of additional witnesses proposed by the Conservatives. When we invite witnesses, we have to prepare. My staffer and I meet to read their documents and learn more about them. That becomes redundant, however, because we have already heard transport companies and we are proposing to hear from even more. Several transport companies are repeating themselves.

Certainly we all want the same thing, road safety, but we also want to produce a report in which we formulate recommendations for finding solutions. First, the proposal was to add one meeting. Then, the proposal was to add a second meeting. Now, it is to add a third meeting. I don't imagine it will stop after three meetings.

So it seems to me that we are getting nowhere and we need to step back a bit. We almost have agreement on how to finish this study. We are only asking to add two meetings. However, it is not possible to hear all the proposed witnesses in two meetings. On the sidelines, we heard that it would be impossible even if a witness proposed by the Conservatives were removed and one proposed by the Liberals were added. So two and a half meetings would have to be added, or even three. We do not see eye to eye.

In short, I proposed, first, to remove some witnesses so we could limit the number of additional meetings to two. Second, I also asked that the witnesses invited be useful and add to our understanding of the subject at hand. That is the case, for example, for representatives of the towing industry, who are almost first responders. That would avoid the testimony being redundant.

There is one witness whose testimony I would like to hear. However, at present, we are not in a position to do consultations and provide you with a list. We have some work to do on the ground first. As a result, I would like to end the meeting so we can propose, later, to invite a witness who will be in addition to the towing industry representatives. We also have to be able to hear all these witnesses in two meetings, at most. So we have to work with the clerk and everybody to find a solution.

For all these reasons, I think, as does my colleague, that we should step back and adjourn the meeting. In any event, we will be hearing from the minister next week. We will also be hearing other ministers at the meeting after that. So we have time to do some work on the sidelines. We have time to prepare. In addition, we have to hold discussions about the next study.

● (1915)

We have a lot of issues in common that we have not really finished discussing. I sincerely think we should adjourn the meeting, do some more work on the sidelines, and come back with a better consensus, so we can be more prepared.

I will stop there, Mr. Chair. If necessary, I will have more to say.

The Chair: Thank you, Mr. Lauzon.

You are the next person on the list, Ms. Nguyen.

You now have the floor.

Xavier Barsalou-Duval: Mr. Chair, I thought I had the floor next.

The Chair: I'm sorry, Mr. Barsalou-Duval. You were the next person on my list.

You have the floor.

Xavier Barsalou-Duval: Thank you, Mr. Chair.

I have heard everyone around the table speak, and it seems that we are all very close to agreement. Not much is missing to reach a consensus that will enable us to make a decision about the next meetings.

We all agree to dedicate a meeting to the victims and invite victims to testify. We are all in favour of representatives of the Association des professionnels du dépannage du Québec and Canada Post testifying. We also all agree that people would have liked to testify but were not able to come. In fact, that is why the Conservatives have submitted names. It seems that some regions of Canada have not been adequately represented so far. The Liberals have also said they would like to invite more witnesses. That is what is on the table at the moment.

From what I understand, there is no problem. The only challenge is determining whether we are going to hold two or three meetings. If we agree to hold three meetings, we may want to hold one more. Very honestly, whether there are five meetings or ten meetings, I think we will have to hold as many meetings as it takes. If the committee decides to do two, I will accept that, and we will focus more on what is essential.

A lot of people have an interest in this issue, which affects numerous businesses. I am sure I could find many companies in Quebec that are ready to testify, because there are numerous jobs at stake. There are also a lot of victims; people have lost their lives on the roads. This is a serious study, an important study. I think it is crucial to do this study properly.

At the same time, we also have to come up with solutions. If we agree to hold two meetings, it will be two meetings. If we hold three meetings, it will be three meetings. I think we are capable of making a decision this evening and moving forward from there.

That is the message I want to send to committee members. I think it is important not to end up talking about it over and over for an hour or two at another meeting in one or two weeks, when in fact we all agree on the essential points.

● (1920)

The Chair: Thank you, Mr. Barsalou-Duval.

It is now Ms. Nguyen's turn.

You have the floor.

[English]

Chi Nguyen: Thank you, Mr. Chair.

I'm in agreement with Mr. Barsalou-Duval. I think we have a lot here that we are in agreement on.

You talked about the idea of preserving a meeting specifically for survivors and witnesses who were victims of accidents and making sure we dedicate that in the right way. I think we all want to make sure we are working in concert with the provincial governments to get the right recommendations to tie this up. We have started to see a lot of patterns emerging in the data and the witness testimony. There are a couple of other perspectives that I think are important to hear to make sure we round this out.

I'm looking forward to making sure we get to the next piece of work around the recommendations here, so that we can have action on this really important topic. I hope we can get there and can work in consensus in the spirit of a friendship room because we are all grown-ups and we're trying to do great things for this country.

The Chair: Thank you very much, Ms. Nguyen.

[*Translation*]

It is now Mr. Kelloway's turn to take the floor.

