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Standing Committee on Transport, Infrastructure and Communities

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• (1100)

[*Translation*]

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

Welcome to meeting number 19 of the House of Commons Standing Committee on Transport, Infrastructure and Communities.

Pursuant to Standing Order 108(2) and the motions adopted by the committee on Thursday, September 18, 2025, and on Thursday, December 11, 2025, the committee is resuming its study of the changing landscape for truckers in Canada.

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

To ensure an orderly meeting, I would like to outline a few rules for witnesses and members.

[*English*]

First, please wait until I recognize you by name before speaking. Those participating by video conference, click on the microphone icon to activate your mic, and please mute yourself when you are not speaking.

Those on Zoom, at the bottom of your screen, you can select the appropriate channel for interpretation: floor, English or French. Those in the room, you can use the earpiece and select the desired channel. I will remind you that all comments should be addressed through the chair.

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

I'd now like to welcome our witnesses. Appearing before us today, from the Alberta Motor Transport Association, we have Mr. Robert Harper, president. From the Canadian Council of Motor Transport Administrators, we have Ms. Linda McAusland, president and chief executive officer.

Thank you both for taking the time to appear before us today.

We'll begin with opening remarks.

For that, I'll turn the floor over to you, Mr. Harper. You have five minutes, sir.

Robert Harper (President, Alberta Motor Transport Association): Thank you, Chair and members of the committee, for the opportunity to contribute to your study.

Why are we here?

The Alberta Motor Transport Association provides health, safety and other services to over 18,000 members because of our mission to advocate, educate and innovate on behalf of the Alberta transportation industry. AMTA is here because Driver Inc. isn't just a tax or misclassification issue. It's about safety, worker exploitation and economic competitiveness.

Driver Inc. has flourished because of lax oversight of the scheme. Many have unethically and illegally benefited by underpricing competitors by 25% to 35% and using threats and intimidation to silence competitors and employees from exposing the scam.

The Driver Inc. business model relies on lower costs, primarily by underpaying their employees. These deceitful tactics spread to other areas of operations, creating a toxic culture of cutting corners, eroding safety through weakened maintenance, poor or fraudulent documentation and reduced training. The scheme effectively eliminates the conditions designed to trigger a worker's right to refuse unsafe work, ultimately impacting public safety.

The AMTA supports the current and sustained CRA and ESDC measures to ensure compliance by all companies irrespective of size or industry. The AMTA is grateful for the measures taken by the federal government requiring T4As and for the added resources to investigate misclassification.

The federal measures are aligned with provincial initiatives to conduct and increase coordinated on-road enforcement inspections and to shut down fraudulent and unsafe operators, driving schools and their instructors. The measures taken are greatly welcomed and need to be sustained and coordinated federally and provincially across the country to continue to reverse Driver Inc.

We also support further steps taken through CCMTA to deliver one Canada-wide NSC carrier profile, which will help to identify and eliminate chameleon carriers commonly used by those who employ Driver Inc. to deceive enforcement. We also believe that a nationally created and funded database is required to achieve optimal impacts to improve safety and compliant operations.

Additional fuel for the Driver Inc. model comes from the temporary foreign worker program. These workers, hired under the guise of legitimate employment, have been coerced or enticed into Driver Inc. as subcontractors. These individuals paid tens of thousands of dollars to better their lives through employment in Canada only to find that their future livelihood hinges on silence, compliance and abuse. This resembles modern slavery.

While employee misclassification is known as an income tax and cost avoidance scheme, the committee should also be aware that GST tax fraud is an important component and accomplished through carriers' interline freight GST paid to Driver Inc. subcontractors. This transaction is not an eligible GST credit, but the carrier claims the non-eligible ITCs, meaning taxpayer dollars are being used to finance this illegal scheme.

In the last decade, increases in payroll costs and regulations have contributed to making the Driver Inc. model more lucrative. Current net-zero regulations are adding unsustainable costs for many legitimate carriers to adopt and meet current mandates. Mass adoption is uneconomic as it requires fleets to source units costing at least twice those of conventional vehicles and to then remodify for operational use for technologies that lack supporting infrastructure.

Canada must reform the current greenhouse gas emissions model, the GEM model, to reflect the limited availability of compliant options and to reflect operational usage specifically allowing practical lower-emission technologies, because thousands of workers who operate commercial heavy-duty vehicles, especially in our resource-based sectors, will have future employment and economic opportunities lost.

In closing, eliminating Driver Inc. isn't just a tax or labour issue. It's about correcting Driver Inc.'s abuses of Canadian taxes, our safety culture and workers' rights, while protecting competition for legitimate carriers. Cost pressures that have driven the Driver Inc. scheme are significant across the Canadian economy. By eliminating enforcement gaps and modernizing regulations, we can protect drivers and enhance public safety while supporting the growth of a strong and competitive transportation industry.

Thank you very much.

• (1105)

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

We'll go to Ms. McAusland next.

Ms. McAusland, the floor is yours. You have five minutes for your opening remarks.

Linda McAusland (President and Chief Executive Officer, Canadian Council of Motor Transport Administrators): Good morning, everyone, and thank you for the opportunity to present today.

I'm happy to give you an overview of the Canadian Council of Motor Transport Administrators. We are a non-profit organization whose membership comprises provincial, territorial and federal government senior leaders who administer, regulate and oversee motor vehicle transportation and highway safety in Canada. For over 85 years we have provided members with a forum to collaborate and respond to road safety priorities by promoting efficiencies for drivers and vehicles. Our board comprises representatives from Transport Canada, provincial and territorial transportation departments, public safety and service agencies and public insurance corporations and is accountable to the Council of Ministers Responsible for Transportation and Highway Safety.

In the late eighties, with the deregulation of transportation, there was a need for cross-Canada harmonization and reciprocity in the management of commercial vehicles. In 1987, the federal, provincial and territorial ministers responsible for transportation and highway safety signed an MOU to develop and implement a national safety code to encourage road safety, promote efficiency in the motor carrier industry and achieve consistent road safety standards across Canada. CCMTA is the custodian of the NSC.

The NSC is a set of 16 standards, including determining driver fitness in Canada, hours of service for commercial drivers, safety ratings, facility audits and entry-level training for class 1 commercial drivers. Designed as a comprehensive code of minimum performance standards for the safe operation of passenger and commercial vehicles, the NSC provides guidance for legislative, regulatory and administrative action and specifically focuses on responsibility for the operation of commercial vehicles on the road, including trucks, buses, tractors and trailers.

All provinces and territories choose how they will use the NSC to inform their commercial vehicle regulatory and legislative framework, but they are not obligated to do so. The CCMTA does not have any regulatory or legislative authority and we do not provide any oversight.

With respect to commercial vehicle safety in Canada, our most recent priorities include working with jurisdictions to complete a review of NSC standard 7, carrier and driver profiles; NSC standard 14, safety rating; and NSC standard 15, facility audit. These standards are the framework for commercial vehicle safety oversight. The review will identify amendments to the national safety code standards, which will be brought forward for approval to the Council of Ministers.

We have established a national committee of provincial and territorial auditors and investigators to identify problematic carriers and to share information and best practices to effectively and efficiently act on problematic carriers. We are working with jurisdictions to ensure they have more robust and timely national carrier data by enhancing and optimizing our carrier data exchange system.

We have established a new working group to identify opportunities to coordinate national efforts to address the misclassification of commercial vehicle drivers, known as Driver Inc., through making connections with relevant agencies and public education within the mandate of CCMTA.

As well, we are developing guidelines for NSC standard 16, commercial truck driver entry level training class 1, to support jurisdictions in working towards a more consistent application of this standard.

We have worked very closely with our industry partners on these initiatives, and for the most part they are generally supportive of our work. We are committed to working with our members to improve commercial motor vehicle activities in Canada to have the safest and most efficient movement of people and goods by road in the world.

I thank you for your attention and look forward to your questions.

• (1110)

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

We'll begin our line of questioning today with Mr. Albas.

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

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

I thank both of our witnesses for the work they do every day and for coming to answer some of our questions today.

I'm going to start with Mr. Harper.

Mr. Harper, thank you to your province for giving the Conservatives such a wonderful welcome at our convention. I'm sure you had everything to do with that chinook, so I'm just going to attribute it to you.

Minister Dreeshen, the minister of transportation for Alberta, over the past six months has closed a number of driving schools and a number of trucking companies for a variety of reasons.

Do you look at that as being a good thing?

Robert Harper: Absolutely. The provinces, as I've noted, have been looking at doing NSC audits and checking whether people are compliant with regulations, and they have shut down a number of trucking companies as well as driving schools that are not operating as per standards. This is positive for the industry, and I say it has to be coordinated both provincially and federally.

Dan Albas: When it comes to coordinating provincially and federally, many of these operators can simply transfer the assets into a different company and apply for a new safety fitness certificate. It

might even be within Alberta. It might be just going across to my province of British Columbia.

Is that a concern for you?

Robert Harper: It is. That's the reference to chameleon carriers where basically you just change your colours when you've moved from one jurisdiction or have reincorporated a company.

Yes, the NSC standards need to be improved. We need better data sharing in a database between provinces to keep track of those companies and directors so that they are not reincorporating. There have been significant accidents when a company was shut down and then incorporated in another province almost immediately.

Dan Albas: Do you believe that, when a new company applies for a safety fitness certificate from their province, there should be some requirement to disclose who their directors are and who the beneficial owners are to determine whether they are chameleon carriers?

Robert Harper: Yes.

Dan Albas: Okay.

Could you please explain the GST issue? I know the CTA has raised the issue of taxation being subverted in the Driver Inc. model, but I hadn't heard about the GST before.

