

*Motor Vehicle Transport Act, 1986*

The Bill has undergone some changes since it was first introduced last November. Members of the Standing Committee on Transport have worked hard and are to be commended for their diligence in revising the Bill. They have listened to Canadians from coast to coast express their satisfaction and in some areas their dissatisfaction with this Bill. Provincial Governments have also expressed their views, both to the committee and to the Minister. We have listened carefully, and when appropriate, changes have been made.

Over three decades ago, the Motor Vehicle Transport Act of 1954 gave the provinces responsibility for trucking regulation in both their own and federal government jurisdictions. That delegation worked reasonably well at the beginning when interprovincial and international trucking was an immature industry but now, the for-hire trucking industry generates close to half the total surface freight revenue in Canada. Furthermore, trucks carry over 50 per cent of our exports to the United States.

If the industry has grown, so have economic regulations. Since 1954, different regulations have sprung up across the country. Each province has its own requirement for entry, for rates, for commodities, for safety regulations and so on. Instead of a nation, we now almost have 10 Balkan states.

These inconsistencies from province to province have placed a burden on truckers, the costs of which are inevitably passed on to their customers, the consumers. For instance, costly and time-consuming hearings are required to obtain an operating licence in each province a carrier wishes to serve or even to drive through. Needless to say, such practices have frustrated both carriers and shippers alike. Effectively, services have been restricted and unnecessary costs have been imposed on the industry, its customers and ultimately on the economy as a whole. In the final analysis, the consumer pays it all.

It became increasingly evident over time that this was no way to meet future needs and no way to build a nation. An efficient, flexible transportation system is critical to Canada to link up East and West, to connect us to major markets in the United States and to provide good transportation in the far North and to every nook and corner of this vast country.

The origins of this Bill are to be found in the February 1985 Memorandum of Understanding agreed upon by provincial and federal Governments. It was the source of three main initiatives.

First, all jurisdictions agreed to eliminate public convenience and necessity as an entry test and to move to a reverse-onus public-interest test as soon as possible. That date has now been established as January 1, 1988.

Second, all jurisdictions agreed to implement a uniform fitness entry test. They subsequently agreed to make it effective January 1, 1988, as well. The latter test requires that all applicants have insurance and demonstrate that they can operate safely. It was approved by all provinces eight months ago. While the test will apply to all extra-provincial traffic,

most provinces have agreed to apply it intra-provincially as well.

We hear many people decrying the accidents that will arise out of this legislation. We must recall that the provinces that have been administering this have been working on it for a number of years and are now presenting an excellent if not a perfect package.

Third, the federal and provincial Governments have agreed in principle to the elements of a uniform national safety code, its implementation and its cost sharing.

Using these building blocks and several concepts from the existing law, this Bill contains these basic principles: first, it will shift the regulatory emphasis from entry and price control to safety performance. That is an excellent move toward better and safer highways and streets. Second, it links entry into the industry with safe performance, not simply necessity. Third, it will provide the Governor in Council the power to make national safety regulations for trucks and buses. That is something we need as well, national regulations that will be effective across the entire nation.

Fourth, it will continue the delegation of administrative responsibility to the provinces. The provinces are becoming more and more mature. They have grown greatly in the administration of motor vehicle laws over the last 15 or 20 years and now they are becoming mature and can work with the federal Government to put in place an excellent system across the nation. Fifth, it will provide a transition period for existing transportation companies to adapt to change.

Many people have said that we are doing the same thing as the United States did. The Hon. Member for Bonaventure—Îles-de-la-Madeleine (Mr. Gray) mentioned that a few moments ago. This is a Canadian-made policy. They may have deregulation in the United States but we are not going into it holus-bolus without preparation. We will provide existing transportation companies time to adapt to change, and that is important.

As I said earlier, this Bill has undergone some changes since second reading. The transition period during which economic regulation will be phased out has been extended from three years to five, to January 1, 1993. The provinces have generally been relaxing economic controls on the industry for some time so this gradual approach to change is already under way. The extension of the transition period will give truckers well over a decade to adjust to a less regulated environment.

That transition period will vary from province to province. Those in the Province of Alberta have been working under a more or less deregulated system, a Freedom to Move type system, for a number of years. Other provinces have not, but they will have a good long time to adapt to change. There will not be suddenly one thing one day and then the next day a complete change. It will be done gradually and effectively.

Some shippers feel that this may be too long to wait. Some of the people who appeared before the committee cried about