[*English*]

Mike Kelloway: Some comments were made here with respect to where we go from here. I do think that we're close. There is some contention on our side that the goalposts have moved a bit, and they seem to be somewhat malleable and flexible in terms of fluidity.

We're closing in on the tail end of a very important study, one that I'm grateful the Bloc member put forward.

As a member of Parliament from Cape Breton, I realized the essential nature of truck drivers during COVID, as we all did, but I didn't realize the extent of it. I did talk to some local truck drivers who brought it up to a degree, but I didn't realize the extent of the challenges and the divisions in a lot of things. First, I didn't realize that, in some provinces, training can be up to 48 hours and then people are put into trucks. That's astonishing to me. It's more than a red flag. That, to me, is something that in a meeting or two or three, whatever we decide to do, will no doubt be further cemented or further elaborated on. I know that there are a lot of nuances there.

Today we heard from a witness who talked about the fact that there's remedial training. If something goes wrong that you're called on the mat for, you have to receive some training to update your skills, but there isn't really anything mandatory in terms of continuing education for truck drivers. That's astonishing to me.

Then we talked about the fatigue aspect and how that is consistently a theme that's been brought up. I'm thankful for the opposition here. It's not often that you hear that, because we often have our own game sheets coming in here. The Conservatives want to own the Liberals, and the Liberals want to own the Conservatives, and the Bloc wants to do what it does. I'm really thankful for the fact that we need to look at the victim side of this and how this impacts victims. I understand that we need to be very careful, mindful and thoughtful in how we do that. I think that's really important.

A lot of things have been learned here, so I'm grateful that the study has happened, and I'm grateful that we've spent the time on it

that we have. I've learned a lot. I've thought a lot about loved ones on the highway who I hold dear, whether we're on the Trans-Canada in Cape Breton or travelling to see our niece and nephew in Toronto. How safe are we, and how do we reassure that?

We've learned here in this study so far that it is complicated in the sense that there's a great deal of oversight by the provinces, but there may be opportunities for the federal government to look at different venues vis-à-vis Revenue Canada and how we can play a role there.

I can assure you of this: No one has played this game. I appreciate the opposition not playing this game. Liberals have families too. Liberals drive trucks too. This study matters to us. It matters to everyone around this table and everyone in our caucus. We don't get time and a half. We're just very thoughtful and careful of how we want to move forward, in all seriousness.

● (1925)

That goes to my second piece, or maybe third piece or maybe fourth piece, which is how we work as a committee. On committee work, I've been doing this for six years. That's not as long as some people here. Some people have been here for a long time. Again, I often wonder, when we think we're going one way in terms of a process, why we seem to zigzag and go to another process. In past committees, we've had a very functioning subcommittee that was able to blow through that minutiae and really bring out some tangible processes and go-forwards for the larger committee.

Now we find ourselves in this situation where we're very close in terms of solidifying a move on the scheduling, but you can understand that when things change three or four times in an hour, it gives you a little pause for concern in terms of, if we now agree to this, will this change...? It's like a Russian nesting doll. It just keeps on going.

From our standpoint, we're looking at that very carefully, and it's very thoughtful because we want the best study for it. Ideally, we could have one meeting with the victims, get this study to the presses and get this back into the hands of government, and then ask the federal government about recommendations number one through whatever.

Let's seriously talk about this for the betterment of the industry, for the betterment of the citizens of every province and for the drivers themselves. We've seen in a lot of testimony over the last number of sessions that there's a lot of data. Some of it is substantiated, and some of it less so. There's a lot to think about on this side of the table, as there is on the opposition side of the table.

It was six meetings. There were six meetings and then it was nine meetings. Then it was eight meetings, and then there's two and a half and then carry the one... I mean, you can understand our trepidation in this. I'll sum it up this way. It's that I do think that if we were to take this off-line, adjourn or suspend...but I think suspending the meeting could possibly impact the minister. I don't know if that's the case.

Clerk or Chair, if that were to happen...?

The Chair: Yes.

• (1930)

Mike Kelloway: No one wants to see that because we have two ministers coming who are ready to answer your questions and ready to provide perspective and insight: Minister Hajdu and Minister MacKinnon. Again, I think we need to maybe pause and reflect on the next steps here and come up with a successful resolution.

With that, I'll yield the floor.

The Chair: Thank you very much, Mr. Kelloway.

[*Translation*]

I now give the floor to Mr. Lauzon, who will be followed by Ms. Nguyen.

Mr. Lauzon, you have the floor.

Stéphane Lauzon: Thank you, Mr. Chair.

To go back to what my colleague said, we want to get this study finished, because trucking is central to the Canadian economy. Witnesses have told us that every day, more than 70% of the goods traded in the country are transported by drivers on the roads.

We are therefore committed to ensuring that those drivers be legally qualified and work safely. Some witnesses have also asked that those drivers speak French or English.