Robert Harper: When most freight is subcontracted, the original contractor is the only one who pays freight. In the Driver Inc. model, what they've been doing is paying the Driver Inc. subcontractor GST. We've seen pay stubs where essentially it's just paid as a revenue source. It's not a GST-eligible ITC, but the carrier claims the ITC knowing that Driver Inc. will never remit it as GST, or they'll include it in other income. This means they're getting 100% credit on one side and, at most, marginal tax, but at worst, it's zero. In Alberta, that's 5%. In Ontario, we're talking HST, say 13%.

Dan Albas: I hope our analysts are taking note of that.

When it comes to driving and experience, we had a gentleman from Ontario who talked to us last week. He said, "Therefore, we have harvested drivers who are simply not skilled. They're not safe, and they're not aware of it. They're getting themselves into trouble with easy, minor situations that not only an advanced driver but a medium-trained driver should know."

It sounds to me that national safety code 16, for example, which is recommended but is not an actual law, seems to be an issue.

It's also been raised with me that, in terms of the transportation of dangerous goods right now, if you have a licence to drive, you can drive a heavy load. You can even transport dangerous goods without some sort of formal recognition of what is required.

Do you believe there needs to be more standardization for when someone can transport something, let's say, transportation of dangerous goods? Should a company specialize in that? Should there be something that separates them as more experienced drivers who can handle those loads and who should be recognized maybe outside of the regular licensing process?

• (1115)

Robert Harper: I think any type of certification on top of a licence is valuable, so we support having those graduated steps in a licensing process.

The key point about Driver Inc. is that they tend to flout training and, because of subcontracting, they're pushing subcontractors to do work that they wouldn't otherwise be doing.

Dan Albas: Alberta has been well known for overhauling their mandatory entry-level training program. As much as I'd like for the rest of the provinces to emulate that, do you believe that national safety code 16 should have some force of law? Maybe there should be a condition that is attached to the safety fitness certificate that they are going to allow only a certain amount of training. Right now it's province by province with a different patchwork....

Robert Harper: Again, we support the provinces having jurisdiction over this but, yes, we would support that it becomes more standardized.

Dan Albas: Like Alberta?

Robert Harper: Yes.

Dan Albas: Thank you.

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

Thank you, Mr. Harper.

Next we'll go to Mr. Greaves.

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

Will Greaves (Victoria, Lib.): Thank you, Mr. Chair.

Good morning to our witnesses. Thank you for being here.

I'll start with Mr. Harper as well.

I appreciate your being here, sir.

We've heard a lot of witness testimony in this committee from witnesses from central Canada in particular. A lot of the witnesses focused on the Ontario context and actions that the Ontario government might take to try to address the Driver Inc. scam.

In that vein, I'm wondering if you could speak more to what specific actions you feel the Government of Alberta might be able to take to complement the federal government's crackdowns on misclassification.

Robert Harper: I'm not here to speak about what the Alberta government should do, but the Alberta government has been taking part in some of the inspection blitzes that were done at scales, which involved intergovernmental departmental surveys to make sure that we identify Driver Inc.

We believed that this was happening and when these blitzes started and the Alberta government was doing the inspections at the scale, they were sort of surprised. The comment was that when they

see these drivers at the scales, the indication was that they are probably Driver Inc. They were surprised that there was the high rate of carriers—in the 30% range—that we had suggested it was. That's helped to validate what we said.

Looking at the driving schools, looking at licensing and looking at NSC audits are really the levers the province has to identify Driver Inc. and then to go after the federal government for not collecting enough taxes on companies that aren't remitting income tax.

Will Greaves: Can you tell us what you think would be the way to send the strongest signal about increasing enforcement? We've heard a great deal from other witnesses about how there just isn't a lot of on-the-ground enforcement. There's a culture of impunity in many instances that seems to have grown up within parts of the trucking sector.

What kinds of actions, in your view, could be taken most immediately that would signal a seriousness in addressing this problem within the sector and that would be received as such by those working in the sector?

Robert Harper: There are audits that Canada Border Services and ESDC should do. We had instances where people on temporary foreign worker permits were terminated by an employer. They came in on their permit and a week later, they're working at a Driver Inc. company and bragging about it through a Facebook chat when they should have absolutely not been working in the company. I sent some documentation to CBSA, and they said, "Please don't send us this information."

Also, look at GST audits. Go through these companies to see what GST they paid. What companies are entitled to interline freight? Then go after who was paid the GST and find out whether they remitted it or declared it as income. There has to be a lot of enforcement of tax and audits on these issues.

Quite frankly, we brought this up last year, and some of the members of my board and the Canadian Trucking Alliance seemed to be the first ones audited—not the people who we were concerned about and should be audited. They seemed to focus on the people who are more likely to be compliant than the people we've indicated are targets for enforcement.

• (1120)

Will Greaves: If I have another—

The Chair: You have three minutes.

Will Greaves: That's lots of time.

Good morning, Ms. McAusland. Thank you so much for being here.

I wonder if you could elaborate on the question of data sharing. This is something that's come up a great deal as one of the impediments toward effective enforcement.

Could you speak more to what the obstacles to effective inter-jurisdictional data sharing are that you see?

Linda McAusland: Yes, I'm happy to.

We have a carrier data exchange. It was developed over 20 years ago, so it's very limited in the information that's provided. In order to exchange information, it has to be in the same format: The same fields and the same sequence of names need to be identified. There's been very little attention paid to it for some time. The board of directors has acknowledged that and we have a big project under way to update the carrier data exchange, the information that we exchange and how we exchange it.

The first steps are updating NSC standards 7, 14 and 15 and what's actually included in the carrier profile. What information can we include to eliminate the carriers who shop across the country when they get a bad rating? We're looking at our carrier profile and the inputs to that. We've identified that it's very different across the country.

We're looking at how we conduct audits, and we're doing a complete rewrite of NSC standard 15. As we start to identify the changes to the NSC standards, we're working on developing a system that can exchange information more effectively across the country.

Will Greaves: Would it be fair to say that, in your view, given the nature of the data-sharing challenges and given the nature of jurisdiction around this issue, having the provincial and territorial governments willing to participate in some kind of data-sharing mechanism is essential for this information to move freely and effectively?

Linda McAusland: I would agree. At the board, we have that agreement. There are big obstacles in some jurisdictions. Some jurisdictions use a spreadsheet format. Others have very advanced corporate systems.

Having that exchange, we need to lift the minimum of what we're collecting and how we're collecting it. It's a factor of IT changes, regulatory changes and resource requirements.

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

Thank you very much, Mr. Greaves.

[Translation]

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

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

Mr. Harper, earlier in your opening statement, you said that there's clearly an extortion problem and a temporary foreign worker abuse issue in the trucking industry. This has been pointed out by other witnesses before you. However, some people have told us that it would be racist to target immigrant workers and make a connection between the exploitation of foreign workers and the Driver Inc. model, and that, basically, the only reason we would want to move forward on this issue would be related to that.

Where do you stand on that?

[English]

Robert Harper: There are Driver Inc. drivers who are not temporary foreign workers. The Driver Inc. model has enticed drivers, because they're not being taxed, to phone employers. We know of instances when they've asked if they do the Driver Inc. model, and then said they don't want to work there. It's not just temporary foreign workers who have been working at Driver Inc.

The reason the temporary foreign worker program is open to abuse is that, again, in many instances, we have people who come to work in Canada because they've paid an amount to a consultant outside of the country in order to get a job in Canada. Once they've done that, they've invested in working. If the employer doesn't like how they do their job or whatever, they say they can deport them in a minute, and whatever they've invested is down the drain. Part of that abuse is having a program where it becomes a pathway to citizenship. The government looking at the program as a pathway to citizenship is what has opened a lot of the abuse to the temporary foreign worker program. If you're not paying to come into the country, you are just working here. Maybe it becomes a point for a future application for permanent residency, but I think that's really what's opened it up to the abuse.

We had a housing shortage. I've heard from taxi drivers in both Ottawa and Winnipeg, who have told me about trucking companies. There are many people, truck drivers, living in a house paying exorbitant rents. They're abused through the rent. They're abused through paying their training costs, which is not legal. They're abused through the hours.

On electronic data and ELDs that record the driving, we have people, some of our members, who have been hired, and the first thing they say is, "I have one ID to enter my hours, but where's my second ID? My old company, the Driver Inc. company, had me enter data so that I could drive more than my regulated hours by having a second ID." We know the abuses are going on.

Again, it's about public safety. It's about the employees and the competitors that are acting legitimately and complying with the law.

• (1125)

[Translation]

Xavier Barsalou-Duval: Thank you.

I would add to that.

People who do not have citizenship, who may have entered the country under the temporary foreign worker program or on a study permit, or who may be asylum seekers, find themselves incorporated as trucking companies and operating in a system and environment they aren't very familiar with. They barely know the laws, and they barely have any experience driving on the land here in Canada. Then they are told they are on their own and that no one is responsible for them, because there's an organizational screen, in fact, between the Driver Inc. structure and the actual employer.

Do you think it's reasonable to allow that?

One of the proposals we put forward is to prohibit people who don't have permanent resident status or citizenship from incorporating as businesses. When you have temporary status in the territory, you shouldn't be able to do that. You should only be working as a salaried employee. It's also about making sure that all the social protections are there.

Do you agree with this kind of measure?

[English]

Robert Harper: Absolutely. Under the work permits, most of the time, you're supposed to be an employee. Under the temporary foreign worker program, you're supposed to be an employee. The fact is that nobody pre-qualified the employers to see that they actually hired employees and then checked up on the employer later to make sure that those people were actually paid as employees.

