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Chair

Mr. Larry Miller

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•(1145)

[English]

The Chair (Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC)): We'll get started. Mr. McGuinty is on his way.

We have with us in the room Mr. Benson from Teamsters Canada, Mr. Terry Shaw from the Manitoba Trucking Association, and Mr. Bradley and Mr. Wood from the Canadian Trucking Alliance. By video conference from the Canadian Trucking Alliance we have Mr. Rodney Bantle.

Can you hear me, Mr. Bantle?

Mr. Rodney Bantle (Senior Vice President, Truck Transportation, Gibson Energy Inc., Canadian Trucking Alliance): I can, yes.

The Chair: Thank you.

Mr. Bradley, are you doing the presentation? Are Mr. Wood and Mr. Bantle with us to answer questions as well?

Mr. David Bradley (President and Chief Executive Officer, Canadian Trucking Alliance): That's right.

The Chair: Okay. I just wanted to be clear.

We'll start with Mr. Benson from Teamsters Canada, for 10 minutes or less, please.

Mr. Phil Benson (Lobbyist, Teamsters Canada): Good morning. Thank you for inviting Teamsters Canada to appear before the committee as it continues its study on the transportation of dangerous goods and safety management systems.

Before I start, on behalf of Teamsters Canada I extend our condolences to the families and friends of Patrice Vincent and Nathan Cirillo. We are so sorry for your loss. Our prayers and wishes for a speedy recovery go to all harmed in any way from the unfortunate incidents. On a personal note, my thanks go to the security and staff on the Hill for keeping us all safe.

Teamsters Canada is a regulated stakeholder of the Canadian Council of Motor Transportation Administrators, CCMTA, as is the Canadian Trucking Alliance. The CCMTA deals with all things road, and the industry is proactive in seeking positive changes that benefit the safety of Canadians, the economy, and the industry. It does not mean that we have not had strongly held differences with the CTA; however, over the years they have been rare. I can only wish other sectors would be as welcoming to working together for the betterment of the transportation sector.

Road transportation is often incorrectly viewed as 18-wheelers, the big rigs. That subsector is part of an expansive sector. Teamsters Canada represents workers who fall within road transportation, though not within the committee's study—brewing, soft drink, buses, and school buses, for example. When applicable within our structures, we provide for trade divisions that include armoured car, dairy and sales drivers, grocery and retail stores, movie-making, and trade shows. Marine transport can also fall within our miscellaneous moniker. More germane to this meeting would be other Teamsters Canada trade divisions: parcel and small packages—that's Canada's couriers—construction and pipeline, including concrete, and the freight and tank haul.

The parcel and small packages division works within the courier industry. These logistics companies are a critical component of the supply chain, and they do carry dangerous goods, properly labelled and with rigorous safety procedures. One of the most interesting issues we've dealt with was the delivery of nuclear medicines to a hospital in Vancouver that was within the exclusion zone created for the 2010 Olympic Games. Small quantities do not necessarily mean we should have no concerns.

The construction and pipeline divisions haul a variety of substances that would fall within the TDG mandate, certainly fuel. Explosives can also be part of the job. The transportation of explosives is strongly regulated. Drivers are required to have Transport Canada security clearances and rate cards. Though we do not believe it is needed at this time, if the need arises, the Transportation of Dangerous Goods Act provides for Transport Canada security clearances for drivers of dangerous goods.

The freight and tank haul division would see the bulk of transportation of dangerous goods. To be clear, the most dangerous products, such as chlorine, are transported by rail and not by road.

Full-load trailers carry placards and warnings and are driven by trained professionals. The small quantities of products would lead to more limited harm if accidents were to occur, and that is extremely rare within the memory of the Teamsters Canada freight division leadership. They have no memory of any accident involving a teamster haul. Less-than-load could see smaller quantities of dangerous goods mixed with other products being carried without placards, with more risk to first responders in public.

Tank haul carries a wide array of products. The concern here would be the fuel, gas, diesel, heating oil, jet fuel, propane, butane, and the like. These are mostly carried in baffled tanks with anti-roll ABS technology. The quantities are relatively small. We could come up with scenarios of great damage, and there is also risk, but as I said, we have no memory within the memory of the leadership in Teamster Hall of that happening. To be sure, it's a good story to tell.

SMS, safety management systems, in trucking don't exist. SMS is really a canard, trussed-up deregulation. You do not need regulation for businesses to have an SMS; it's a business best practice. What exists in trucking is industry-created and industry-led training. Shippers in industry ensure that drivers have the requisite knowledge before the fuel leaves the facility. Other programs dealing with safety, rigging, brakes, and on and on are components of what we might think of as an SMS, but not comparable. SMS simply would not work in the trucking sector, and bluntly, it is not needed, because what the sector has developed is working, which is more than we can say of the SMS in other sectors.

Is it perfect? Not at all, but next week the CT and the Teamsters will be attending the CCMTA meetings, working to move the sector forward. It's how the trucking sector works.

Thank you.

•(1150)

The Chair: Thanks very much, Mr. Benson.

We'll now move to Mr. David Bradley of the Canadian Trucking Alliance for 10 minutes.

Mr. David Bradley: Thank you, Chairman and members of the committee. On behalf of our industry, I'd also like to extend our thoughts to all of you for the tragic events of last week, but as always, Canadians do rally together.

We did send a detailed submission earlier this year. I'm sure you've all read it in great detail, but notwithstanding that, I'll provide some remarks, with first a bit about CTA.

We're a federation of the provincial trucking associations in Canada, including the Manitoba Trucking Association—you'll hear from Terry in a moment—and in so doing, we represent over 4,500 trucking companies from across Canada.

Geoff Wood, who is here with me, is our VP, operations and safety. He's also a member of the minister's general policy advisory council on dangerous goods.

Rod Bantle is senior VP, truck transportation, at Gibson Energy. Gibson has been in business for over 60 years. Each year they transport over 150 million barrels of oil equivalent via truck throughout Canada and the United States. They are one of the largest crude oil haulers in western Canada and the largest independent for-hire carrier crude oil hauler in the United States.

According to StatsCan, 70% by tonnage of all dangerous goods are transported by road. The remainder is 24% in rail, 6% in marine, and less than 1% in air.

There are literally thousands of goods classified as dangerous goods. The regulations themselves identify over 2,200. Many of them are common household products, but regardless, all of them

have different properties and they pose different levels of risk. They're transported in various volumes. They can be transported in truckloads or less than truckload and in a variety of conveyances, in everything from van-type semi-trailers to tank trucks.

Crude petroleum, oil, gasoline, and fuel oils represent 77% of all dangerous goods that are transported by road in Canada. In terms of the long-distance transportation of crude oil to refineries, which has been a focus of the committee, that is the domain of the pipelines and the rails. Trucks simply are not an economic option for those types of deliveries.

Trucks are used in the transportation of crude oil at the midstream stage of product development, where deliveries are generally short haul and where the rates between truck and rail are comparable but trucks usually provide a more timely service. Trucks will never displace pipelines or rail in that business. Even if we wanted to, there simply aren't the trucks, drivers, or roads in all of North America to be able to accommodate it.