Whether they are transporting food, consumer goods, construction materials or essential materials, this transport is central to our economy. All of the companies that testified told us about the circumstances in which they work. I will not list the witnesses we heard, but these people are good workers, they are the heart of this sector of our economy. They are truckers, dispatchers, small businesses, cafeterias, truck repair workers and truck parts sellers. In my riding, very close to my home, there is Transport Laplante, a company I am very familiar with that hires workers from all over. They are foreign workers, but they are well trained.

One of the difficulties these companies have is that the more rural they are, the more difficult it is to recruit, particularly because there is no housing. The economic situation varies from company to company, but the importance placed on road safety is really what they have in common. It is the foundation. The rules of the game have to be the same for small actors, big actors, independent drivers and drivers for big companies.

The problem that the witnesses told us about has rapidly taken on significant proportions. Some witnesses told us that the problem has existed for ten years; others said it went back 14 years. One of the witnesses today told us he had started spending time with ministers and MPs from all parties 14 years ago. We are therefore all involved. This is not a question of politics, and it is not about knowing whether you are Liberal or Conservative. It is a problematic situation that the witnesses have seen coming and have seen getting bigger. So Driver Inc. is a name given to a problem that was already here 14 or 15 years ago. That is what we have heard.

We have also heard testimony from a number of companies. Even though we have not heard every one of the Canadian compa-

nies, we are able to see what the problem is and find solutions. I think our analysts have enough material in hand to complete some pretty exhaustive reports and enable us to submit recommendations and move forward on this issue.

That being said, our colleague Mr. Barsalou-Duval has raised a point that had escaped us.

I am going to take the liberty of speaking freely: If we invite witnesses to talk to us about what they have been through, it will be painful. What we experienced when we heard witnesses from rail transport was less serious. Of course, some people had to take medication, for one thing. But in this case, it is taking it up a notch. We are going to hear testimony that is going to hurt. Is that pain necessary? If it is important to the committee, we will go ahead. I think it is important to respect Mr. Barsalou-Duval's intention and invite witnesses from the families that have suffered the repercussions of this phenomenon.

• (1935)

Are we then going to add a layer by taking that opportunity to invite a representative of a towing company? We are open to the idea of hearing representatives from one or two towing companies, but we would have to know what approach we want to take with them.

In fact, we would almost have to consider them to be first responders. After the police and firefighters do their work, it is often the towing services that arrive on the scene to observe the damage and handle the consequences of an accident.

Is it useful to invite people from that industry? Personally, I don't think it really is, but I am open to the idea of finding a way to justify the decision to invite a towing company.

That being said, we are now talking about going back to a list of witnesses based on testimony already received. Their names were submitted today, but we still have to do research to determine what arguments we want to put forward in our discussions. Do we have time to do that research? The answer is no. We do not have time to do research into the witness list proposed by the Conservatives. We are considering maybe adding one, and that is where things stand in our discussions. If we add one, we have to find the one who reflects the line of thought we want to follow in the testimony, because any addition calls for additional research.

Do I want to revisit some of the reporting we have seen, like the reporting done by *J.E.*, for example, good, constructive reporting, to relaunch this study? I think it would be worthwhile to take another look at it, yes, to do our homework again and think about the witnesses we might invite.

All of that is with the aim of ensuring fairness among ourselves and among the witnesses and adhering to the approach we want to take in this study.

Initially, the plan was to hold one meeting, and then a second was added. We now find that this is not enough and we are adding a third. Moreover, we want to avoid certain witnesses being exposed to the testimony given by others, particularly when sensitive subjects are discussed.

Earlier, I proposed a friendly amendment so the witnesses would be somewhat isolated and their testimony would be given in camera, if they preferred. If a witness is heard in camera, it does not mean they can't participate in the first part of the meeting, which might be followed by rearranging the room for hearing the second panel. We are now looking at a meeting solely for sensitive testimony. It will never end.

I think we have some homework to do. We have to verify what we are looking for in all this, and then propose a solution that will satisfy everyone.

Essentially, what we want is to manage, together, to complete this study. What is important now is to discuss our subject in a way that will identify common approaches that can lead to conclusions and recommendations.

Driver Inc. is not an easy issue to understand. Although we started by looking at the workers, we realized that they were not the only ones affected; the companies are suffering major economic consequences in all this. We realized that hourly rates had been changed because of cheap labour and failure to maintain vehicles. In addition, highway controllers have little oversight of the condition of vehicles.

I have learned a lot of things over the course of this study, during which we have also discovered that there are communication problems between the provinces that are injurious to road safety. Plainly, some of our recommendations could help to improve the situation.

- (1940)

We also learned that some transport companies had only one customer. There are laws that govern this aspect of trucking. Some recommendations ask that we establish that a company that incorporates for a single customer is not entirely legal. What can be done in this regard?

Testimony heard today also told us that some drivers were cheating their logbooks. In addition, some drivers have two of them; they change a letter in their name and thus drive with two logbooks. Others manage to thwart the electronic logbook by rebooting it to show that they slept for eight hours so they can keep driving.

We have a lot to learn, we have learned a lot, and we have a lot of recommendations to make about this.

We have also learned that some trucks were not inspected by the drivers, they were inspected by the companies themselves and they were plainly not being maintained.