You're not brought in as a temporary foreign worker to work as a contractor; you work as an employee. That's clear in the work permit and it's clear in the requirements. The fact that nobody follows up on it means that it's opened up to abuse. We shouldn't have people being incorporated as employees working as drivers.

There's also the question of incorporation. The T4As will only catch those drivers who are incorporated. There are people who are operating who are not necessarily incorporated; they're being paid as a separate contractor. The T4As wouldn't necessarily catch those people, either.

[Translation]

Xavier Barsalou-Duval: You alluded to businesses shutting down and then reopening under a different name in another province or sometimes in the same province. One of the recommendations we put forward was to create a data and offence sharing system. We're also starting to wonder if it might be necessary to establish a trucking blacklist to contain the names of certain individuals who are repeatedly being caught as a result of their unacceptable practices.

Do you think we should go that far? It's often the same individuals doing these things.

[English]

Robert Harper: Yes, I think sharing information would help, and this is the problem with the chameleon carriers. It's very difficult to check between jurisdictions currently. We share information among a lot of the jurisdictions, but it tends to be slow.

If you're identifying the principals, the directors, I think that would help identify when companies are changing.

The Chair: Thank you very much, Mr. Harper and Monsieur Barsalou-Duval.

We'll start our second round with Mr. Lawrence.

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

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

My questions will be for you, Mr. Harper. We're going to focus on the GEM program, which, up until your testimony, I don't think we've heard anything about.

Could you start by describing the GEM program, the greenhouse gas emissions model?

• (1130)

Robert Harper: The GEM model, which started in January 2025, requires trucks in the heavy industries to meet certain greenhouse gas emissions limits. Certain things that limit the greenhouse gases and get credits can be purchased on trucks. Some of the vehicles that are bought have low-resistance tires on them, which gets them a positive credit. When they import them into Canada, they immediately replace the tires because they're not good for snow and they're not good for off-road use in the resource sector.

In the resource sector, we also have vehicles that are often used sparingly, probably 10 or 20 hours a week, but they're treated like they're run 40 or 50 hours a week, as in a conventional trucking company. When these people can't afford these trucks or can't find them available—and often they can't, because it's based on a California emissions regulation the EPA developed many years ago now, which has been reversed—they have to buy one high-priced new vehicle in order to buy another vehicle that they can actually use. Then they're parking some of these high-cost vehicles so that they can do work in the resource sector.

Philip Lawrence: Then it's your testimony, if I'm not putting words in your mouth, that the GEM program or the taxing based on CO2 emissions or carbon pricing is driving up the cost for legitimate truckers and probably not having much of an impact in reducing carbon dioxide emissions. Is that correct?

Robert Harper: That's correct. It's because it's not practical. There are lower-emission technologies, such as compressed natural gas, or CNG, that show a lot better promise, but the current regulations are for zero, not better, so trucking companies are hesitant to invest in the technology. It's time-limited. It would be easier if they acknowledged that there are better options.

Philip Lawrence: Then in terms of the nexus between the GEM program and Driver Inc., my thought here, if I'm understanding this, is that if you are a legitimate truck company, you're much more likely to have to take on additional costs of compliance than if you are a Driver Inc. model, which we've seen has been associated with the worst maintenance and the avoidance of GST and CPP payments. This would be yet another cost they could avoid that the legitimate carriers would have to incur. Is that correct?

Robert Harper: Yes, that's our testimony.

Philip Lawrence: Thank you very much.

I'll end my questions here. That was very interesting, and I hope the analysts took note of it. Thank you.

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

Next we'll go to Mr. Kelloway.

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

Mike Kelloway (Sydney—Gloucester, Lib.): Thank you, Mr. Chair, and thanks to the witnesses for being here. I really appreciate it.

I spent a bit of time in Calgary—not last week, but I was in Calgary where I taught and went to school, so mad props for Calgary.

We've heard testimony from a broad cross-section of folks, from sectoral groups to organizations to individual business owners to those who have horrific stories to tell about how accidents and preventable accidents cost the lives of loved ones. It's very heavy but it's important to hear.

Mr. Harper and Ms. McAusland, thank you for joining us in this discussion. Ms. McAusland, I'll start with you.

There are a couple of things that I want to pick out.

When we're looking at recommendations that go forward from this committee, there are some consistent themes. One of them is a national database you talked about that would work between the provinces and the federal government. The provincial government would most likely implement that.

I'm wondering how we ensure that each province does that. You would think that each province would do that and that everyone would take part in it, but I'm looking at the mechanics of getting the provinces onside with that. Could I have your thoughts on that?

Linda McAusland: I would say for the most part that the provinces are onside with that. They've given me the mandate to update and invest money to develop a system. They've made resources available to update the NSC standards so that we are getting more consistency across the country in the way information is collected and what information is collected. The next step would be to develop a system that they could use. We're not proposing a database. We're proposing a data exchange system.

• (1135)

Mike Kelloway: Okay.

Linda McAusland: We have that now for vehicle identification numbers. It's just a way for systems to talk to each other. That's what we'll be looking at. We don't want to own the data or house the data, but we want to provide a venue so that we can, in real time, exchange data across the country.

Mike Kelloway: It would be very intuitive, then, real-time data.

Linda McAusland: That's the intent, yes.

Mike Kelloway: That's really interesting, because that's something that has come up time and time again. I'm sure you've been watching the testimony—

Linda McAusland: Yes.

Mike Kelloway: —in terms of what recommendations would put forward solutions to address some of the common things.

Mr. Harper, I really appreciate your bringing up the Driver Inc. model, that it's not specifically a newcomer issue, but multiple groups and individuals are taking part in that.

You talked early on in your testimony about the gaps in enforcement. One of the many things that caused my jaw to drop were the number of schools that are providing training, 48 hours' worth of training, and then individuals are going out and are able to drive on Canadian roads. In some cases, that was brought up, I think, from an Ontario witness's perspective.

A year from now, what would you say would be those three, four or five—whatever the case may be—enforcement items that would really improve the situation? I'm cognizant that, in the Driver Inc. model, there needs to be adjustments, and we're doing that as a federal government. More needs to be done.

On the enforcement piece, it seems that from all the other testimony that we've heard, it seems to be quite lacking. The men and women are doing their best, but what could we be doing better today? If we had an infusion of money, an infusion of direction, what would it be?

Robert Harper: We talked before about clamping down on the income tax. The ESDC is reviewing who is an employee, and we're already making, hopefully, strides in that regard.

We had an issue a year ago when we brought up some of this and talked to ESDC. When they got a complaint from a particular employee, they would assess the employee—yes, you're supposed to be an employee—but they wouldn't look at any other people in the organization. I think they're changing that, so that has to be done.

Those driving schools really need to be looked at to make sure they're legitimate. When people are giving out licences, they need to make sure that the person is trained to do what they do. In Alberta, they've set up a pathway program with three steps. Step one, you get information that's sort of similar to the MELT. It meets the standards of MELT. Step two, you learn how to drive interprovincially. Before you get an endorsement to drive extraprovincially, you have to do another road test to show that you've met some more standards and improved from when you had your first driving unit. I think those need to happen.

The Chair: Thank you, Mr. Harper, and thank you, Mr. Kelloway.

[*Translation*]

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

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

Ms. McAusland, the traffic controllers came to testify here at committee and told us that they found gaps in the commercial vehicle driver hours of service regulations. For example, if there are multiple users indicated on the electronic logging device and the driver's licence doesn't exactly match the user name, they don't necessarily have the authority to decommission the vehicle for that reason. They think that's a problem.

They also said that they were unable to find out what changes had been made in the system. First, they would like to be able to view the log in read-only mode to know what hours have been logged electronically, and second, they want to be able to see tracked changes or to verify whether changes have been made for legitimate reasons.

I raise these two points because I'd like to know how the regulations are established and how they are voted on.

Does the federal government alone establish them, or is it done in conjunction with the provinces? What authority does the federal government have over them?

• (1140)

[English]

Linda McAusland: The standards we have are developed by consensus by the board. We have a program committee that owns the specific NSCs, and they come together to make recommendations to the board on those changes. That ultimately goes to the Council of Ministers to get their comfort.

How they're implemented within each province or territory is at the discretion of the province. We are a federated model, so there isn't legislation that guides the NSCs. There isn't a regulatory power. Each province would then take what's within the standard and choose how they would incorporate it into their own regulatory regime.

[Translation]

Xavier Barsalou-Duval: Many times we've also brought up the need for some form of data sharing when it comes to violations and carriers. For example, in the United States, there is a complete registry of carriers that indicates the number of drivers, the number of trucks, the permits and authorizations for the types of transportation they offer.

If this type of registry or document were ever put in place, both for violations and for carriers, or any other type of registry, would your organization, the Canadian Council of Motor Transport Administrators, naturally have to be in charge of it, or do you see this registry being set up in another way?

[English]

Linda McAusland: I'm not aware of another organization. We are currently working on a data exchange system. I think that would meet what you're looking for, and then the jurisdictions would have a line of sight as to what's going on within each of the provinces and territories. The problem is that it's neither consistently gathered data nor shared in a similar system. That's what we're working to upgrade now.

The Chair: Thank you, Ms. McAusland.

[Translation]

Thank you, Mr. Barsalou-Duval.

[English]

Now we'll go back to Mr. Albas.

The floor is yours for five minutes, sir.

Dan Albas: Thank you, Mr. Chair.

Thank you, again, to our witnesses for their testimony.

I'm going to be speaking to the CCMTA, so Ms. McAusland.

In 1954, the federal government gave up its role in terms of extraprovincial enforcement and essentially said to each province that they could enforce the rules under their motor vehicle acts. This created two things.

Number one, it abandoned the field, so to speak, and left it up to provinces to enforce any federal rules, of which there were few, because they essentially said to go to the motor vehicle act.