It's also unlikely that an incident of the magnitude of Lac-Mégantic could occur in the business that trucks are involved in. The amount of product that we ship in a single shipment is very, very small compared to a train of tank cars.

The actual number of shipments of dangerous goods that are transported by truck is unknown, which is a bit of a problem, I guess, if we don't have that kind of data. We estimate that there are at least two million, and probably many more, dangerous goods shipments in Canada each year.

Using that figure of two million, we looked at the DG incidents involving trucks in 2012. The stats show that the frequency and the severity of most incidents involving trucks is relatively low.

There are about 1.64 incidents per 10,000 shipments. Most of those are very minor, with a leakage of less than 500 litres, therefore not doing any particular damage to the environment or to safety. Most incidents, about 71%, occur during the loading or unloading stage. Most incidents involve the loading and unloading of tank trucks.

Finally, I think the public is most concerned where we share our workplace with them on the highway. The frequency of incidents caused by accidents on the highway is extremely low at 0.27 per 10,000 shipments.

All of this suggests what Phil said, which is that the industry itself is managing the transportation of dangerous goods proactively and effectively. If you care about your business, safety is good business.

It also further suggests that the regulations are for the most part effective in preventing incidents where trucks are involved. Still, more than any other mode, we do share our workplace with the public, and with that comes an added responsibility for continuous improvement, regardless of whether or not the trucks are hauling dangerous goods.

• (1155)

Our members believe that competition should be based on service and price, where price includes the true cost of compliance for all carriers. We have no tolerance for carriers who seek competitive advantage by breaking or bending the rules and then attempting to fly under the radar. Thankfully, they're in a minority. We believe in effective regulation and effective enforcement.

Motor carriers and truck drivers operate under a comprehensive set of highway safety and environmental regulations. Most carriers, certainly all dangerous goods haulers, have internal safety management systems, although that's not, as Phil indicated, a regulatory requirement. Instead, the regulatory system governing trucking, which is administered by the provinces, focuses on performance and outcomes, perhaps more than in any other mode.

All motor carriers are subject to on-road enforcement, as are drivers. They're subject to fines for violations, and drivers and vehicles can be taken out of service at any time at roadside if they don't meet the standards. They're also subject to facility audits. The provincial governments keep profiles on all trucking companies and all drivers. They accumulate infractions; various thresholds are reached, and they generate harsher and more progressive sanctions, which can include a downgrading in your safety rating up to and including a loss of operating privileges.

Are there issues with harmonization? Yes, although the level of harmonization is perhaps highest with regard to the TDG regulations. Is there uneven enforcement? Yes. Can things be improved? Yes, but the results compared to the rest of North America suggest that the regulatory system in Canada works extremely well.

Again, while the frequency of dangerous goods incidents caused by accidents on the highway is extremely low, they are the cause of most, about 57%, of the major incidents, which are defined as releases greater than 5,000 litres and usually involve flammable liquids.

While those major incidents represent only about 6.5% of all incidents, it is again here where we share our workplace with the public that the CTA would strongly support and work with the federal government in the introduction of two key safety measures for heavy trucks, regardless of whether or not they're hauling dangerous goods.

The first measure would be a universal mandate requiring all trucks where under the current federal hours of service regulations the driver is required to carry a paper logbook, to replace that logbook. Those trucks would be required to be equipped with electronic logging devices.

Second, we would like to see as a manufacturing standard moving in lockstep with the United States, a requirement that all new heavy

trucks be equipped with roll stability systems. It's simply cheap insurance.

In addition, the CTA calls on the provinces to require mandatory activation of speed limiters on all trucks as Ontario and Quebec have done. The U.S. is expecting to introduce a rule next year. A growing number of carriers, responsible carriers, transporting dangerous goods already voluntarily invest in this technology. We need to get the rest of the industry on board.

We also support the introduction of mandatory entry-level training for truck drivers consistent with the national industry standard. Again, that's a provincial responsibility.

Still, the industry has an enviable safety record. Trucks are the safest vehicles on the highways, and truck drivers as a class are the safest drivers, but by working together, we can make things even better.

With regard to the TDG regulations themselves, and not withstanding their overall effectiveness as it pertains to trucking, there are a couple of areas of improvement that we would like to highlight.

First, the enforcement of shipper responsibilities could be improved. Carriers often complain about shippers not providing proper documentation and not having the requisite knowledge of the regulations or sometimes even the characteristics of their own product. Our drivers are really product specialists as much as they are drivers. It's the carrier and the driver who bear the brunt of enforcement at roadside, not the shipper. This is something which we think Transport Canada and the provinces need to address.

• (1200)

Second, the TDG regulations compel carriers to ensure drivers receive training and are certified to transport dangerous goods. We wholly support that, but we do believe that consideration could be given to requiring those who are actually providing the training, whether that's in-house or through a third party, to be certified to do so. The CTA and the provincial associations already provide a lot of train-the-trainer type of assistance. We'd be happy to help you.

With that, I will stop. I look forward to any questions. We thank you for the opportunity to speak to you today..

The Chair: Thanks very much, Mr. Bradley.

We'll now move to Mr. Terry Shaw from the Manitoba Trucking Association, for 10 minutes.

Mr. Terry Shaw (Executive Director, Manitoba Trucking Association): We appreciate the invitation to appear today.

For those of you who are unfamiliar with us, the Manitoba Trucking Association was founded in 1932. The Manitoba Trucking Association represents about 300 member companies. Our member companies represent over 25% of the for-hire trucking companies in Manitoba, whose fleets represent over three-quarters of the trucks licensed in Manitoba.

As Mr. Bradley mentioned, the MTA is a member of the Canadian Trucking Alliance.

I would suggest that it is generally accepted by those who have reviewed reporting on this subject that the trucking industry is safe and has seen consistent improvements in safety results.

Before I get into some TDG-specific considerations, I'll very briefly provide an overview of some of the Manitoba industry initiatives being driven by the MTA. I'm doing so to provide some context and insight regarding the safety culture of trucking in Manitoba. While I'm here today speaking from a Manitoba perspective, I can confirm that all other CTA member associations are engaging very similarly within their provinces.

The mandate of the MTA is to develop and maintain a safe and healthy business environment for its industry members. The inclusion of the word "safe" and its mention as a primary consideration by our member companies is not accidental. This statement highlights a core value of our membership and guides the work of MTA staff.

In June 2012 the MTA board of directors took a position in support of the creation of a trucking industry certificate of recognition program. The intention of this program was to create industry-specific tools and education that will assist trucking companies with their safety and prevention activities. Last month, SAFE Work Manitoba approved this initiative, and we are currently working with them on the implementation of this item.

I would like to note that the elements being sought under an industry-specific certificate of recognition program align very closely with the major components of an SMS, as indicated by Transport Canada, such as commitment by the organization's senior management to safety as evidenced by the endorsement of safety policies, measurable safety objectives, and clear organizational responsibilities and accountabilities for safety, as well as a variety of other items.

For years, the MTA has been an active participant in the creation and delivery of industry-specific education and training tools, such as partnering with Apprenticeship Manitoba on the creation of the designated trade of commercial truck driver. We partner with Manitoba Public Insurance on the entry level professional truck driver training program. We are currently partnering with the Province of Manitoba on an English-at-work program specific to the trucking industry, and we consistently deliver industry-specific regulatory training, including TDG training.