It goes even further. We had witnesses tell us about unpaid benefits and holidays, tell us that there were sometimes two drivers per truck in order to be more competitive against companies that comply with the rules, with keeping logbooks and with maintaining vehicles, and have very low personnel turnover compared to others.

We realized that drivers have no social safety net. That is very important to us, because safety depends on it.

We also learned about the language barrier. We were told that training was given in the language requested, but drivers were getting behind the wheel who were not able to read the signs, because they spoke neither French nor English. We know the signs are not written in other languages, such as Spanish, for example.

This is all not to mention the differences between provinces. According to the testimony, road monitoring is not done the same way in all provinces. We heard from a roadside inspector that certain safety practices in Quebec are not applied in the other provinces. The inspector could not even access a truck's maintenance or inspection history. Some problems that are concentrated in Ontario and Quebec are not seen elsewhere.

There is also the matter of price increases. I spoke a little earlier about competition. What we learned on that subject is that prices have risen since the pandemic, which has forced companies to use the Driver Inc. model to try to stay competitive. A weak spot has thus been created in all this because of the labour shortage, for one thing.

If class 1 drivers were all Canadians or Quebeckers, if there were no foreign workers, if trucking companies were all recognized and did their inspections and kept their logbooks as required, we would not be here talking about this phenomenon. It is not solely attributable to immigration; it involves all areas of the economy.

I am going to talk about this phenomenon as it affects workers. We have heard from a number of representatives of groups and organizations in Quebec and Canada and internationally, and we have seen that companies had varying opinions about the Driver Inc. model.

- (1945)

They talk to us about not just the loss of competitiveness, but also, and most importantly, about market concentration and composition. One witness told us, about three weeks ago, that some drivers got their licences in 24 hours, in a foreign language, and that—

The Chair: Forgive me for interrupting you, Mr. Lauzon, but Mr. Albas has a point of order.

[*English*]

Dan Albas: I have to say I am loving this, hearing all of this testimony, but relevance to the motion.... It seems this member is wandering off and giving us his own recollection. I really hope some of the members who were talking about repetition in witnesses might say that this witness here, this member, is being repetitive.

The Chair: Thank you very much, Mr. Albas.

I think there was a link to the transport sector and missing truckers and how this study is important to ensuring that we always have ample truckers in the industry.

Thank you very much for that.

[*Translation*]

Mr. Lauzon, you have the floor.

[*English*]

Stéphane Lauzon: Thanks for the break, Mr. Albas. I appreciate it.

[*Translation*]

Dan Albas: It's precious—

[*English*]

Stéphane Lauzon: Let me go back to that. Let me talk about the people who drive those trucks—I was there.

[*Translation*]

I am going to speak in French, because I do a considerably smoother job of it in French.

French is my language; it is the language of Molière.

The witnesses talked about the best interests of truck drivers, but also about the impact a scheme like this can have on employment insurance, for example, when hours are not properly declared.

In addition, in Quebec, it has an impact on worker protection by the Commission des normes, de l'équité, de la santé et de la sécurité au travail, or CNESST. There are equivalent organizations elsewhere in Canada, including the Workplace Safety and Insurance Board, or WSIB. In fact, there are others, but I don't know them all off the top of my head. Finally, it has an impact on workers.

I want to remind Mr. Albas that I'm talking about Driver Inc. and what we heard from the witnesses. I'm also talking to you about the motion. We want to find solutions and come to an agreement.

Today, it's important to say the following: From what we've learned, those drivers were also deceived. Their leave hasn't been paid and they have to work extended hours.

It's very important to point out that we've spoken to union representatives about the well-being of workers. I was fascinated by their testimony, especially when it came to supporting their workers, protecting them and giving them the best working conditions. However, unions are there to represent all workers, including foreign workers. That said, I think there's still work to be done in this area. Therefore, I want to put recommendations in place based on what the unions have said. Based on the testimony we've heard, some very good recommendations could be made. When they draft our report, I think the analysts will really focus on the testimony of the union representatives, whose primary goal is to protect workers. Mr. Chair, that's what I wanted to say about workers.

However, I'd also like to address public safety, because we heard some extremely important testimony on that subject. The pressure on drivers is not just economic and related to the profitability of businesses or the illegality of what they're often pressured to commit. They also have to accept all workloads, which has an impact on public safety. We know what the risk is.

Every morning, I drive for an hour and a half or an hour and 45 minutes to get to work. Every night it takes me an hour and five

minutes to get back. On a day like today, I know I'm at risk. I started work at 6 a.m., I will have to work late until 9 p.m. or 10 p.m., I have the flu and I get back on the road to head home. The stretch of road between Masson-Angers and Thurso is as dangerous as the road between Thurso and Plaisance. I'm talking about the little country road that extends over those 12 dreaded kilometres, which is even more dangerous in the dark. Since the beginning of the season, two deer have been hit. In short, I'm taking a risk.