Number two, it created regulations, and each province created its own structure. That's why we have so many problems in this country with interprovincial barriers to trade. You can't drive through my province during the day, but you can drive through Alberta at night, or vice versa.

It's hard to keep track of them, because there are so many. You have to take the plow off a snowplow and put it in the back. In some provinces, you can't have it in the back but you can have it on the side. The number of regulations we have is almost insane.

It seems to me CCMTA was created to deal with these kinds of things. Why do we still not have a baseline for extraprovincial, mandatory entry-level training? Why is national safety code 16 still just a recommendation and not something everyone abides by?

Linda McAusland: We developed NSC 16 in 2019. It went live in 2020. Its intent was to be a baseline of training that each province would commit to.

I can say that each province has met the minimum requirements of MELT. Being a new standard, we know there's more we should be doing. There is work under way to take a look at how it's being applied in each of the provinces, where the gaps are and to develop tools to help provinces be more aligned in how they administer NSC 16.

Dan Albas: Is there any guidance on being able to do that training in either official language?

Linda McAusland: It would be in both official languages, yes.

Dan Albas: Okay. That's helpful to know.

When it comes to the system—I understand it's an ancient, legacy system—who pays for that? Is there an agreement whereby every province writes a cheque, or is it something that the federal government pays for? How does that work?

Linda McAusland: The CCMTA manages and operates it on behalf of the provinces. We get membership dues from each of the provinces, and it's run from the coffers of the CCMTA.

Dan Albas: It's ultimately taxpayer-run. Is that correct? You run it, but the taxpayers from each province pay their part.

Linda McAusland: You also have an interprovincial records exchange program that exchanges data on vehicles, which we charge programs and companies to access. Some of our revenue comes from that system as well.

Dan Albas: Okay.

When you have your discussions as a body, are the issues of insurance and some of the concerns that Mr. Harper and other trucking associations have considered? Are they brought in? Do you talk to them about these issues, or is it just governments discussing among themselves how to best deal with the problems?

• (1145)

Linda McAusland: Three of our members represent insurance where insurance is public. They are Manitoba, Saskatchewan and B.C. In Quebec, we have representatives from insurance. I have a very strong relationship with the Insurance Bureau of Canada. I meet with them regularly. There is an awareness of the impact.

Dan Albas: Do you think there is some room, though? For example, we've been hearing that there are issues in Ontario, particularly with facility insurance. We've heard from victims in Quebec as well as from tow truck drivers that they can't get compensated.

Do you think there need to be more minimum standards when it comes to insurance for extraprovincial trucking?

Linda McAusland: I don't really have an opinion on that. It would be an input to the work that we do, but what—

Dan Albas: Is there any plan to look into that formally as an organization?

Linda McAusland: We look at insurance as a factor of the work that we do all the time.

Dan Albas: Wouldn't you have an opinion, then?

Linda McAusland: I'm doing what my board has asked me to do, and we engage with the insurance sector regularly.

Dan Albas: I would encourage you to ask your board to look into that, because it is something that this committee has heard over and over again, and it is causing all sorts of issues in a very good industry.

Dan Albas: Quickly, Mr. Harper, thank you again for your testimony here today.

There are a number of family businesses that have been around in my area, the Okanagan, for decades, if not longer. It was, and shall hopefully be again, a place where you can work and raise a family.

I'll leave it to you to make any final comments with regard to the profession.

Robert Harper: That's a very good point. This has been a good industry for people to make a good living, and it is really impacting those people who have dedicated their lives to building a good business and treating their workers properly. Nobody likes to see scammers succeed at the expense of those who are trying to operate within the law.

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

Thank you, Mr. Albas.

Mr. Kelloway, the floor is yours for the final round.

Mike Kelloway: Thank you, Mr. Chair.

Again, we're coming close to the end of the testimony on this important topic. I mentioned that you've been following the testimony over the number of weeks we've been studying this issue. I'm really interested, at this point, in hearing from you.

During the testimony, have we missed anything? Have we not been asking certain questions that we should have been asking?

Mr. Harper, you tilted your head like you might have a thought or two on that. That question is for both of you.

When we write our report, we're going to make a number of recommendations. What are the recommendations that you would want to see?

That addresses so many different things, I know, from data exchange to enforcement and tax reform, but I want to get a sense from you of whether we have been asking the right questions. Have we missed certain questions that you think we should be asking?

When you go to your computer and you check the report when it's finalized, what do you want to see as the top recommendations to improve this particular study and, ultimately, make it more applicable on the ground?

Mr. Harper, we'll start with you.

Robert Harper: It's a very open-ended question. The reason I tilted my head was that I hadn't given it that broad a thought.

I would start by saying, as you've probably heard in the testimony, how many aspects of Driver Inc. are involved—insurance, tax fraud, employment fraud and health and safety—and how many different agencies are involved. In terms of the worst aspects of Driver Inc., it's certainly been a very big pathway to organized crime entering Canada and the trucking industry. The question is, do we have adequate laws to deal with such a nexus of a problem, as they do, I would say, in the United States, where they have racketeering laws?

That would be one of the things I would think the committee should probably consider. This is such a broad base. It attacks here and there. Do we have the tools in Canada to address something that is really a racket? They're doing not just one thing; they're committing a multitude of crimes, a little here, a little there and using people.

• (1150)

Do we have those tools in Canada to deal with such a complex network or scheme to defraud citizens and to abuse employees? When I think about it, if that's really a consideration, perhaps there has to be even more inquiry done, beyond the committee, into the industry, to try to clean up the bad actors. Again, it has had repercussions for international trade, not just within Canada.

Mike Kelloway: Thank you very much. Sometimes that's why I ask broad questions. I get some specific answers.

Ms. McAusland, what are your thoughts?

Linda McAusland: We're pleased to see that there's a committee at the federal level to address this issue. We've been talking to industry about it for some time. We didn't know whether the right agencies or the right departments were aware of the issue.

On building awareness, we'll be very happy to get your recommendations. The board is paying very close attention to the proceedings of this committee, and I think we'll continue to have the conversation with industry on the role we should be playing.

Mike Kelloway: I appreciate that.

I'll just conclude by saying thank you to both of you.

To everyone who has come here to provide testimony, regardless of your political stripe, a transport truck doesn't know if you're Conservative, Liberal, NDP, Green or Bloc. It is a safety issue and an economic issue. It's about strengthening the rules and regulations. I think we've learned that there's obviously a role for the federal government to play, but it's also a joint enterprise with the provinces.

I want to thank you for this. I really appreciate your feedback.

I'll yield the floor on that.

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

Witnesses, I want to thank you on behalf of all members of this committee for your presence and your testimony on this very important study.

Colleagues, I'm going to suspend for a couple of minutes to allow our clerk to transfer over to our next round of witnesses.

This meeting is suspended to the call of the chair.

• (1150)

(Pause)

• (1200)

The Chair: I call this meeting back to order.

Colleagues, appearing before us for today's second round we have, from the British Columbia Trucking Association, Mr. Dave Earle, president and chief executive officer; and from the Ontario

Trucking Association, Mr. Mark Bylsma, chairman, and Mr. Geoffrey Wood, senior vice-president, policy.

Welcome. Thank you for taking the time to appear before us today. We appreciate this very much.

We'll get right into it.

We'll turn it over to you, Mr. Earle, for your opening remarks. You have five minutes, sir.

Dave Earle (President and Chief Executive Officer, British Columbia Trucking Association): Thank you, Mr. Chair.

Chair and members of the committee, thank you for your continued interest and the invitation to appear this morning.

BCTA represents for-hire and private carrier fleets that operate all types of vehicles everywhere throughout the province of British Columbia. Thank you for addressing what is truly our most pressing concern.

You have heard extensively about Driver Inc. and the scam that it is. It's important to realize that we cannot overstate the scope or the impact of it, and I'm not talking about just the actual scam itself. Due to its pervasiveness and how it has been tolerated and allowed to exist for years, it has sent the message that regulation as a whole doesn't matter. It sent the message to operators—to the cheaters and the liars—that what they're doing not only is tolerated, but that this is how you get ahead. It has created an atmosphere of wilful deliberate avoidance and non-compliance, and that puts every Canadian at risk.

The trucking industry is not governed by regulation, but by minuscule profit margins. Regulation that prescribes dimensions to the centimetre and then is not enforced simply enforces that nothing matters. It is truly a case of if one thing doesn't matter, then how can anything matter?

Successive governments at all levels have been wilfully blind to this crisis. I have had the pleasure of working in this industry for eight years. Provincially and federally, successive governments have failed to take action on Driver Inc., and that has rewarded this behaviour. It has allowed and fostered a culture that has begun to seep into the corners of a very proud and successful industry. It has been incredibly difficult to watch, to try to work with and to work with decision-makers who weren't willing to deal with the problems.

It is only when we get to crisis points that decisions get made and difficult decisions get actioned. I'm deeply hopeful that we are at one of these points where we are actually going to see decisions made and steps taken to be actioned.

The business model—if we can call it that—of Driver Inc. is a direct result of regulatory laziness. If we want to get past this, if we want to get to where we need to be, there are a few things that our members are looking for.

One is that our national safety code is actually national. Next is that we have a system that works across the country for all carriers in all jurisdictions. It's also that we all understand what the rules are and who's a good player and who's a bad player, and that regulation is enforced consistently across the country. Be it taxation or be it road safety, whatever that regulation is, it needs to be enforced.

