

Canadian and U.S. authorities are cooperating in the use of Automatic Vehicle Identification (AVI) technology to speed the movement of truck traffic between the two countries. Trucks are being equipped with inexpensive transponders which, after the first encounter with a weigh station, make it possible to signal their prior clearance to subsequent stations along the road and to receive clearance to proceed without stopping. It is expected that the system will eventually be in general use throughout North America.

### **COMPETITIVE RATES**

Strong competition is keeping trucking rates low. Many carriers bring fresh produce to Canada from the southern

U.S. and Mexico. Backhauls are relatively common on longhaul runs, providing very competitive rates on shipments from Canada to the U.S. and Mexico. About 20 Canadian carriers penetrate the Mexican market at present. About 100 run to the southern U.S.

NAFTA will progressively eliminate remaining barriers to international transportation services. Three years after the agreement is in effect, Canadian and U.S. trucks will be permitted to pick up and deliver in Mexican border states. After six years, they will be able to service the entire country. And after 10 years, Mexico will permit 100 per cent investment in Mexican trucking firms.

*"Canadian truckers are seeing a shift in traffic patterns from east-west to north-south. Companies have expanded their transborder service networks, particularly for truckload shipments. Competition is very strong in the transborder sector."*

**Gilles Bélanger**  
*President*  
**Canadian Trucking Association**

*We were considering a number of different sites in Canada and the U.S... The key factor favoring Calgary was the ability to ship goods cheaply to markets in the northwest U.S. and California... We found haul rates from Calgary to the U.S. were actually cheaper than shipping out from there [Montana].*

**Robert Hryniak**  
*President, Greenfield Plastics Corp.*