Now imagine the case of drivers whose loads weigh tons. Add to that fatigue and driving in the dark on snowy and dangerous roads. I know what I'm talking about: Since 2010, I've been travelling that route for two and a half hours a day to come and work. Since 2010, I've crossed paths with trucks. Why? Because that's where the trucks drive. I drive on the highway of death every week. For those who aren't familiar with the highway of death, I'd like to point out that it is eastbound Highway 50 in Quebec.

● (1950)

Highway 50 is a truck-heavy road. I see them. If I didn't care about this study, I wouldn't be the right person sitting here. I'm always on the lookout, because I don't know what the truckers are doing in their truck, but they take up part of my lane. I don't know if they're falling asleep, texting, eating or whatever, but I end up with two wheels of their truck in my lane. On Highway 50, there are many head-on collisions. There were more deaths last month. Once again, a truck and a driver had a head-on collision. That concerns me, and I think it's extremely important that we be able to propose solutions.

In addition, the human impact is very important to me. Based on what the witnesses have told us, I feel that those workers are in a tough spot even though they haven't come to testify. No illegal drivers have come to testify here on the stand, to tell us why they're working illegally, because they know they're going to lose their job. These drivers are subject to threats and have to comply with certain conditions.

As Mr. Barsalou-Duval was asking, could we go further? Yes, we could go five, six or ten times further and investigate further. We could bring in witnesses, drivers who want to report their company and explain to us how they were dragged into this process. I'd like to know if we do, but I believe we have enough material to make structured recommendations.

Plus, this is a complex issue. When we talk about the social safety net, there are also tax consequences, and they are huge. These workers are under increased pressure to work illegally. We haven't really explored that aspect, because we just want to slap people who are doing illegal things on the wrist, without understanding why they're doing it. The tax system is less fair because these individuals don't pay their fair share of taxes, and that concerns us. We understood that it was related to the federal government's responsibility.

This brings me to the federal and provincial governments' responsibility, because most of the problems that witnesses have raised, at the past six or eight meetings at least, are more the provincial governments' responsibility. We talked about training for a truck driver's licence. We've had witnesses explain to us how people can get licences in 24 hours, and how the provincial training laws work. We also learned how trucks are inspected by officers mandated to do so, which is a provincial responsibility. A soon-to-be-retired inspector even invited me to go to an inspection station in Saint-Jérôme to get a clear understanding of how things are done. That, too, is provincial.

Many of these issues fall under provincial jurisdiction, but some are a shared responsibility. The provinces manage licensing, safety and inspections, but the federal government can still regulate inter-provincial transportation. We learned that there were gaps in our communications and that we could improve data sharing when it comes to interprovincial transportation.

I have good news: Our government is willing to work to better communicate with the provinces and territories. We're also prepared to move forward on transferring data across Canada.

● (1955)

Examples of potential co-operation include the joint programs at the Canada Revenue Agency, or CRA. We know that there's a lack of communication at the CRA. We want more information to be shared to properly monitor the information we have on each driver and, above all, the companies, because the problem stems from the companies. We want companies to report the right information on the right drivers in the right place. The federal government will benefit and earn revenue from the situation.

A lot of other information could be shared. For example, the CNESST or the WSIB could share information on data and classifications.

We also need the appropriate T4A slips. We've already passed legislation on T4A slips. We could further legislate, but there are always permission issues.

There are also inspections. I'll go back to the Quebec traffic officer who testified before the committee. Mr. Barsalou-Duval no doubt remembers that. The witness clearly told us that harmonizing information would be a good idea and very important. Inspections could be better coordinated. In that regard, Transport Canada and the provinces could do more to pass on information. That would make it easier for a traffic officer to be able to reprimand a driver.

Now, "harmonize" is a big word, because we have to define it in this context. The definition of the verb "work" varies in provincial

and federal legislation. We know that provincial and federal laws are not always easy to merge when it comes to classification or regulations. To improve the situation, we can talk about that in our recommendations.

I'm far from being a lawyer, but if Mr. Lawrence will allow it, I'm going to play the lawyer, even though I'm not one.

● (2000)

Stéphane Lauzon: I apologize in advance to lawyers, if there are any in the room, but I've learned that there was a legal uncertainty about this. The analysts may not be legal experts, but they are very good.

I see there's a legal expert in the room. I congratulate him on that. He'll be able to add to my remarks.

Basically, I think the crux of the problem lies in the legal uncertainty in the current legislation, because it allows a company to designate a driver or a contractor as a salaried employee. They can easily ask the driver to set up their own company, lend them their truck and designate them as an employee.

The analysts will agree with me that there is a legal uncertainty here from the get-go. I'm not asking them for answers today; they will be able to provide answers when they write the recommendations. That's my understanding.

When I heard the witnesses, I was surprised to learn that companies were taking advantage of this legal uncertainty. They are very aware of it and they know how to use it to have cheap labour that makes their businesses profitable and more competitive, and they get more contracts. Serious businesses are at risk of closing because they're being honest.