While not all of these have a specific safety focus, let alone a TDG focus, we mention them to highlight the culture of education and training supported by the trucking industry. While I can't provide any specific evidence that a culture of ongoing education and training has a direct positive impact on industry safety, it is our belief that

there is an innate connection between increased education and training and improved safety results.

In direct response to some of the questions under consideration today, such as what additional measures could be taken to strengthen TDG safety across all modes of transportation, I'll provide some specific suggestions in conclusion, but prior to that, I would like to bring to the committee's attention Transport Canada's "Commercial Vehicle Safety in Canada" annual report for 2009, that being the most recent year available.

One of the items the report speaks to is Roadcheck, which is an annual safety inspection program undertaken across North America, including Canada, the United States, and Mexico. The report confirms that the 2009 Roadcheck out-of-service rate is slightly better than the previous year's figures and continues an overall national downward trend in the out-of-service rates over the last 12 years. In addition, the Canadian results were better than those reported in the U.S.

The report also indicates that commercial vehicle results in all categories, including inspections and incidents such as fatal personal injury and property damage, are all reporting lower; i.e., they are moving in a positive direction. This was also notwithstanding the fact that vehicle kilometres travelled are also increasing regularly. The report specifically states, "As can be seen...[from] the trend in collisions and casualties from 1990 to 2009, Canada's road safety record continues to improve."

Specific to TDG incidents, a brief scan of CANUTEC's annual statistics shows an extremely low number of trucking incidents, especially relative to vehicle kilometres travelled. As Mr. Bradley mentioned, the specific number of TDG vehicle kilometres travelled isn't known, but it is believed to be substantial, as the majority of TDG shipments travel by road. The CANUTEC scan also shows that TDG incidents are decreasing over time. While the report doesn't speak to the scale of the incidents, the opportunities for large-scale events during road transport are extremely limited.

● (1205)

In answer to the question on whether the implementation of safety management systems should be adjusted to provide a greater focus on the transportation of dangerous goods, we believe the consistent annual improvements in road safety demonstrate the effect of the current regulatory regime.

While we aren't suggesting enhancements in the current regulatory system or that industry's current results shouldn't be targeted, we are of the opinion that focusing on the system in place and discussing how to increase its effect would provide the greatest value to government and industry.

The previous comment being made, outside of anything contained in the Canada Labour Code and/or any provincial workplace safety and health legislation, the 2011 CCMTA report entitled "Addressing Human Factors in the Motor Carrier Industry in Canada" indicates that 71% of trucking companies already have some safety management system in place.

Has the implementation of safety management systems improved the safety of our transportation regime? Again, we can't comment on other modes, but Transport Canada's information on road safety results shows that the trucking industry is continually improving in terms of road safety. While I wouldn't suggest that one can attribute these directly to safety management systems, it does suggest that current industry practices under current regulatory regimes are having positive impacts.

Safety isn't just a regulatory function for the trucking industry. There are very well understood consequences of being unsafe, and we believe the results indicate the trucking industry understands this and is managing accordingly.

In regard to some additional measures to strengthen TDG safety for road transport, while I have spoken very briefly on the positive trends in road safety results, we would also suggest that the current system and industry's results are not something that couldn't benefit from continued efforts towards improvement. With this in mind, I put forth two items for consideration: greater involvement in road safety by all parties involved in the supply chain, and the strategic use of technology to enhance road safety.

Section 1.5 in part 1 of Canada's TDG regulations states very clearly that dangerous goods "must be handled, offered for transport, or transported in accordance with these regulations". This means that all parties involved in the supply chain, from those packaging and loading the product, to those hiring the transportation service provider, to the transportation company, bear responsibility for the safe movement of these goods.

We would suggest that improved means of limiting the ability of some in the supply chain to hand off liability and risk to others in the system would increase the overall quality of the system. Again, while this consideration is not predominant, especially when it comes to TDG activities, it is common enough that we believe it is worthy of mention and recognition as an opportunity for improvement.

As a member of the CTA, we also support the national positions maintained in relation to electronic logging devices and roll stability systems. Specifically, we would also suggest that a national mandate requiring all trucks where the driver is currently required to carry a paper logbook under hours-of-service regulations be equipped with an electronic logging device. Also, we would suggest a manufacturing standard in concert with the U.S. requiring all new heavy trucks to be equipped with roll stability systems. Both of these items would provide increases in regulatory compliance and road safety. While this isn't specifically a TDG opportunity, the TDG road shipments moved under these initiatives would naturally benefit from the overall improvement in road safety.

Thank you for your time.

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

We'll move to questioning.

Mr. Mai, you have seven minutes.

Mr. Hoang Mai (Brossard—La Prairie, NDP): Thanks to all the witnesses for being here today. We apologize for being late from votes, but that's what we have to deal with.

I'll start with you, Mr. Bradley. You've given us some really interesting numbers. In terms of dangerous goods, you spoke about two million shipments, but as you mentioned, it's really hard for you to know.

We've seen rail going from 500 carloads in 2009 to probably 510,000 carloads in 2016. What have you seen in the industry? Is there an increase in terms of shipment of dangerous goods in the past five years, let's say? Do you project that there will be an even bigger increase, or has it been stable for a while?

● (1210)

Mr. David Bradley: Well, it really depends on which dangerous goods you're talking about. If it's crude oil, again, we're not involved in the long-distance shipment of that, so no, we've not seen that kind of growth.

There are companies like Mr. Bantle's which specialize in that, but if you look generally across, say, all 2,200 dangerous goods, it depends. When the auto sector is going strongly, then airbags, which are a dangerous good, increase. For lithium batteries, when the consumer is strong, you'll see an increase. It really is a reflection of overall economic activity.

We have seen—and this is a good thing—since the recession of 2007 an overall increase in terms of demand for transportation service and in terms of the vehicle kilometres that trucks are travelling.

Mr. Hoang Mai: One of your recommendations, which was also made by the Manitoba Trucking Association, was to have electronic logging. I would like to understand how it works right now. If, for instance, a truck is carrying dangerous goods and something happens, what are the steps? Again, it will depend on the type of company that has the goods, but because we don't know if there is an SMS being applied or what system is in place, what is the next step? If, for instance, you don't have a log or there is no electronic log, how do people know how to act?

Mr. David Bradley: First, I need to explain what the electronic log is intended to do.

Accidents are caused by a chain of events, but human error is a predominant factor. When a human being is fatigued, the risk becomes greater, so the hours-of-service regulations in Canada were developed from a fatigue management point of view. We worked with the Teamsters on those for years. They are supposed to be consistent with fatigue management and the science of fatigue.

We have a regulation, but any regulation is only as good as the level of enforcement. Hours-of-service regulations are currently enforced through a paper logbook. Let's just say paper systems are easier to fudge than electronic oversight is. As the rest of the world is moving to using technology and electronics to conduct their business, we're still stuck with this paper system. We would like to replace that paper logbook with an electronic logging device that would ensure compliance with the hours of service regulations, which should reduce fatigue and therefore reduce the incidence of crashes. The technology exists, and we've been calling for this for 10 years. The Americans are also moving on this stage.