The most important thing from our standpoint in terms of changing this is that beneficial ownership of companies has to be transparent. We have to know. In British Columbia, we track assets when we get into national safety code certifications as to who owns and who doesn't so we know where the assets go, but what we don't know is who owns those companies. What is startling is that this information is readily available, but we don't collate it, we don't share it and we don't actually get into it. That is what we look at and what we say is really needed: a real bright light into the corners to know who is actually running these companies.

Members of the committee, thank you for your attention. We know what to do. We know how to do it. We just need your help and we can get there.

Thank you.

• (1205)

The Chair: Thank you, Mr. Earle.

I'll turn it over to both Mr. Bylsma and Mr. Wood for their opening remarks.

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

Mark Bylsma (Chairman, Ontario Trucking Association): Thank you, Mr. Chair.

I'd like to thank this committee for its continued commitment to studying more deeply the issue around the changing landscape of truck drivers in Canada and for including the OTA in this discussion.

The Ontario Trucking Association is a proud member of the Canadian Trucking Alliance and is celebrating its 100th anniversary of representing our members' interests this year.

We support all the comments and submissions provided to this study by the CTA. Eliminating Driver Inc. and all that is associated with it is our members' number one priority.

It's important that we acknowledge two major milestones that this committee has already helped to achieve in the fight against Driver Inc. Number one is the lifting of the T4A moratorium by the CRA. Number two is commitments made by ESDC for widespread compliance blitzes and sustained program funding.

OTA commends both the committee and the ministers for making this happen. These actions have given the responsible segment of our industry a glimmer of hope in these challenging times. It will be critical for both the CRA and the ESDC to follow through on their plans.

The focus of our testimony, which Geoff will cover off for the remainder of our time, will be on the Driver Inc. issue, how it has further manifested itself in Ontario and what still needs to be done to correct the course.

Geoffrey Wood (Senior Vice-President, Policy, Ontario Trucking Association): Thank you, Mr. Chair and members of the committee. It's a privilege to have the opportunity to speak to you today.

As Mark mentioned, we have a number of outstanding issues with respect to the Driver Inc. file and how it's manifested. My goal for the remainder of my time is to provide you with the issues and the immediate solutions.

Let me be frank and up front: A lot has been done in the province of Ontario to address this issue. However, we as the Ontario Trucking Association feel that much more must be done. We're hopeful that the committee will incorporate our solutions today into your final report.

Being solutions-oriented and very direct, I'll get into the issues.

Driver licence integrity is an issue in Ontario. We've seen that in the media. The Ontario Provincial Police and the Ministry of Transportation are trying to get a handle on the situation. We don't know its full scope, but we do believe that work has been done. From our perspective, we'd like to understand what the situation looks like in the rest of the country and how we can get a handle on it. Our recommendation in this respect is that the Minister of Transport work with his provincial and territorial colleagues to understand the scope of the issue and how we can get a handle on it. It's important that we send a strong message to everybody that our driver licensing system and its integrity is intact. That includes our partners in the United States.

You've heard from committee members with respect to the illegal parking issues, particularly in Caledon. I can tell you that the issue is out of control in Ontario. It needs all the help it can get. Federal and provincial resources need to assist the municipal efforts. Where there are gaps or shortages in parking, we would recommend that federal lands be explored to be opened up for this. However, that has to be done under proper contractual and transparent relationships. The process that unfolded with the Greater Toronto Airports Authority should be strongly reviewed and not repeated if it is an option to open up federal lands.

There is an exponentially growing concern in the trucking industry about criminal activity, thefts and increasing levels of violence, especially in the greater Toronto area. We have three solutions, from our perspective. The police need to be funded properly on an annual basis, and the funding needs to meet the magnitude of the situation, which, as we've seen in previous press conferences, is out of control. Federal policing and CBSA's inland enforcement units need to be present at truck inspection stations across the province. As well, both CBSA and U.S. Customs and Border Protection need to re-regulate the border.

Forced labour and the misuse of our immigration programs are major concerns. It's unfortunate that we have to say that, but it's a reality in trucking. An immediate solution is to develop a "known employer" program for any trucking companies accessing provincial and federal immigration programs. The second component of this would be to develop strong industry awareness programs, like that of the Joy Smith Foundation, where there are appropriate whistle-blower protections and avenues to get information to the police.

Facility insurance is mandated by the Government of Ontario to be available to commercial trucking interests. It is enabling high-risk operations to exist. We need to look at serious limitations to the use of facility and we need to look at a restructuring of how facility is underwritten to bring it in line with the private market. We are transferring risk to other jurisdictions. We need to understand what that looks like and we need to stop it.

Fleet safety oversight needs a complete overhaul. In Ontario 80% of the fleets have never been inspected by MTO. What's the solution to this? We need to get rid of the satisfactory-unaudited safety rating category. We need to have regular audits and inspections of all trucking companies in the province on a regular basis. The caveat, at least from OTA's perspective, is that the carriers will pay for it. If it's a level playing field, it's a level playing field. We believe there are options to explore that.

On roadside and driver vehicle compliance, again, the answer from our perspective is to have 24-7 truck inspection stations and proper lawful authorities at those locations at all times to deal with all the non-compliance that is impacting the trucking industry.

Commercial driver training, as we've heard this morning and from OTA's perspective, needs an overhaul. We are working on that with the Ministry of Transportation. We are pleased with that progress. From OTA's perspective, the licence needs to match the configuration that you're driving in a graduated licensing-type situation that you've heard other committee witnesses speak about.

Finally, with respect to government procurement, government procurement contracts, particularly at the federal level but certainly at the provincial level, need to have labour compliance checks incorporated into them. We have significant concerns about the practices of a number of Crown corporations and how they tender contracts. We feel that this needs to be addressed.

Thank you for your time. I'd be happy to take any questions.

● (1210)

The Chair: Thank you very much, both of you.

We'll begin our line of questioning in this round with Mr. Muys.

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

Dan Muys (Flamborough—Glanbrook—Brant North, CPC): Thank you.

Given the number of B.C. MPs who are here today, I'll reserve my questions for the Ontario Trucking Association.

On November 25 the province had a news release that you were actually quoted in, Mr. Bylsma. There was a whole package of action in terms of licence suspension, fines, escalating fines, escalating vehicle impoundments and so on. Has that helped to change be-

haviour, or is it too early to say? I know there's lots more to be done.

Mark Bylsma: There's a lot to be done. This is the tip of the iceberg. In previous testimony, somebody mentioned that Driver Inc. is one branch of a very big tree. While we're starting to see some action, there certainly needs to be more done if we're going to stop this. It's out of control. Every time you put a finger in the hole in the dike, there's another hole drilled.

Dan Muys: Certainly, Mr. Wood outlined a number of different immediate solutions or concrete steps to be taken, in addition to what has already been done. Many of those are under provincial jurisdiction, and you indicated a few areas where the federal government could weigh in. This model, of course, is still out there: As you said, it's a branch of a tree. What more can the federal government do immediately to address this?

Geoffrey Wood: I'll take that question.

With respect to the federal government's role, anything they could do to support and assist the provinces, whether it's on the policing or funding side, would be helpful.

Dan Muys: The previous witness talked about temporary foreign workers. There are GST loopholes. Yes, there was the T4A moratorium, which was lifted, but there are still a lot of issues around that. Is there any action happening quickly enough?

Geoffrey Wood: Again, a lot has been accomplished at the federal level, but I think that, if we want to look at this, it has to evolve. ESDC and CRA have to remain engaged in our world. We need to keep our foot on the throttle. We can't let up on this, as these issues will morph as it goes along, and we need to be prepared, as government, to address that as we go forward.

What I think is critical is the municipalities and the province can't do a lot of what we need to do in trucking alone. They need the support of the federal government, from the federal department, certainly. Where it's under provincial jurisdiction, there could be funding allocated to help them achieve those goals to make our roads safer and the industry better and restore law and order. The federal government needs to be there.

● (1215)

Dan Muys: It has been eight years, and we've moved the needle by how much? How far along the path are we to where we should be?

Geoffrey Wood: I would say that, with the T4As and ESDC, we've come a long way. I don't have a measurement, but I can tell you that people are paying attention. It's getting noticed. There are requirements in place. The T4A piece is following the money.

We talked about the criminal side of this issue. Again, there's a federal perspective. The Ministry of Transportation and the Ontario Provincial Police can only go so far, but the RCMP, CBSA and other federal policing can certainly play a role, and they should. The provincial police have told us that. I think, from the federal government's perspective, that's where they can bring necessary change. It's deterrence. If everybody is at the scales and watching, it's more of a deterrent against breaking the rules, if that makes any sense.

Dan Muys: Yes.

Mr. Earle, who is from B.C., talked about the need for some alignment or a national system of enforcement. What are your thoughts on that from the Ontario perspective? Others, I'm sure, will ask Mr. Earle about that.

Mark Bylsma: I think we agree with that.

Certainly, as was mentioned at the previous meeting, it's about information sharing and harmonization among provinces, perhaps managed federally. That information sharing is what's going to allow us to crack down across our nation so that they can't just pop up in the next province a day after they get shut down in another province. Sharing all that information is what's going to help us eradicate this.

To your point earlier, we've seen a start, but we still have to pursue this headlong because it just keeps getting bigger. The snowball just keeps getting bigger.

Geoffrey Wood: I would add that the enforcement component needs to be given the tools to do its job. We talked about data sharing in the databases and the information that's there. They don't have the tools right now. I think you heard from CCMTA this morning. There's a lot of really good work happening. We'll get there, but we need to keep our foot on the throttle: We need to support our enforcement. We need boots on the ground, and they need to be supported by technology.

Dan Muys: You talked about the criminal element in this. This was brought up. Who is running these companies? They set up a new shell company elsewhere. Are you seeing any enforcement on that when it happens in Ontario?

Geoffrey Wood: It's starting, but it needs sustained resources.