I think that case law and evaluation criteria are not applied in the same way everywhere. In my reading, I learned that there was case law, but that it was interpreted in different ways. However, we're allowing it to be diluted in the message. There have been concerns about the practices of certain companies for 10, 12, 13 and even 14 years, but we remain permissive.

Now let's talk about the process that drivers must follow to file a complaint. Inspections can take too long, they're expensive, and the paperwork is too long and complex. This discourages drivers from reporting the situation they're experiencing. Basically, the paperwork and the complexity of the complaint process make it so that drivers don't dare complain.

There is no legal uncertainty, but it is an area for which it could be recommended that there be a gateway. That may be part of your considerations.

This is for all members of the committee as well as the analysts. I'm slowly unveiling how I want to focus my recommendations in the report: We could suggest that it not be so easy for companies to create this kind of situation and that it be easier for drivers to file a complaint, for example, in one place that would allow drivers to be better protected. The union is asking for no less. It wants to better protect drivers. We want to support them. We want them to have good wages and good working conditions, but to do that, we have to pave the way to removing the grey areas.

That's why I'm talking about the proverbial grey area, the classification and the legal uncertainty surrounding the incorporation of a company where a single driver is designated to drive a loaned truck. We need to go further in the law, even if the law already exists. It just needs to be strengthened and make it clear that a driver cannot incorporate if they work for a company on a designated truck.

- (2005)

In other words, after two or three weeks or a month, if there's only one client and one driver on the invoices, that should sound the alarm at the Canada Revenue Agency. They should say that it's an illegal activity and it can't go on. So the driver has every reason—

The Chair: Mr. Lauzon, we have a point of order from Mr. Albas again.

[English]

Dan Albas: I'm just going to take another minute here.

Number one is relevance. I haven't heard a reference to the motion in probably about 15 minutes. For those people who have done these kinds of filibusters, you should, at least every three and a half minutes, touch upon the motion. It does give a little more relevance, and it gives you a little bit more cover, because people are watching right now and probably think that we're actually hearing testimony.

I just want to confirm, Mr. Chair, that the analysts are not using this as testimony that will go towards the recommendations.

Finally, I just want to say to the clerk that I would ask for some more resources because I'm quite content. I'm learning a lot about the motion.

The Chair: Thank you very much, Mr. Albas.

[Translation]

You may continue, Mr. Lauzon.

[English]

Stéphane Lauzon: Thank you, Mr. Albas, for my second break. Thank you very much.

I will keep talking, thank you.

[Translation]

To link it directly to the motion, I can talk about new witnesses, if you like, and important testimony for the committee.

The Conservatives proposed five witnesses, one of whom we all wanted to call, which was Canada Post, and we may add a witness. We weren't able to draw up a full list of the witnesses proposed by

the Conservatives. However, I can tell you some key topics that we could look at with certain witnesses. That is relevant.

[English]

I know that I get better every time, but let me talk about relevant testimony.

[Translation]

We haven't talked about driver-related illnesses. Some of the witnesses the Conservatives might bring forward could be suffering from what's called "occupational diseases". We're talking about the CNESST and occupational diseases. Some drivers may be suffering, not only physically but also mentally.

I can talk about drivers recognized by the Association Diabète Québec and the SAAQ as diabetics who drive trucks legally, because they stick to certain driving hours. We haven't talked about that. We could talk about physical health. This is an issue I know well, because I'm diabetic myself. I didn't eat anything during that six-hour meeting. Those who are familiar with this disease know the importance of snacks or meals and measuring blood sugar. However, we haven't talked about situations where drivers are forced to work overtime, when that can have serious consequences for people with high blood sugar or hypoglycemia. Therefore, I hope that the Conservatives have at least one witness suffering from an occupational disease or recognized illness on the list they plan to submit. In fact, we just heard from one during our meeting. Being diabetic is one thing, but if a driver doesn't control their blood glucose levels properly and the employer forces them onto the road, they could be involved in an accident.

There are other diseases besides diabetes, but I'm talking about that one because I know it. As a diabetic myself, I have to control my blood glucose levels every day before I get on the road to go home. I often have to eat something sweet to be able to leave Parliament Hill. If my blood glucose levels are too high, my vision goes blurry and I can't leave. I have to book a hotel room and stay over in Ottawa. As a responsible person, I can't afford to go on the road and put someone else in danger. On the other hand, I only drive a regular car, not a 16,000-pound truck loaded with goods.

• (2010)

Therefore, we didn't address that aspect of the issue, nor did we address mental health. When a driver is exploited, it affects their mental health. However, we haven't addressed the problem of depression or psychological disorders among drivers. In Parliament, a lot of emphasis is placed on the fact that everyone must get the state of their mental health approved. This is an issue people are talking about everywhere, in all fields, including in hospitals. Has a witness talked about the mental health of drivers forced to work despite their condition? I hope we're going to talk about that.

Dan Albas: That's a good point.

Stéphane Lauzon: I hope you include those types of witnesses on your list.

Laila Goodridge: There are two.

Stéphane Lauzon: In that case, we can add more.