Whether it's dangerous goods or not—

Mr. Hoang Mai: I get it.

Mr. Benson, I see you nodding your head. Do you want to add anything on that?

Mr. Phil Benson: With regard to the long list that David put in, and he can confirm this, I think we've been working on that entire list together for probably 10 years or more. We're taking a nuanced approach. The only difference we had was in speed limiters, because we wanted a national and international...not a one-off. The electronic logbook would be a significant improvement in giving road enforcement the ability to see instantly whether somebody has violated the rules versus using the rather complicated method they have to go through with the paper logbooks. It would be a great improvement to see.

Mr. Hoang Mai: Perfect. Thank you.

Mr. Bradley, you spoke about the issue with enforcement for shippers' information and things like that. Who's doing enforcement?

•(1215)

Mr. David Bradley: The enforcement for shippers rests with Transport Canada. I don't know the level to which they are conducting, for example, facility audits of shipper operations to ensure they are in compliance with the law. Most of the enforcement, which is conducted by provincial enforcement officers, takes place roadside, when the truck pulls into an inspection station or the officers go into a trucking company and go through their records. When there are violations, even for things that may be the shippers' responsibility, particularly, say, documentation, it's the trucking company and the driver who end up getting fined, even though the shipper has provided them with the paperwork.

As has been indicated, we think you need a supply chain solution to these sorts of things. Some of the major shipper associations have training programs and specific programs geared towards the kinds of dangerous goods and products they produce. That's a good thing, but they're not mandatory so not all shippers belong to them. They're voluntary. The decision regarding who actually gets the freight at the end of the day is usually made by the purchasing department, which is totally divorced from that process. I would say there are times when perhaps companies are hauling dangerous goods when they shouldn't be. That's something that needs to be addressed and that can be addressed only through the shipper.

Mr. Hoang Mai: On the lack of enforcement, is it new or has it been there for a long time? Is this something that the trucking alliance has raised?

Mr. David Bradley: The issue of shipper responsibility in general has been a topic of conversation ever since the national safety code for trucks was introduced in 1988.

The Chair: Thank you very much.

We'll now move to Mr. McGuinty, for seven minutes.

Mr. David McGuinty (Ottawa South, Lib.): Mr. Bradley, I didn't understand your comments with respect to how much oil is being transported by truck.

How much oil is being transported by truck?

Mr. David Bradley: Virtually all crude oil is touched by truck, but not long distance over the road to refineries. It's from the well to either the pipeline or the transfer station. These are short distances, rural shipments. That's where the trucks are involved.

That's where Mr. Bantle's company would be involved. Once it goes from there, it either goes into a pipeline or into railcars for shipment to refineries.

Mr. David McGuinty: Is there any regulation or express prohibition for trucks to carry oil?

Mr. David Bradley: I'm sorry?

Mr. David McGuinty: Are you prohibited from carrying oil on a long-distance basis?

Mr. David Bradley: No, we're not prohibited. It just makes no economic sense for us to do that.

Mr. David McGuinty: You mean that right now it makes no economic sense.

Mr. David Bradley: It won't ever make any economic sense.

Mr. David McGuinty: Why do you say that?

Mr. David Bradley: We're one tanker car. We can't compete with a train that will have 120 tanker cars. The economics just won't work.

Mr. David McGuinty: Given the log jamming on so much of our rail system in the country particularly last winter, and given the fact that in the next decade we're going to have a million barrels a day of excess capacity from the oil sands which will not be transported by pipeline, are you telling me that your trucking members are not looking at opportunities in this regard?

Mr. David Bradley: No.

I'd like to ask Mr. Bantle about that because he's in the business, but I know they don't see that as an opportunity.

Rod, would you like to comment?

Mr. David McGuinty: Sorry, Mr. Bantle, I just needed that answer which was fine.

What I'm hearing is that the trucking industry is not presently looking at opportunities to expand the transportation of oil by truck.

Mr. David Bradley: No, we predominate in the short distance small shipment of all goods. The railways predominate in long-distance bulk heavy shipments.

We're in different businesses.

Mr. David McGuinty: What are the most dangerous substances that your truckers carry?

Mr. David Bradley: That would be gasoline, fuel oil, propane, those sorts of things.

Mr. David McGuinty: In terms of rail, the government has announced that it's going to inform municipalities after the fact as to what dangerous goods are going through their municipal territories.

Is your industry prepared to inform municipalities as a matter of prior advance notice?

Mr. David Bradley: We haven't actually discussed that question.

I don't know how you would be able to do that efficiently when you consider that if you have a tanker of gasoline, you're going to your local gas station every day.

The municipalities have never approached us to ask for this information. They have dealt with this through the designation of truck routes. Every municipality has truck routes.

• (1220)

Mr. David McGuinty: It could be done.

Mr. David Bradley: In that respect, we've never been requested....

I don't know how I'd answer because I don't know how difficult it would be. Certainly any information makes things safer, but it's not something that has ever been requested from us.

Mr. David McGuinty: You said earlier that "effective regulation and effective enforcement" are critical.

I want to go to the liability question for a second.

A truck has an accident on the Highway 401 or has an accident near some other roadway. It spills a toxic material on land and in water. Who is responsible?

Mr. David Bradley: That would ultimately be up to a court to decide, but where the trucking company is at fault, they are responsible.

Most provinces have what is called pejoratively a "spills bill", legislation which holds that you are required to pay the costs of cleanup. The concern we have is that some shippers will try to protect themselves through freight contracts by saying that even where it's perhaps not the trucking company who is at fault—let's say there was improper documentation, improper loading where the shipper was responsible, that sort of thing—the shipper is not liable even if it was negligent. That's just not right.

Mr. David McGuinty: Let me play devil's advocate. We are surrounded here today by people in the trucking business and labour involved in the trucking business. Let's say there were two shippers sitting beside you. What would they say in response to your comment?

Mr. David Bradley: Which comment do you mean?

Mr. David McGuinty: The comment you just made about shippers trying to—

Mr. David Bradley: Well, I've heard what they've said. They've said that the party that is negligent and at fault should be held responsible, but they don't always practise what they preach.

Mr. David McGuinty: I see. What do we do to fix that, and how do we share liability? This is, with all due respect, partly about your trucking companies and partly about your shippers, but it's really about Canadians, Canadian land, Canadian soil, and Canadian waterways. How do we fix this so that we don't get a "he said-she said, they're responsible, no, they're responsible" debate? What are the assurances that it's safe?

Mr. David Bradley: One of the things we need is legislation, such as the one that exists now in over 40 states in the U.S. where this is a state matter, not a national matter. Here, it is both provincial and federal. We need legislation that says that shippers cannot introduce freight contracts and hold themselves harmless when they are negligent. That's what we need.

Mr. David McGuinty: We are seeing the same kind of debate in the rail sector, aren't we?

Mr. David Bradley: Yes. It's people trying to avoid their responsibilities. The trucking industry makes it clear, and always has: when we are at fault, we are responsible, and we face the penalties. That's the way it should be. That should be the case across the entire supply chain.