The Chair: Thank you.

Dan Muys: Can you point to examples where that's happened already?

Time is up? The red card means time is up. That's it.

The Chair: It's a very powerful card, Mr. Wood. It sparks fear in the eyes of members.

Thank you very much, Mr. Muys and Mr. Wood.

Next, we'll go to Mr. Greaves.

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

Will Greaves: Thank you, Mr. Chair.

Thank you to our witnesses for being with us this afternoon.

I would like to direct my questions to Mr. Earle.

Welcome, it's great to have a voice from British Columbia at the committee today.

One of the issues we've heard a great deal about from many witnesses and which keeps recurring is around the impacts of the T4A penalty moratorium on the trucking sector. I'm wondering if you could elaborate on that from a B.C. perspective. How did that T4A moratorium affect your sector and safety specifically in the industry within B.C. and elsewhere?

Dave Earle: There are two parts to that: how it affected us and what the effect has been since the moratorium has been lifted.

When the requirement to file T4As was taken away, that put a cloak of darkness over what was going on in the industry. Who was paying whom? What was happening? Who was going? Who was running? Where was money flowing? That allowed a lot of money and operations to be hidden. It just facilitates that entire discussion around compliance and regulation. If it's important to be there and it's important to be down, then it needs to be enforced.

Since that T4A moratorium has been lifted, it's not even so much that the moratorium itself and the actual mechanics of it are important, and they are, but the message that was sent has been really important and very powerful. That message is that the federal government is paying attention. They are actually looking. Enforcement is coming. They're going to have to pay attention, and hiding dollars and hiding behind this curtain is no longer going to be tolerated. That message alone has been very important.

• (1220)

Will Greaves: Great.

This past fall, the Minister of Finance announced that budget 2025 would provide \$77 million over four years, starting in 2026-27, with ongoing funding of \$19.2 million for the CRA, in order to lift this moratorium that you're referring to on penalties on not submitting T4As in the trucking sector.

From your perspective, if budget 2025 was not to pass expeditiously, and these changes were therefore not to actually be implemented, what do you think the implications would be for the trucking sector and corresponding safety in British Columbia or elsewhere in the country?

Dave Earle: I don't think it's too strong to say it would be disastrous.

Again, there's more to this than just the actual mechanics of what's being proposed. When I look at budget 2025 and the elements of it, the enforcement of it is very important, but the messaging behind it is even more so. This industry has been left to be in a malaise. We're working with our provincial ministry and the regulators. They do the absolute best with what they have, but their tools are limited. If we talk about Driver Inc. being a branch on a tree, it's a rotten one and there's a whole bunch of other branches that we need to prune.

That's when I look at the provisions of the budget and why it's so important. It is the legislative amendments that allow for information sharing. It is the regulatory amendments that go through for enforcement.

More important than anything else is the message that this is important and it's going to be enforced. If we fail to do that, if we fail to send that message, I'm deeply concerned, as are our members, that not only do we continue to let this happen, it's one more message for those who lie and cheat to say, go ahead because they can't even get this piece passed.

This is just the first step in a very long road and it's a very important one. We're really hopeful as an industry that this comes to pass. It's an incredibly important piece of the puzzle, that's for sure.

Will Greaves: Thank you.

I'll ask Mr. Bylsma or Mr. Wood to comment from an Ontario perspective on whether they agree with that assessment of the significance of not implementing the budget and thus having the T4A moratorium lifted.

Geoffrey Wood: It has to happen. That's as blunt as I can be.

If there's any backtracking on it, the legitimate industry will see that as a sign of weakness and that the bad actors will regain control, or at least have more control than they have now. You can't go backwards. Please don't.

Will Greaves: That's very clear. Thank you.

Going back to British Columbia, Mr. Earle, could you speak to the regulation and enforcement of the trucking sector in B.C. and what works well, in your estimation? Is there anything that British Columbia is doing in this sector that would provide a model that could potentially be adopted by other jurisdictions or that demonstrates progress on addressing this issue?

Dave Earle: One of the things we've talked about is that coordination among jurisdictions. One of the things British Columbia does with its national safety code certification process is it tracks assets. As a national safety code certificate holder, you have to list your assets and which vehicles are covered in your fleet. That is a record that is kept. When those assets move and show up elsewhere in the NSC system, the question is, what happened?

On a case-by-case basis it doesn't really matter, but what we have seen is companies shut down in British Columbia and simply move operations to another jurisdiction. We found out what happened and we prevented that from happening in B.C. because the national safety code office said, "Wait a minute. You have all these assets—all of them—moving from this company to that one. Who owns this? Why are these assets moving? This doesn't make any sense." There was an acquisition, and those questions meant that those interactions didn't happen.

Tying those assets, tracking them and seeing where they show up with national safety code certifications is really important. In that circumstance, those assets eventually showed up in Alberta and the company was operating under their Alberta certification in British Columbia.

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

Thank you, Mr. Greaves.

[Translation]

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

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

Mr. Earle, I really liked your comments on the importance of businesses being transparent, particularly when it comes to who the real owner is. I don't think that's the road we've taken so far in terms of recommendations and comments.

That said, Mr. Wood, would the Ontario Trucking Association agree that this kind of measure is necessary?

• (1225)

[English]

Geoffrey Wood: Would we be in agreement with the transparency on the ownership?

Yes, 100%. We call it anti-avoidance and it needs to be properly funded, resourced and put across the country consistently.

[Translation]

Xavier Barsalou-Duval: Mr. Earle, a *Truck News* article from January of this year referred to an inspection in Burnaby and the Lower Mainland. It seems that during this inspection, over 56% of the inspected trucks were decommissioned. That's mind-boggling.

Do you think that percentage is representative of what's happening in the industry right now?

[English]

Dave Earle: I hate to put it this way, but yes and no.

It's yes, in that the inspections they're referring to weren't random. They were actually targeted, so they saw trucks coming and said, "Oh, that one comes over, that one goes past, that one comes over," and away you go.

The bigger question for me, though—and I think this goes back to our discussion about enforcement—is that British Columbia has a commercial vehicle inspection program that requires every vehicle to be inspected twice a year, every six months. Vehicles are showing up, like dump trucks with rotted-through bottoms and broken steering linkages. These things don't happen in two, three or four weeks or in four months. These things take years to happen, and yet these vehicles are somehow passing inspections a matter of weeks or months before.

They're not being inspected. It's another scam. We have this pernicious culture of cheating that we need to get at. This is where it starts, and it's really important work.

[Translation]

Xavier Barsalou-Duval: Mr. Harper then briefly raised this point in response to a question Mr. Kelloway asked. He asked him if there were angles that we had not sufficiently covered. I feel like we're opening the door somewhat today to organized crime being involved in these bad practices or the ties that may exist with them.

Mr. Wood or Mr. Bylsma, I'd like to know what you think.

In the trucking industry at the moment, is there a connection to be made between the Driver Inc. scheme and organized crime?

If that connection is made, what could the federal government do to remedy this situation?

[English]

Geoffrey Wood: From our perspective, the signs are there. We're not in the investigative world or in the law enforcement world, but the signs of organized crime being behind and infiltrating our industry are pretty clear to us. The questions are, how do we resource the enforcement officials properly, and how do we make sure that everybody is going into this with eyes wide open? That's unfortunately what we're dealing with.

You've seen the levels of violence increasing exponentially, particularly in the greater Toronto area. The response to that needs to be immediate, and it needs to be sustained. We can't let our foot off the throttle. We cannot. If we don't get control of this, we're in some serious trouble.

We want to work with this committee. I think you have the opportunity. We've talked about a lot of things. This is the next phase of that. It is supercritical to have it as a recommendation that we go into this with eyes wide open and that the committee understand what the trucking industry in 2026 looks like. We basically have a major crisis on our hands, and we need to throw everything at it—everything.

[Translation]

Xavier Barsalou-Duval: A little earlier, Mr. Earle said how important it is that businesses be transparent. I think associations should be too. I'm the one saying this. The Driver Inc. lobby group, the Canadian Trucking Association, or CTA, which you must be familiar with, has refused to provide us with its list of members. Its claims seem very favourable. According to CTA representatives, there's no problem in the industry, and no one is abusing workers. They say that the Driver Inc. model is a perfectly acceptable way to operate.

Since we have no information on the CTA's board of directors, who its president is or who its members are, do you think we should be wary of those statements? They aren't being transparent.

My question is for anyone who would like to respond.

• (1230)

[English]

Mark Bylsma: I'll speak to that briefly.

Mr. Kelloway mentioned in the previous session that this was about safety and economics. I think one other piece was missed, and that's the rule of law. It's about safety. It's about economics. It's

about the rule of law. There's an incredible lack of rule of law today.

We don't need a lot of new regulations. I mentioned it earlier. We don't need new regulations as much as we need harmonization, support and funding for the different levels or departments to crack down. Geoff mentioned it earlier, too. If we have multiple departments at the scales, that will help crack down on this. It's not just about T4As. It's about safety, and it's about criminality.

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

[Translation]

Thank you, Mr. Barsalou-Duval.

[English]

We'll go to Mr. Albas.

Mr. Albas, the floor is yours for five minutes, sir.

Dan Albas: Thank you, Mr. Chair.

Thank you to all our witnesses for being here.

I'd like to start with Mr. Earle.

Mr. Earle, I'm quoting from a Vancouver Sun article from about five months ago:

A new trucking firm in B.C. has links to Chohan Freight Forwarders Ltd., a company the province shut down after it was involved in multiple overpass crashes, a Postmedia News examination has found.