We can talk about road safety, which is compromised by skipping steps. There are issues around the language barrier and getting licences without proper training. One witness told us about drivers on the south shore who get their licence in 24 hours and go on the road, when they can't even understand the signage. Come on. This is serious.

Second, there's been a lot of talk about the systemic nature of the Driver Inc. model. Has it become an acceptable model? I have a problem with that. Are there any witnesses who could come and tell us more about this systemic aspect? Some drivers receive training and can legally start driving 24 hours later. Has that become automatic? The company doesn't care what could happen, because it costs them less. To hell with the risk of accidents, they wash their hands of the matter. If a truck is destroyed, they will replace the driver with another and they will go on.

I want to talk about what we're proposing as a concrete measure to the federal government, because it's kind of getting drowned out in everything I've said. There's a balance to be struck with regard to what's on the table right now, which is to finish up and move on to recommendations. My colleagues will all agree that these won't be very easy recommendations. The analysts are going to do a great job, I have no doubt about that. They're lawyers. The report will say exactly what they're thinking. However, in our case, we might be a little more emotional, especially if we have witnesses who know exactly what a family goes through coping with an accident. That could be very moving and influence our recommendations.

Now, will there be more emphasis on clarifying provincial regulations? I don't see how we could change the regulations of the SAAQ, Contrôle routier Québec or other inspection organizations in Canada that fall under provincial jurisdiction. Over the next two meetings, we'll hear testimony that will determine how we're going to amend the laws that govern trucking companies, because parts of those laws are under shared jurisdiction. I agree with the committee that we can look at the CRA. That said, how are we going to amalgamate all the recommendations so that they can be implemented in co-operation with the provinces and territories across Canada, and so that we can put an end to the Driver Inc. scheme?

We also brought up another extremely important factor, which is data sharing. Is it enough to make it easier to share data so that the

abusive practices we've heard about in previous testimony don't happen again? No, it isn't.

• (2015)

However, with the help of the witnesses, we need to gather as many simple and necessary tools as possible to denounce the fact that people are abusing drivers, classifications and the system used to foil companies that are doing well on the market. Some companies are really above board, but we still have to cope with a tiny part of the market that doesn't follow the rules.

The purpose of this study is really to give good companies the opportunity to earn a good living and, above all, to stay in business.

In closing, I'd like my colleagues who have felt my passion today to understand that I care about introducing sanctions and all the necessary incentives to support this cause. I think they also heard me talk about the importance of harmonizing federal and provincial regulations and working together to share information.

I think my colleagues will all agree that some very good recommendations in our anticipated report can have a positive impact. I continue to think it's very important that they be aligned with the priorities of the federal government of which we are a part, but we can still convey key messages to the provincial governments, educate certain people and find the magic solution to put an end to Driver Inc.

The Chair: Thank you very much, Mr. Lauzon.

[*English*]

Next, we have Ms. Nguyen.

[*Translation*]

Ms. Nguyen, you have the floor.

[*English*]

Chi Nguyen: Thank you very much to my colleague for his important remarks as we continue to think about our path forward for this study.

I want to note that in early September, the Ontario Trucking Association shared some really important news. During National Trucking Week, just a few short weeks ago, ESDC took the opportunity to deliver a really important and serious message to employers in the trucking industry. It was that misclassifying workers under the Driver Inc. model is illegal and there are consequences.

A video released by the labour program at ESDC defined and outlined the crisis of employee misclassification in the road transportation sector and warned companies that non-compliance with the Canada labour code will not be tolerated.

We know there's really important action happening. We want to see the government continue to do its work alongside the provinces. The provinces have a really important role in training and enforcement. We've heard from the Auditor General reports about the opportunities here. They're doing work at the same time. We'll look forward to getting to hear that as well.

Road safety is paramount and we want to make sure that the work continues in the appropriate way. As we hear about these trends, the opportunities around the T4A and the potential loopholes we could potentially look to close, that's all part of the reflection and the work we need to be doing.

This video that was put out by ESDC explains the consequences, the role of employer obligations and what will happen in terms of non-compliance. Part of the work that needs to happen is around education for the sector, so that people who are the bad actors, who are acting inappropriately, sidestepping labour obligations and not doing what is required in terms of supporting their workers, are being held to account. That's really critical.

We've heard in the testimony over the last few weeks that this misclassification really gives an unfair competitive advantage to some in the industry. We've had a chance to hear those perspectives throughout the last few weeks of the testimony. It's been really important to reflect on this. I'm looking forward to hearing from government officials in the next rounds as we continue this study. This campaign is really important.

An awareness kit has been developed and released online. This kit has practical tools—educational resources for employers and drivers. It outlines what this misclassification looks like. It gives guidance on how the labour program investigates and addresses violations. It has materials that can be shared and put on sites and at venues where workers are able to see them.

We know that this is a form of labour abuse that really undermines workers' rights and puts compliant businesses at a disadvantage. We also might want to reflect more on the role of this conversation in this time of tariffs and challenges with our neighbour to the south.