Mr. David McGuinty: Is your industry in favour of adopting a mandatory SMS structure?

Mr. David Bradley: We don't think it's necessary. Again, the difference between truck and rail.... Most companies have them, but simply depositing a piece of paper somewhere doesn't mean a whole lot unless it has teeth. I think that's part of the problem you are seeing on the rail side. Historically, what they've chosen to do on the trucking side is to introduce a comprehensive regulatory regime with real penalties, fines, and sanctions, which don't exist on the rail side. That's where the control comes in on the trucking side. I don't think having to deposit more paper necessarily means anything.

At the same time, if a trucking company is not performing up to snuff with respect to safety, what happens is that the company is identified by the provincial enforcement officers. They do a facility audit, and at that time they look for the safety management system of that trucking company. They'll say, "Look, you have to improve this", or "You're not even following your own safety management system", and the like. Again, the level of enforcement, on-road real-time enforcement, that exists in trucking is different from that in any other mode.

Again, I think it's an open question whether safety management systems should be regulated, but I don't know that they have worked particularly well on the rail side in the absence of the other types of enforcement activities.

•(1225)

The Chair: We'll move to Mr. Komarnicki, for seven minutes.

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): I notice that Gibson Energy Inc. is represented. We have Gibson trucking in southeast Saskatchewan. It involves the oil-hauling business. I am not sure if there is any relationship between them. Do you have an office or an operation in Saskatchewan?

Mr. Rodney Bantle: Yes, we do.

Mr. Ed Komarnicki: I also notice that the legislation we have for the transportation of dangerous goods, and the regulations that flow from it, has to do primarily with international and interprovincial travel. Consequently, that legislation would deal mostly with long hauls, and yet I hear Mr. Bradley saying that you are not involved in that aspect of the business, because of economic reasons, I suppose. What I am hearing this morning is that the regulations don't have much application to the trucking industry when it comes to long hauls. At the same time, in southeast Saskatchewan, where I'm from, there is a lot of hauling that takes place within that area by truckers. I am wondering if there might be a gap in that.

You mentioned that about 71% of the accidents, if you want to call them that, or events happen when you are loading or unloading. With the great increase of oil production in the Bakken field, for instance, as the amount of rail shipment of oil has increased, the amount of trucking from site to transloading facilities has increased. Am I led to believe that these regulations don't apply to those transactions?

Go ahead, Mr. Bradley.

Mr. David Bradley: No, not at all. There is a dual regulatory system. Federal regulation covers extraprovincial trucking, that is, trucking that crosses borders. Any dangerous good that moves across the border is covered by the federal regulation. My only point was that we're not really in the business of a long-distance shipment of crude. That's not a regulatory factor.

The other point which I mentioned in my comment is that the provinces—and we have more harmonization on this one item of dangerous goods than any other safety feature—have all adopted the federal dangerous good regulations, either by reference or in their own regulations. Whether you're intraprovincial, interprovincial, or international, it doesn't matter; you are covered by dangerous goods regulations.

Mr. Ed Komarnicki: For instance, in southeast Saskatchewan where we have truckers loading to transload facilities, and they do within that certain area, Saskatchewan would have incorporated the federal regulations.

Do you know that as a fact?

Mr. David Bradley: Absolutely.

Mr. Ed Komarnicki: Okay.

Mr. Benson has a thought.

Mr. Phil Benson: I was talking about our work at the CCMTA. That brings together all the motor administrators for Canada. A lot of our laws are federal, so the federal government has to enact them. As Mr. Bradley was saying, at the end of the day it's by incorporation, by reference, or by legislation. The same rules will apply almost universally throughout the country.

Mr. Ed Komarnicki: If you incorporate by reference, does that catch forward occurrences of legislation on the federal side? In other words, if we amend a portion of the Transportation of Dangerous Goods Act here, does it automatically incorporate by reference, or does it take additional steps for the province?

Mr. David Bradley: If it's by reference, yes. If they have written their own regulations, then it takes some time for them to change their regulation.

Mr. Ed Komarnicki: Are you satisfied that in the southeast part of the province all truckers hauling Bakken crude would essentially have to meet the federal transportation of dangerous goods regulations?

Mr. David Bradley: Absolutely.

Mr. Ed Komarnicki: With respect to safety management systems, I know that one of the reasons Mr. Benson may have said it's not worthwhile to have safety management systems is that you might have small independents or ma and pa operations. People like Gibsons, for instance, have a fleet of trucks that transport, as would others. In those instances you would think there would be some sort of corporate culture of safety which would say that notwithstanding there are regulations and notwithstanding that we're told what should be done, there must be some systemic things. Safety management systems would certainly augment or enhance regulations in situations that are peculiar to your industry.

Are there safety management systems in place? Should there be safety management systems in place for the bigger fleet companies? As a second question, why not provide some template safety management processes that ma and pa operations can tag into?

I see a number of hands. We'll start with Mr. Bradley and then we'll go to Mr. Shaw and then Mr. Benson.

•(1230)

Mr. David Bradley: I think you should hear from Mr. Bantle about his safety management system. As I said, the vast majority of carriers of all products have safety management systems. I would expect that virtually all dangerous goods haulers have safety management systems. Yes, we spend an awful lot of time dealing with best practices in our sector. That's why I don't think you need regulation.

I'll let the others comment.

Mr. Ed Komarnicki: We'll go to Mr. Shaw and Mr. Benson, and maybe if we have time, we'll go to Mr. Bantle.

Mr. Terry Shaw: I just wanted to add that in Manitoba we've lobbied effectively as of about a month ago for the creation of an industry-specific safety association. While that is a provincial body, what it would do is exactly what you're suggesting. It would create those template documents. That is through the workers' compensation or the SAFE Work system, but the methodology and the ideology are the same. In the province of B.C. they have a very similar program. I do know that the Saskatchewan Trucking Association has previously worked toward the creation of a provincial safety association. Again, Transport Canada confirms that 71% of trucking companies already have some safety management system in place. That's without any regulatory requirement for it. It's just good business.

Mr. Ed Komarnicki: Mr. Benson, I thought initially that you seemed to be of a contrary view. Are you changing?

Mr. Phil Benson: No, not all.

What we view is safety management systems and the regulatory regime if something doesn't exist in trucking. What I was saying in my presentation was that the safety management system was for deregulation or self-regulation. As Mr. Bradley said, it's not too good in rail and elsewhere.

What we see in the road world is what good businesses do. They don't have safety management systems with the scope and size of rail. They have specific processes in place to ensure that what they're doing is safe in a workable manner with, as Mr. Bradley said, strong enforcement, strong regulations, fines, people backing it up, which is something that hasn't existed in rail and elsewhere. In a technical sense it is not a safety management system, but within a sphere it is what good businesses do.

Mr. Ed Komarnicki: We're running out of time, but I have two questions for Mr. Bantle. Do you do short hauls in southeast Saskatchewan and your comment on safety management systems...?

The Chair: A quick comment on the question, please.

Mr. Rodney Bantle: Yes, we do short haul in Saskatchewan, and as far as safety management systems go, we do have a system in place.

A lot of that was driven not only by our own internal assessments, but also those of our customers. We started on that process about three years ago, and we do have formal systems in place.