It's unclear whether Legacy Pathways Ltd.'s links to the former company violate B.C. Motor Vehicle Act regulations, but the Transportation Ministry said its commercial vehicle safety enforcement branch "is aware of concerns regarding Legacy Pathways Ltd. and is investigating."

The province's rules stipulate that when a trucking firm's National Safety Code certificate—

I think they mean safety fitness certificate.

—which allows it to operate, has been cancelled for cause, the company and its directors and officers will be refused a new safety certificate. Companies can apply for reinstatement after three years.

Mr. Earle, this is a B.C. company. It has a regulatory authority's enforcement put upon it. Their safety fitness certificate was cancelled, and like a phoenix, they rise up again. The only reason we have this is that it was reported, but they could easily come as an Alberta or an Ontario trucking firm as well, could they not?

Dave Earle: Yes, and this is the exact issue we've been talking about. That's the exact circumstance when we talked about moving assets out of the province and starting to move them into a different province. The only reason our enforcement agency knew about this is that we track assets. We track vehicle identification numbers. Even with that, when you have multiple jurisdictions across countries, you can just move different assets and can go back and forth.

Unless there is a clear and compelling, transparent national system to track beneficial ownership and directors, this becomes almost impossible to detect.

Dan Albas: Do you think it should be tied to the safety fitness certificate for anyone who applies for it?

Dave Earle: Absolutely.

Dan Albas: What about trucking schools? As we've heard, in Ontario 66 of them were shut down. Five or so were just closed in Alberta in the last six months. Could they not just simply do the same?

Dave Earle: Exactly the same thing is happening in British Columbia. Before mandatory entry-level training, we had about 30 to 35 schools. Once that came in, we had 105 because all of a sudden there was money. Now, over time, the Insurance Corporation of British Columbia, which is the licensing authority, shut down 67 of them.

Dan Albas: It shut down 67.

Dave Earle: It shut down 67, but we're back up to 100.

Dan Albas: How—

Dave Earle: It's this cycle. This is what we're saying is the problem. It's when there is this "we shut it down and it opens up over here" and "we shut it down and it opens up over here". It's the same people.

Dan Albas: Again, it's the real-time verification that's the matter here. With all due respect to what Mr. Greaves said earlier about the CRA, that's a lagging indicator. The enforcement comes years after they've audited and found discrepancies. We need to have something that is much more tactile and up to date. Is that correct?

Dave Earle: We need both. We need the tactile and up-to-date things. However, make no mistake, the fear of the agency is real, and that's something that's very important.

Dan Albas: I'm all for the CRA enforcing the law. I should also note that it was the election call by the Prime Minister in early spring that caused the bill to which you're all referring to die, and now we're only getting it through the BIA, which we are working on right now at the finance committee.

I have one last quick question.

You mentioned eight years of both governments. I assume you mean the Eby government. Maybe you could indicate to us what you've been saying to the Eby government and whether or not it has been.... Right now the federal government allows it to have complete enforcement of extraprovincial rules.

Dave Earle: Yes. My first briefing in this role was with Premier Eby when he was the attorney general. It was interesting in that we got about five minutes in when he stopped and said, "You're with the business association, and you're asking for more regulatory oversight." I said, "Yes." That should tell you all you need to know, that I'm here—

• (1235)

Dan Albas: Have they done that, though, sir? Are we still getting a satisfactory-unaudited?

Dave Earle: We still have that category of satisfactory-unaudited. We still have the under-resourcing of inspection facilities. We

still have scale shacks that aren't staffed. In British Columbia, we still have all the usual things—and "usual" is a terrible word to use, but it's true—for enforcement that we see in other provinces. Has there been action? There's been a little bit. Do we need more? Absolutely.

Dan Albas: Let's talk about dangerous goods. Do you think companies that hire people who have 10 years of experience should be able to qualify under a different program? I think it's Canada Clean Fuels that has suggested it's unfair for them to invest so heavily in their drivers and then have the same insurance costs as everyone else.

Dave Earle: Yes, there's a better way to do it. The one thing about years of experience, though, is that you have to ask yourself whether they have 10 years of experience or one year of experience 10 times?

Dan Albas: That's fair enough.

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

Thank you, Mr. Albas.

Next we'll go to Mr. Kelloway.

Mr. Kelloway, the floor is yours for five minutes, sir.

Mike Kelloway: Thank you, Mr. Chair. I appreciate it.

It's good to see the three of you here today.

I appreciate a lot of the comments here that it's not just a T4A issue, and that the branches of that tree are many.

I'd like to hear each of your perspectives. There are so many different impacts with regard to this study. There's the security. There's the personal. There's a whole host of things. There's also the economic impact, and I kind of want to land on that.

When it comes to the economic impact to the sector in Ontario and in British Columbia, you must have a quantifiable or best guess of how much this—the lack of enforcement, the Driver Inc. model, etc.—is costing the industry. Do you have a definite number or an estimate of what it costs Ontario and B.C. in terms of the sector?

Geoffrey Wood: We do. Again, it's based on very limited data, and then we extrapolate it out. It's significant on a per-driver basis, whether it's a Driver Inc. driver or whether it's somebody who is potentially engaged in forced labour. It's very lucrative from a damage to the supply chain perspective in terms of distorting operating costs. It's significant. If you're looking for a specific number, based on data that we've seen, it's about \$40,000 per year, per driver, on the Driver Inc. model where your operating costs are reduced. Unfortunately, and I don't say this lightly, in the forced labour piece, it's about \$80,000 per year, per driver. It's substantial.

Again, that's based on data. It starts with WSIB, or workers' compensation, and they indicate whether it's misclassification. That's where our data analysis has started. It's significant. I look at the total scope of companies assessed by WSIB in Ontario, which works out to about 35% to 40% of the fleets that WSIB has gone with. We have freedom of information, so we get this information. We have to be very careful about what we do with it and how we deal with it.

I can tell you that, when you extrapolate the damage, at least what we've seen for the 100 fleets that have had to pay or have been assessed, their ability to manipulate the supply chain in the Canadian context is in the range of about \$300 million annually. This is manipulation of the cost structure, and if you translate that into the U.S. space, it's about \$330 million U.S.

You asked about the damage, so you're asking us to also recreate a criminal's balance sheet, which is very difficult to do.

Mike Kelloway: I appreciate that.

Geoffrey Wood: It's substantial. When you extrapolate that to the scope of... When we talk about the money, that's what a lot of these organizations are chasing. It's easy money, and they'll go for it any day, all day.

Mike Kelloway: Right.

Mr. Earle, would you like to comment on this?

Dave Earle: When I look at that, it's the best data we're going to have on that element. The other element that's very tough to get into is to follow through on the rest of the industry. We're talking about road safety. We're talking about the pain and misery caused by incidents. We're talking about all those things and what everybody else has to do to try to compete.

We talk about those hard costs, and again, you get into the extrapolations, and we're into many billions of dollars.

• (1240)

Mike Kelloway: Thank you.

Go ahead, Mr. Bylsma.

Mark Bylsma: Our membership is made up of companies of many different sizes. Some people have 10 trucks; some people have 1,000 trucks. Spring Creek Carriers, who I was here representing in the fall, have just over 40 trucks. I've done the math, and it would add 10% to our bottom line if I converted to a Driver Inc. model, just to see what my competitive disadvantage is. That's 10% in an industry where we have razor-thin margins. That's the difference between making a lot of money and losing a lot of money. From an economic perspective, that's just from one small company.

Mike Kelloway: Thank you for that. I wanted to get that on the record.

I know you're not law enforcement, but you mentioned the bad actors that are out there. Is it safe to say, based on your observations—I'm being careful how I word this—that it's mostly the same bad actors, based on your experiences in your own neck of the woods? Is it the same people understanding how the system works or doesn't work and consistently breaking that?

I know that's a tough one, but I'm asking based on your experience.

Geoffrey Wood: I would say it's anybody in that 30% to 40% of the market that can figure out how to make it work. It's significant, and the level of criminality progresses.

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

[*Translation*]

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

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

Mr. Wood, in your opening remarks, you said you had concerns about the government's procurement system, particularly as it relates to Crown corporations. We can think of Canada Post, but also of various departments that would need transportation and trucking services. In fact, we passed a resolution last week to have Canada Post representatives come and testify before this committee.

What are your concerns? What do you think needs to change?

[*English*]

Geoffrey Wood: The government procures a lot of transportation services. They offer a lot of revenue opportunities to the industry. One of the things that we think needs to happen, particularly in Crown corporations, because they're supposed to be holding up the values of what our country is about, is we need to do the labour compliance checks in the tendering process and the contracting process to make sure they're not using Driver Inc., and especially to make sure they're not using forced labour. These are significant concerns.

Those two checks, I suggest, are no-brainers to us. We don't understand why those are not happening. We also don't understand the types of responses we get when we ask these questions.

[*Translation*]

Xavier Barsalou-Duval: My next question still relates to Employment and Social Development Canada, whose budget has been increased.

We documented the fines and penalties issued by Employment and Social Development Canada, and we found that the vast majority of them do not get paid.

Do you have any suggestions to prevent this situation from happening again? The companies don't pay the fines, and the fines disappear.

What impact can Employment and Social Development Canada's presence have?

Is there a solution to this?

[English]

Geoffrey Wood: If you mean with respect to not paying fines for traffic violations or collisions, let's use this analogy. If you do the crime, you have to do the time, or you have to pay. I think it's important, and again, this goes back to the data sharing and mechanisms. If you don't have the stick or if the mechanisms aren't there to penalize people who are doing things the wrong way and that includes.... You have significant levers, and I'm happy to explore them further with you.

The Chair: Thank you, Mr. Wood.

[Translation]

Thank you, Mr. Barsalou-Duval.

Mr. Groleau, you have the floor for five minutes.