We know that industry associations, industry participants and labour advocates want us to do more. We have an appropriate role as the federal government, alongside the provinces, to ensure that we are getting to that kind of road safety. We want to make sure that those are all tackled. It's not appropriate and it's not okay to see this abuse. We know that ESDC is resourcing to ensure that it can address the needs of workers and protect workers through this time.

We need to make sure the provinces are doing that enforcement work. This study can help inform that. We want to make sure these great recommendations land in lockstep with our provincial counterparts, so that we can collaborate and work together because that is what Canadians expect from us. We want to make sure the employers know, too, what their obligations are and that they're well versed in their responsibilities. That's really critical at this time.

I'm looking forward to the opportunity to make sure that we get this work done well, hear perspectives that we have not had a chance to hear and do this in a way that works and continues in the spirit of great cross-party collaboration.

• (2020)

I just want to add, too, that as someone who's new to committee life, this has been a real learning opportunity. I'm so thrilled to get to work with the amazing colleagues here and to dive into an issue that.... I've said this before at committee. I appreciated the testimony of the Toronto police representative that trucks are killing machines. They are dangerous and we want to make sure that people who operate these vehicles are doing it with safety in mind. That's why I don't drive. Seriously, I don't want to be responsible for operating machinery that can seriously wound someone.

Reflecting back on all of this important testimony, let's please make sure that we are respecting the hard work that has gone on as we dug into this research over the last few weeks. I'm really thrilled that we are able to do this work together.

I think those are my comments.

• (2025)

The Chair: Thank you very much, Ms. Nguyen. Well done.

Next, we have Mr. Albas.

An hon. member: Here we go.

Dan Albas: I'm just glad, Mr. Chair, that I got two things tonight.

Some hon. members: Oh, oh!

Dan Albas: Number one is that I got an immediate laugh for taking the floor and that warms my heart.

What I wanted to mention is, again, in a proper filibuster, you have three and a half minutes and then you need to get back to the motion. I saw some improvement from Mr. Lauzon, where he attempted to bring it back in.

I congratulate you, sir, for asking for more time and resources so that we can get this issue resolved tonight.

Just as a reminder, this is about safety. We've heard multiple suggestions tonight from Liberals that they want to see more witnesses—truckers who have diabetes, I think, or mental health issues. We've all talked about the need to bring in people who have a loved one who has perhaps died or who have had their own incident as a victim. I think we should zone in. This is what we're proposing.

Conservatives believe it can be two meetings that are extended to allow for us to have regular panels, as the clerk has said, where people can be heard. It can be two and a half meetings, with the second half of that last part where we give drafting instructions for all the great recommendations by giving a clear direction of what the committee wants to the analyst, and that would clearly end the study—or it could be three meetings of the regular two hours.

Conservatives are supportive of this Bloc initiative. We're supportive of having victims come in to share their stories, because they matter. I also think that we've heard tonight that there are other voices that need to be heard. We stand prepared, Mr. Chair, either for consensus—because I've made a number of offers here, pick up one of them and we can get this done right away—or to stop talking. Stop talking and we can vote.

I'm ready for either a consensus of this committee or a recorded division. I'm ready to wait. I'm ready to vote. I'm ready to get started on that next part of this excellent study.

The Chair: Thank you very much, Mr. Albas.

Next, we'll go to Mr. Kelloway.

Mr. Kelloway, the floor is yours, sir.

Mike Kelloway: Thanks, Mr. Chair.

Thank you for the interventions by my colleagues.

Mr. Albas is ready and we appreciate that very much.

I really appreciated the interventions by everyone around the table over the last four hours, or is it five hours?

The Chair: We haven't been here for four hours—have we?

Laila Goodridge: We've been here since 3:30.

The Chair: It's five hours.

Mike Kelloway: Yes, I was pretty good in math in grade 12, and then it went downhill after that.

Look, I know we all take to heart the comments made by MP Lauzon. A lot of what he said was absolutely relevant to the motion. I'd like to take a different twist on it going forward.

When we look at a lot of the major projects that were announced by the Major Projects Office and Prime Minister Carney, we see that a good deal of them are going to require trucks, transportation of a variety of sorts and certainly ports. That's not the focus of this study, but I hope that someday it will be a study we look at. It's one that is near and dear to my heart and I think to the hearts of people across the country and MPs around this table.

However, we're going to be accelerating the major projects in Canada, which requires a lot of transportation. What we heard over numerous sessions here is that there are significant challenges and pitfalls that impact the drivers and the people on the highways. If we don't get together with the provinces on some key items, my concern is that there will be more of them because of the level of traffic that is going to manifest itself from the major projects, whether it's the west coast, the Prairies, the north, Quebec, Ontario or Atlantic Canada.

If we don't get those recommendations to government—which I am sure we will, in due order—then the problem is not going to go away. It will be exacerbated by the volume of major projects that are happening in Canada. That's number one—

• (2030)

The Chair: Mr. Kelloway, we don't have any more interpretation. They've just informed us that we have a hard stop at 8:30, so I'm adjourning the meeting.

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