Mr. Ed Komarnicki: Thank you.

The Chair: Thank you, Mr. Bantle.

We'll now move to Mr. Yurdiga for seven minutes.

Mr. David Yurdiga (Fort McMurray—Athabasca, CPC): Thank you to the witnesses for coming to inform us on what's happening in the industry.

Mr. Bradley, what are the major components of a safety management system or best practices typically included in your industry? Do they include local first responders, and if not why couldn't it?

Mr. David Bradley: As it pertains to dangerous goods, yes, absolutely. Anybody who's involved in the dangerous goods business has a program of people it contacts in the event of a spill. Significant liabilities are at play here that can threaten your business

and your company. The safety management systems would encompass safe operations of a vehicle, training, maintenance of vehicles, fatigue management, product-specific type of information, depending on which dangerous goods, if you're hauling dangerous goods at all. That's just how they do business.

Mr. David Yurdiga: In addition to that, in my experience from a municipal background, we have a lot of communities where the major truck haul is right through a small community, and our local fire departments a lot of times are not informed of the type of loads going through. I'm not saying every load should be reported, but our fire department should have the ability to prepare or have a plan to deal with a situation that may arise.

It's not a daily thing. I don't think it would be onerous on the industry to say they are carrying various types of chemicals that could be flammable or poisonous, or whatever it may be.

Shouldn't that be the responsibility of the industry? A lot of our fire departments are volunteer, and they should be prepared to deal with any situation that may arise.

● (1235)

Mr. David Bradley: A major feature of the regulations of the transportation of dangerous goods is all our conveyances have to be placarded to provide the information about what's on board, so one might argue that this is already there.

We have never been asked by a fire department or by the Federation of Canadian Municipalities to talk about this. If they want to talk about it, we're absolutely happy to talk about it.

Again, the incident level involving trucks has not been anywhere near to the extreme you would see in the big shipments of the bulk stuff where you have a chain reaction. We don't have that situation in trucking.

It doesn't mean you can't have incidents and you couldn't have dangerous situations for people, but not of the order of magnitude you would expect to see in the other mode.

Mr. David Yurdiga: I would like to address this question to anyone who wants to answer it.

I realize the freight transportation industry faces an array of challenges. Our highways are getting busier. I'm from northern Alberta where we have Highway 63, which is very busy.

Are the technological advances assisting in reducing the number of incidents? I was reading about real-time data collection, and how it monitors things and sends information back in real time to wherever it goes.

Is that a significant improvement for the industry as far as safety standards go?

Mr. David Bradley: Absolutely. If anything, from a technological point of view, the pace of change in our industry is so rapid that the regulatory environment hasn't kept up. I'm not talking about pie in the sky stuff, but stuff that's been tested, is in broad use by responsible carriers, and that works.

Part of the reason for that is the way trucking is regulated in Canada. The administration of the regulatory system has been delegated to the provinces, and it's like a constitutional conference every time we try to change the smallest rule and make advances.

Definitely, the industry is frustrated that on things like electronic logging devices, electronic stability control, and those sorts of things, that those things are not being regulated so everyone has to play by the rules.

Mr. Phil Benson: Could I have the floor for a minute?

Mr. David Yurdiga: Mr. Benson.

Mr. Phil Benson: From our side, the feedback I get is that the drivers are extremely... A lot of our carriers do have electronic logbooks, whether they're okayed or not, navigation controls, and satellites. It's not that they're tracked, but they know where they're going; they're avoiding accidents. As an example, instead of waiting for a big logjam on a highway, they're pulled off and they're sent on an alternate route on the fly. They know where they're stopping for the night because it's in their book. These technological advances make it easier for drivers to do their job and to pay attention to the road, rather than all of the details that they may have done in the past. We would welcome these changes to, let's say, the good carriers that were already moving forward with it and we're waiting for the regulations to catch up.

Mr. David Yurdiga: I have one last question.

We do live in a climate that's always changing, whether it's freezing rain or whatever. A lot of accidents are not as a result of other drivers and it's not necessarily the companies themselves. Who makes the final decision whether trucks should continue to go on a road that is not in a safe condition? Is it the driver? Is it the company? Or do you wait for some regulatory body to say that you can't drive on it?

Mr. Shaw.

• (1240)

Mr. Terry Shaw: I was going to say that all parties play a role, primarily our drivers. They're the ones in the seat so they make the call. That said they may not know what's ahead of them down the road. As Mr. Benson had suggested, the ability to communicate in real time about opportunities or need for change directionally that is weather related, or a whole host of other items, is something that we have greater access to these days and we see greater collaboration in this regard. It's all of the above.

Mr. Phil Benson: It's the logistics for a company to be able to tell a client that because of a road condition, their shipment is delayed or it will be coming in the next morning. If you go back 15 or 20 years, that was not possible. You'd have an irate company or an irate customer waiting for delivery. The ability for communication and to avoid incidents is a really important step and it's welcome. The

electronic logbooks are certainly, for the people who have them, a welcome addition.

The Chair: Your time has expired, Mr. Yurdiga.

I would remind the witnesses that they may want to use the earpiece for translation.

I want some clarification on two points on electronic logbooks versus the other. Mr. Shaw and Mr. Bradley, it would seem to me that members of your association are trucking companies. If they have such a concern that the paper logbooks are being abused, because it seems to me that's what you're implying, why aren't they voluntarily putting them in all of their trucks?

Mr. David Bradley: They are. The vast majority of companies already have them. It's the folks who try to avoid compliance, who go around the inspection stations, who are cheating, who don't, and need to be required to. That's always the way it works with any regulation. The industry is moving forward with this.

What we need is for the government to catch up with us and make sure that everyone is playing by the rules.

The Chair: I guess my comment to that would be with a question, Mr. Bradley.

You say "waiting for government to catch up", where I would say, from an individual who likes less government interaction, although we have to have some, is it not the responsibility of those carriers in your organization to catch up and isn't it your role as your organization to push those individuals to do that?

Mr. David Bradley: Well absolutely, but those sorts... We wish that everyone were a member. We represent them all, they just don't all pay their dues. There are always going to be the fly-by-nighters who don't belong, who don't participate, who have not got religion as it were. That's where it's the government's role to step in and make sure we all play by the rules. Without enforcement, regulations are worthless.

The Chair: What is your estimate of the percentage of companies that don't comply?

Mr. David Bradley: Well, don't comply or don't have—

The Chair: Companies that don't live up to the rules.

Mr. David Bradley: It would be a small proportion. I would say that if we could deal with the bottom 5% or 10% of the industry we would have a vastly different situation on the highways than we have now.

The Chair: Thank you very much.

Ms. Morin for five minutes.

[Translation]

Ms. Isabelle Morin (Notre-Dame-de-Grâce—Lachine, NDP): Thank you, Mr. Chair.

On that last point, I agree with you completely. Self-regulation is rampant in the industry, and I think it's important that the government take a stand and support your efforts in this fight.

If I understood correctly, Mr. Bradley, you said that nearly 70% of accidents occur during loading or unloading. Is that correct?

Mr. Bradley: Yes.