Jason Groleau (Beauce, CPC): Thank you, Mr. Chair.

Good afternoon, esteemed guests.

Mr. Bylsma, you're the president of the Ontario Trucking Association.

In Quebec, the people of Beauce are very concerned about the training provided at certain driving schools in Ontario. We saw the report on *Marketplace* about the drivers who get their driver's licence in under 24 hours. Do you think that's reasonable?

How long would it take to provide adequate training?

[English]

Mark Bylsma: That should not be normal, no. Throughout Ontario, we have mandatory entry-level training. Other provinces adopted it later. I think Mr. Earle mentioned it. There are regulations around that, but again, if people are taking shortcuts, without oversight, regulation means nothing. Isn't that right?

If we have regulation, it's about how we make sure it's being followed. If you're going to go for lunch later on this afternoon and you're going to have a hamburger, a steak, a salad or whatever, you know that restaurant was inspected, yet your families or your kids are on a school bus that is driving beside a truck where the driver may have gotten his licence in 24 hours. That's unacceptable. It's absolutely unacceptable.

Those are the reasons we're making the recommendations that we are in our report.

• (1245)

[Translation]

Jason Groleau: What mechanisms would you suggest to fix this across Canada?

[English]

Mark Bylsma: As far as licensing goes, yes, I think we have that in our recommendations that are in front of you, but it certainly is going to require minimum standards. It's going to require graduated licensing and licensing for the particular types of vehicles you're driving.

Am I missing anything else?

Geoffrey Wood: No.

[Translation]

Jason Groleau: Mr. Bylsma, there have been a lot of incidents and accidents on the road between Ontario and Quebec. You're aware of that.

Do you think heavy-duty truck drivers should at least be somewhat proficient in French and speak a little English before getting their licence?

[English]

Mark Bylsma: Safety is probably the number one piece: if they are trained properly.

Also, communication is important. I think they're starting to crack down on that south of the border in the U.S., but if they can drive their vehicle safely and they can speak one or both of our languages in Canada, that's helpful.

[Translation]

Jason Groleau: Do you think provinces should communicate better with each other, particularly when it comes to interprovincial audits? I'm thinking here of driver's licences and insurance.

You mentioned it in your recommendations, but what would be your main recommendation to help ensure better communications?

[English]

Mark Bylsma: It's a matter of harmonizing everything and making sure that all of the jurisdictions and departments, both provincially and federally, are on the same page and are all focused on the same tree full of branches. Every one of those branches needs to be focused on.

That's why I started my comments by thanking the CRA and thanking ESDC. That's the tip of the iceberg, but we need to continue to pursue all aspects of the criminal side of this, whether it's tax evasion or whatever other criminality is involved. We need every aspect of federal and provincial governments working together.

[Translation]

Jason Groleau: We've been doing this study for a number of weeks.

What concrete measures should the government take right now to ensure that our roads are safe?

That's for anyone who wants to answer the question.

[English]

Geoffrey Wood: Again, federally, support the ministers responsible for transportation and highway safety and all of the programs that are under their purview, namely CCMTA. That support needs to be there. The boots on the ground enforcement needs to be there. An overhaul of the training needs to be there, with particular emphasis on the real-time availability of all of the data points that are in the national safety code, including insurance, which is critical.

[Translation]

Jason Groleau: Thank you very much.

The Chair: Thank you, Mr. Groleau.

[*English*]

Finally, for today, we'll go to Mr. Grant.

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

Wade Grant (Vancouver Quadra, Lib.): Thank you, Mr. Chair.

Thank you to the witnesses.

It's rare that we have 33% of MPs around a committee table from British Columbia, so I thought I'd take advantage of that today. I'm not a regular member here, but I have been listening, and I'm very concerned. I was thinking about the safety, as was mentioned earlier.

Mr. Bylsma, you talked about sending your kids on a school bus and worrying about them. My children have started to get their driver's licences. I always worry about my son. I always say to him, "I'm not worried about your driving. I'm worried about what's happening elsewhere."

Being from British Columbia, I just wanted to ask Mr. Earle if there are existing provincial tools that could be used to aggressively discourage the Driver Inc. practices in our province.

Dave Earle: Yes, there are, and to a large degree, the province is doing what it can on that file, because a lot of that does rest federally.

Provincially, though, what sticks out to me is the combined roadside check effort we ran back in May. We had two different checks on a couple of major highways of the Coquihalla network. What was fascinating was how nice it was to have seven different agencies and 107 inspectors present. As I was driving back, I thought, "Wow. With seven agencies and 107 inspectors present, we still have the issues that we have."

It's more than just doing the work; it's the messaging behind the work. I know I've said that a couple of times, but I can't stress how important that is. That messaging to the industry is so important, and then the follow through.

Yes, there are things that are being done at a provincial level, but so much of it rests federally. There's only so much they can do.

• (1250)

Wade Grant: Speaking of coordination, I want to know how important the coordination is with the British Columbia Ministry of Transportation, WorkSafeBC and federal agencies in addressing a misclassification.

Dave Earle: It is very important. They all have different lenses, and they all have different social purposes behind their statutes and their regulations, but yes, the information sharing is a little less transparent than we believe it should be and can be.

In particular, WorkSafeBC takes a very narrow interpretation of what they can and can't release. We're currently in discussions to get information that our counterparts regularly get from other compensation systems in Canada.

That sharing of information is incredibly important in terms of creating some level of consistency and veracity throughout all of the enforcement schemes.

Wade Grant: Where do you see the gaps in information sharing that allow non-compliant carriers to continue operating?

Dave Earle: We just don't know who they are and where they are. It sounds silly, but we administered a program on behalf of the province, and it was one of my staff who, through good work and diligence, found that three companies that were notionally completely separate were actually the same ownership structure. They simply changed directors, changed addresses, changed physical work locations, but he recognized the addresses. It's that type of thing.

If we have a staff member in my shop who recognizes the addresses, we can do a lot better with data sharing and data mining. It's just a matter of making that happen.

Wade Grant: Should B.C. consider tying carrier licensing or safety rating more closely to labour and employment compliance?

Dave Earle: There has to be an evaluation in terms of where we're going when we talk about compliance.

When we talk about compliance, we've talked a lot about the LMIA's and temporary foreign workers, but it's really important to recognize that not everybody who was involved in that system was problematic. We have a member in particular who did amazing work in terms of providing surrounding services when drivers came into the country. He did some really good work in that circumstance. He was audited by CIC every year. However, when we had a referral to CIC of a company that had 20 approved positions and had a declared fleet of two trucks, they were never visited. That's astoundingly ludicrous, and it's because with one member, you can go and have a nice cup of coffee in an office, and the other one's a P.O. box in the middle of the Fraser Valley.

We can do better. We have to do better.

Wade Grant: I have less than a minute so this is just an open question to anybody who can answer.

What would meaningful progress on this issue look like within the next year?

I'll allow anyone to answer that question.

Geoffrey Wood: Again, our two main asks are get the scales open 24-7 and make sure everybody gets inspected. It's easy to do.

Wade Grant: Great.

Thank you, Mr. Chair.

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

I see that we're five minutes ahead of time, and if you'll permit, members, I'd like to ask a question as well before we conclude.

Witnesses, in a previous meeting, we had some very emotional testimony delivered by three parents who lost their children in trucking accidents. One of the proposals that was put forward by one of the mothers was the idea that if there's a trucking accident that involves a fatality, the driver of that truck should automatically be suspended pending an investigation into the driving history of that truck driver, but also that the company itself should have an inspection done before that truck driver, and perhaps the company, can still have some trucks on the road. She was shocked to realize that the day after the accident, the same trucker who took the life of her child was perhaps on the road again and that was allowable.

The question I have for you is, would you support the proposal put forward by that mother to make it so that a suspension is mandatory until an investigation has been concluded into that driver's driving history and an audit has been done of that company and the equipment of that company? Would you support that?

• (1255)

Dave Earle: If I could, we have a similar issue in terms of suspending. We've tried this in British Columbia around overpass incidents. We've had this again and again and again.

More regulation doesn't get better results; it's the enforcement of that regulation. What we saw with the bad players who were hitting overpasses is they had their operating certifications suspended. They had all these different things suspended and they were operating the next day with impunity.

More regulation doesn't necessarily get us to where we want to be. We have to have effective enforcement and that's really what we're looking at. I'll defer to my colleagues in terms of that, but I can speak from the British Columbia experience on that type of regulation. Without effective enforcement, you don't change behaviour, and that's what we really need to see.

The Chair: Okay.

Mr. Wood.

Geoffrey Wood: It's an excellent question. For the company piece, there's no question. Anytime there was a fatality in Ontario in the past, it was automatic. MTO was in there ripping the place apart. We have to get back to that, but I think if MTO is in there all the time, we're de-risking the situation.

With respect to individual incidents, the police have a process to do their investigations. We can't circumvent that. We learn from these—and there's a method to my madness here—if we learn from the investigations, we can do better. Right now, we don't get any information from the police, for the most part, on lessons learned. It's not like the NTSB which produces detailed reports. We don't get that information. We've tried to intervene in that process with the NTSB unsuccessfully.

As your committee writes its recommendations, I think if we can get those two pieces in there and put some parameters around them. We need to figure out what the information from the collision is telling us, what the data's telling us, but there's no question we have to look at everything.

The Chair: We need more inspections before and afterwards.

Geoffrey Wood: One hundred per cent.

We need to be proactive and learn from our mistakes.

The Chair: On behalf of all members, thank you very much for your testimony today. This is a very important study, which we've extended, as you know.

We appreciate it, and if you ever want to come back or share anything else with us, by all means, feel free to do so.

Colleagues, the meeting is adjourned.

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