Ms. Isabelle Morin: Can you describe the exact nature of the accidents that occur? What happens during loading and unloading? Exactly what accidents are occurring?

[English]

Mr. David Bradley: I'd like, if I could, to defer to Mr. Bantle on what would happen, but it's plainly human error. That's what would cause a problem at loading or unloading. There are times when the equipment would fail and that sort of thing, but it mainly comes down to human error.

I don't know, Rod, maybe you could explain exactly what happens.

• (1245)

[Translation]

Ms. Isabelle Morin: You said human error, but what happens specifically? I'd like you to tell me what the exact accident is, not necessarily its cause.

[English]

Mr. David Bradley: When you fill your gas tank sometimes, do you ever see a little bit of gasoline dripping out at the end? That's what we're talking about.

[Translation]

Ms. Isabelle Morin: Very good.

[English]

Mr. Terry Shaw: For clarity, I think maybe you're thinking of the word accident in terms of a vehicular accident. We're talking about incidents, just to clarify that.

[Translation]

Ms. Isabelle Morin: Okay. What can be done to fix that? What steps can be taken to address those incidents?

[English]

Mr. David Bradley: Obviously training is important, and it's an ongoing commitment to training any time you're dealing with human beings. You'll never get things perfect, but there is a commitment to training. If a leakage is strong enough, there are the other laws, the environmental laws and whatnot that come into play. If there is some systemic problem, it would show up and it would be dealt with through the enforcement system. In terms of dealing with human beings, you have to make sure that they're properly trained and that you're monitoring them as best you can to make sure the proper procedures are always being followed. That's part of a safety management system.

[Translation]

Ms. Isabelle Morin: Mr. Shaw, did you have something to add?

[English]

Mr. Terry Shaw: As a point of clarity as well, the number of incidents is low. Again, we're focusing on that 70%. When there is an incident, the majority of them are limited in exposure in terms of the general public. They're at shipper or receiver locations. The overall number of incidents is still very low, again, just to be clear on that 70% number.

Mr. Phil Benson: That's also our experience.

[Translation]

Ms. Isabelle Morin: What training on this type of loading do employees currently receive?

[English]

Mr. David Bradley: There's all manner of dangerous goods training that takes place. There's the regulatory requirement for training, product knowledge, what to do with regard to contacting first responders, those sorts of things, but every company as well, and many of the shippers too, would have some sort of training program related to the product and how to properly handle the product.

As I said earlier, the term "driver" really doesn't do justice to the role that they play. They really are product specialists, and that takes a lot of training. There is more training in that sector of our business than in any other sector of the business.

[Translation]

Ms. Isabelle Morin: What role do you think the federal government should play when it comes to training? Do you have any concrete recommendations in that regard?

[English]

Mr. David Bradley: It's very difficult. For example, you couldn't create an omnibus training program that would cover all 2,200 dangerous goods or even those in that smaller number of dangerous goods. It would end up being so watered down that it would be meaningless. I think the system is working fairly well right now between shippers and carriers in terms of providing that product knowledge and that sort of thing.

One thing we do recommend be looked at is whether the people providing the training, whether within a company or through a third party institution of some sort, have proper training not only in dangerous goods but in terms of how to train people and whether they are getting the proper training. We think there needs to be some sort of a certification process for the trainers themselves. You'll see lots of ads in newspapers for people providing training, and it's not always clear that they know what they're doing.

[Translation]

Ms. Isabelle Morin: I think Mr. Benson would like to comment as well.

[English]

The Chair: Go ahead quickly, Mr. Benson.

Mr. Phil Benson: Just to reiterate, the information I had from our end was that the training on these dangerous goods and on flammables, etc., which is provided by the shippers and the companies and the industry, is very rigorous. It was put to me that the third party liability is such that they make sure it's done. Training the trainer and having better training are things we work on together with the sector council. They're things we strongly support as well.

The one point we did have is that the training should be consistent, and the best way to do that is to make sure the trainers are trained according to a consistent model.

•(1250)

The Chair: Thank you.

Mr. Watson, go ahead for five minutes.

Mr. Jeff Watson (Essex, CPC): Thank you to our witnesses for appearing.

I have a few practical questions.

I'm not very familiar with electronic logbook technology. What happens? Does a trucker put certain information into an electronic system? Does that interact with the inspection stations along a highway such that you can't bypass them? Could you explain the technology briefly?

Mr. David Bradley: I'll ask our VP of safety, "Mr. ELD", Geoff Wood to take you through "ELD-101".

Mr. Jeff Watson: Could you, briefly, if possible?

Mr. Geoffrey Wood (Vice-President, Operations and Safety, Canadian Trucking Alliance): It's an electronic device that's tied into the engine of the truck and it monitors everything the driver does. The driver gets into the truck and logs in. It's an electronic record that follows him through his whole time on duty.

In terms of information that's available to the inspection stations, when the truck comes across the scale, the officer wants to see it. It can be displayed on a screen. It can be emailed to him. It can be faxed. Again, it's real-time information on what has been happening.

Mr. Jeff Watson: Would an inspection station get that information if he's driving past it instead of into it?

Mr. Geoffrey Wood: Currently it doesn't, but there are plans in the works for that technology.

Mr. Jeff Watson: Can that information be doctored by the driver?

Mr. Geoffrey Wood: No, it's hard-wired into the engine.

Mr. Jeff Watson: Is electronic stability control a standard technology on new trucks or is it an optional technology on new trucks?

Mr. David Bradley: Currently two of the major truck OEMs have it as part of their standard new vehicle package. There are five or six others that don't make it part of their standard vehicle package, but we think they should.

Mr. Jeff Watson: Is it expensive? Can you retrofit with it?

Mr. David Bradley: It's difficult to retrofit, but it's not expensive. It's about \$1,000 or \$1,100 a unit. When you consider a tractor-trailer combined in the dangerous goods field, it can be several hundreds of thousands of dollars. As I said, it's very cheap insurance.

What it does is to electronically make the brakes work before the driver can even think about it.

Mr. Jeff Watson: Would any kind of requirement then result at some subsequent point in a gradual phase-in of that technology over time?

Mr. David Bradley: Yes.

Mr. Jeff Watson: Okay. Very good.

Can your members refuse to carry any dangerous goods, or do you have an obligation that you must carry them?

Mr. David Bradley: You're not obligated to carry anything.

Mr. Jeff Watson: In rail, you are; in trucking, you're not. It's the contrast I'm getting at, which of course affects liability determination for the product.

I want to return to the question of liability. Mr. McGuinty began to probe it. If there's a spill, whichever agency would be charged with the cleanup would then have to pursue a claim with either the owner-operator or the trucking company if they were part of a trucking company. They would have to do that in court. Is that correct?

Mr. David Bradley: Yes, it's through the court, but the laws are pretty clear in terms of determining responsibility. A lot of these things don't get to court. The carrier gets a bill and they'll.... Again, not every one of these things is challenged, because if you're at fault, you're at fault.

Mr. Jeff Watson: How much insurance is an individual owner-operator or a trucking company supposed to carry for purposes of—

Mr. David Bradley: The legal requirement, the regulatory requirement, in most provinces is, I think, \$1 million or \$2 million for dangerous goods, but the vast majority of people in that business carry significantly more than that. Two million dollars, particularly in the United States where things are a lot more litigious, doesn't cover anything.

Mr. Jeff Watson: Vehicles are placarded for dangerous goods. Who inspects that?

Mr. David Bradley: It depends at what point.... They would be inspected roadside by Ministry of Transportation enforcement officials. In many provinces, policing agencies are also involved, or it can be done, in the case of an incident, by the environmental people or whoever the first responders are.

Mr. Jeff Watson: Who inspects the choice of appropriate containment for a particular commodity?

●(1255)

Mr. David Bradley: That is an inspection the federal government has jurisdiction over under the TDG regulations. There is also a committee that's administered by the Canadian Standards Association.

Specifically with respect to tank cars, it's the B620 committee which comprises manufacturers, regulators, carriers, and safety advocates. They basically develop the standards that Transport Canada then puts into regulation.

The Chair: Thank you, Mr. Watson. Your time has expired.

We are getting close to the end, and Mr. Sullivan, Ms. Young, and Mr. Braid get two minutes each.

You have two minutes, Mr. Sullivan.

Mr. Mike Sullivan (York South—Weston, NDP): Mr. Benson, fatigue management in the trucking industry is very highly regulated in the provinces. Am I right in saying that the hours of work and the hours of rest are set by regulation?

Mr. Phil Benson: Fatigue management is different, the hours of service are different from provincial rules. Sometimes the provincial rules are better than the rules we have for fatigue management.

Basically, compared to all other industries, except for two instances, the actual science based on trucking would be a golden rule. Those two are simply, it's perhaps a little long...day work; also, we haven't dealt with awake on circadian low during the night. However, as a model, it beats the heck out of what's in rail, and it certainly is, I think, compatible. It meets the scientific tests, except for two very small things.

There's a difference between hours of work regulated by a province if you're a provincial carrier, which in a lot of cases are shorter, and what is dealt with interprovincially, but the fatigue management rules apply to everybody.

Mr. Mike Sullivan: Right, so there are rules—

Mr. Phil Benson: Yes.

Mr. Mike Sullivan: —and they're regulated. It's not just safety management systems and leave it up to the truckers.

In rail, as we learned a couple of weeks ago, an operator can be called at one o'clock in the morning and threatened with discipline if he doesn't report to work on only one hour's sleep. Would that happen in trucking?

Mr. Phil Benson: No. In fact, that's why they all turn in logbooks and you assure that it didn't happen. Also, to be fair, that's something we're waiting for. Parliament unanimously acted to bring in fatigue management based upon science, where the minister has moved forward the regulations. Hopefully before the next election we might actually sit down and start talking about it, and perhaps after the next election, depending on who's here, we can get together and see if it actually works.

Yes, it's a totally different procedure, regulated, mandated, and enforced, and I think, as you can see from Mr. Bradley and the industry, it's strongly supported by the industry.

The Chair: Thank you.

We move to Ms. Young for two minutes.

Ms. Wai Young (Vancouver South, CPC): Good morning. Thank you so much for all the comprehensive information we've received.

Very quickly, because I only have two minutes, all of you were quite passionate, when talking about the regulatory environment for truckers that has not kept up. Am I wrong about that? No? Okay. Why don't you submit to this committee in writing what it is you would like to see us do to keep that up? Obviously the technology and all of the things you've talked about today are things that you've put into place, and we have not kept up.

Also, is there a correlation between the 5% and 10% of companies that don't comply and the accidents? I don't know if anybody has done a study on that. Could I have a quick answer about that?

Mr. Phil Benson: On the first one, Mr. Bradley... The CCMTA, which will be meeting next week, is composed of provincial, territorial, and federal things. It is actually like a constitutional meeting. These things take time. I think the minister and the department are in good stead in trying to push it forward. I'm not sure what the committee can do.

On the second one, I'd certainly disagree a bit with David on this one. I think the non-compliance is much higher than 5% and 10%. The trouble is there's not much we can do because we don't know. That's why the alternative logbook would be so significant, as we could actually...the reason being that when you don't know what somebody does, you have to start looking back when they bought gas, what time they checked out of a hotel... This is literally a breathtaking waste of time for people. Again—

Ms. Wai Young: There's a gap between licensing, where they have to do what they are licensed for, I guess, and the fact that if they're not complying, there's a big yawning gap. What is happening with those companies that are not complying? That's the question.

●(1300)

Mr. David Bradley: If I could just make one comment...

The Chair: Very quickly.

Mr. David Bradley: As I said, if we cleaned up the 5% to 10% we'd make great strides. It doesn't mean that's necessarily the level of non-compliance.

In our submission to you and the things we talked about today, the ELDs and the electronic stability control, we put those forward because those are the two things that are within the federal realm where you don't have to get tied up in all the provincial wrangling in order to get them done.

The Chair: Thank you.

To close it off, Mr. Watson, for two minutes.

Mr. Jeff Watson: With respect to shipper documentation being provided to companies or drivers, you suggested there were some gaps, Mr. Bradley. Further, you said it was inspected by Transport Canada. I think Mr. Mai summarized your comments that there was lax enforcement. I don't know if I heard that from you.

Are you aware of how often Transport Canada inspects, or is that how you would characterize the inspection?

Mr. David Bradley: You're right; I didn't use the word lax, and I won't use the word lax. I think there's always room for improvement.

Mr. Jeff Watson: Okay. I just wanted to be clear about that.

Properly classifying your dangerous goods before offering them for transport: who inspects that?

Mr. Geoffrey Wood: Transport Canada.

Mr. Jeff Watson: Okay. Very good.

Training your employees to handle dangerous goods safely.

Mr. Geoffrey Wood: Transport Canada.

Mr. David Bradley: Or the province, again.

Mr. Jeff Watson: That companies actually have ERAPs for their commodities, is that Transport Canada?

Mr. Geoffrey Wood: Yes.

Mr. Jeff Watson: Are you aware of how often those elements might be inspected by Transport Canada? We intend to ask them those questions at some point.

Mr. David Bradley: No, because again, Transport Canada has delegated the administration of those regulations to the provinces; so

Transport Canada doesn't actually do that enforcement. It's the provinces.

With respect to the trucking companies, with respect to the shippers, that is Transport Canada.

Mr. Phil Benson: The feds regulate; the provinces enforce. The feds don't put people out checking trucks. In some of the provinces, generally, the numbers for enforcement depend upon a province's will. In some provinces they don't have a lot of people out checking anything.

Mr. Jeff Watson: My last question is on SMS. You have it voluntarily. Why would you resist a mandatory requirement? Do you not want a government audit?

Mr. Phil Benson: I'd just say it's because of the nature of the business. If you look at the air and the road worlds, which I deal with, you have relatively few people who do 99% of the work. In trucking, there are a few large companies that do a lot of the work, but there are so many individual contractors and small people, that to even have them.... They think they can do the job, but they can't do the work. They just can't do it.

Mr. Jeff Watson: I meant for the companies that have them.

The Chair: Jeff, we're out of time.

Gentlemen, I want to thank you for being here and participating in our study.

Everyone, we'll see you next week.

The meeting is adjourned.

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