

**CCMTA**

**Carrier Safety Rating Project**

**Readiness Review**

**Final Report**

**September 2, 2004**

**Prepared by Knowles Canada**

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## **1. EXECUTIVE SUMMARY**

The objective of this assignment was to ‘*assess the readiness of all Canadian jurisdictions safety rating regime to provide a consistent national system as per the Motor Vehicle Transport Act (MVTA).*’

Transport Canada is targeting proclamation of amendments to the MVTA for January 1, 2005. The purpose of this assignment was to conduct a review and assessment of each province’s and territory’s compliance with these MVTA amendments in an effort to determine their ‘*readiness*’ and whether Transport Canada should proceed with the scheduled proclamation.

In order to make a proper determination of readiness, the consultants developed a methodology that included three sequential steps:

1. Identify the areas of non-compliance by jurisdiction and determine, through discussions with each jurisdiction, recent changes or revisions and future implementation plans;
2. Identify which criteria lack full compliance and assess the significance, or criticality, of those areas in terms of how non-compliance will impact national harmonization;
3. Conduct a series of test cases to confirm the capabilities of each jurisdictions’ safety rating system and demonstrate their overall readiness.

In general, the findings were positive. More than 50% of the compliance criteria are being fully met; many of the areas of non-compliance only have one or two jurisdictions who do not comply, many of those jurisdictions have plans in place to comply in the next year; and a number of the non-compliant areas have been deemed to be not significant in terms of their impact on national harmonization. (For details on this analysis see Section 4.)

The test cases confirmed these findings as it demonstrated a very high level of consistency. For example, all jurisdictions have functional carrier safety rating systems in place; all jurisdictions have the capability to assign a safety rating to their carriers; all jurisdictions have established consistent scoring or pointing programs; and all jurisdictions are using their systems to determine intervention levels and define intervention actions.

The findings also suggest that there continues to be two critical categories of non-compliance (*Safety Fitness Certificate Application and Carrier Information Exchange*). These key areas of non-compliance will not be fully resolved by January 1, 2005. However, in both cases, the non-compliant jurisdictions have

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plans in place to achieve full compliance by January 1, 2006 (with the exception of the Northwest Territories, who is forecasting a January 1, 2007 compliance date).

CCMTA and Transport Canada should be encouraging those jurisdictions that are currently non-compliant in critical areas to press ahead with their efforts to achieve compliance.

Note that many jurisdictions made the point that proclamation of the MVTA is the impetus they need to raise the level of awareness in their province or territory and secure either the resources or establish the legislative attention the carrier safety rating program needs.

Overall, the results suggest that proclamation could proceed on January 1, 2005. Doing so however is contingent on how tolerant Transport Canada and industry are of certain areas of inconsistency. Although there are only a few areas of inconsistency and they are restricted to certain jurisdictions, they are considered important (those mentioned earlier), and are significant enough to expose the jurisdictions and Transport Canada to some temporary risks.

Obviously, the longer Transport Canada waits, the more compliance there will be. **Appendix D** shows the areas of non-compliance and the timeframes each jurisdiction has targeted for compliance.

In summary, we are in favour of an early proclamation date but advocate caution as some of the areas of non-compliance are critical and represent exposure to some temporary risks. We suggest Transport Canada consider one of two options:

- proceed with a January 1, 2005 proclamation date but phase in the MVTA (assuming this is practical) or
- delay proclamation by six to twelve months.

The decision on which option is the most suitable is a judgment consideration that must take into account a variety of factors including the risks and rewards of a January 1, 2005 proclamation date.

## **2. KEY FINDINGS AND CONCLUSIONS**

This report includes analyses of the various pieces of information provided by CCMTA, Transport Canada, the provinces and territories. The findings and conclusions are presented in this section. The detailed findings, the methodologies, and the multiple approaches to the analyses are found in the subsequent sections.

The main findings can be summarized under two headings – Degree of Readiness by Jurisdiction and Degree of Readiness by Criteria

### **2.1 Degree of Readiness by Jurisdiction**

In general, most jurisdictions are ready for a January 1, 2005 proclamation date. There are a few outstanding issues in a few provinces and territories but all jurisdictions have the capability to capture, report and analyze carrier safety rating information. The test case demonstrated that all jurisdictions, except the Northwest Territories, which only has two active ratings at this time, are fully able to rate carriers in a consistent manner. In addition, all jurisdictions have established consistent pointing systems and all jurisdictions are using their scoring systems to determine intervention actions. Note that while there are minor variations in threshold levels, these variations do not affect the ultimate outcome, which is the safety rating. In fact many of the variations are in place to help the jurisdiction be more proactive in its identification and handling of carriers with potential problems.

### **2.2 Degree of Readiness by Compliance Criteria**

When the consultants examined readiness by compliance criteria, the result was positive but perhaps not as clear cut as the findings from above. Twenty-nine (29) of the fifty six (56) criteria are being fully met. Of the remaining twenty seven (27) areas of non-compliance, there are seventeen (17) for which one or two jurisdictions are not in compliance and many jurisdictions have plans in place to become compliant in the near future (i.e. by January 1, 2006). The remaining ten (10) areas of non-compliance can be further divided into two groups. One group is composed of those areas that are deemed minor either because the differences are insignificant or the lack of compliance does not represent an exposure to risks. The second group, which is composed of two compliance categories (*Safety Fitness Certificate Application and Carrier Information Exchange*), has been deemed to be important because continued non-compliance does expose those jurisdictions

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to some temporary risks. Less than optimal consistency will continue to exist until these areas of non-compliance are resolved.

The analysis suggests that Transport Canada could proceed with a January 1, 2005 proclamation date of the MVTA as long as it understands that there are certain risks with doing so. Those risks relate to the fact that certain jurisdictions are not fully compliant with all of the requirements spelled out in the MVTA. Some of the areas of non-compliance represent a greater risk than others. These risks are discussed further on page 23. Note that most of these risks are temporary and non-compliant jurisdictions do have plans in place to become compliant in the 2005 calendar year.

To address these concerns Transport Canada could consider either phasing in the MVTA over the 2005 calendar year (assuming this is practical) or they could consider postponing proclamation by six to twelve months. This should be enough time for the jurisdictions that are non-compliant in the two areas mentioned above to implement changes and become fully compliant.

Note that the Northwest Territories are planning to be compliant by January 1, 2007. In our opinion, Transport Canada should not delay proclamation of the MVTA until that date as the exposure to risks are minimal.

### **3. INTRODUCTION**

#### **3.1 Background**

According to the original Terms of Reference, the objective of this assignment was to ‘*assess the readiness of all Canadian jurisdictions safety rating regime to provide a consistent national system as per the Motor Vehicle Transport Act (MVTA).*’

For the past several years, the Canadian provinces and territories have been working towards the January 1, 2005 proclamation of the amended Motor Vehicle Transport Act (MVTA) and accompanying Motor Carrier Safety Fitness Certificate Regulations. The legislation and accompanying regulations will provide a framework to mandate issuance of motor carrier safety ratings by all jurisdictions in Canada. The new regulations are based on the National Safety Code Safety Rating Standard which was approved by the Councils of Deputy Ministers and Ministers in September 2002. The new regulations were Gazetted under Part I on May 3, 2003. The regulations require each province and territory to monitor the safety performance of all extra-provincial motor carriers registered in their respective jurisdiction. Monitoring is to be achieved by maintaining a complete safety compliance profile of each motor carrier. Profiles are to be created by using input from all jurisdictions within which those carriers operate in order to issue an appropriate safety rating.

The implementation phase of the safety rating regime has been ongoing for some time. Government officials in all jurisdictions have made significant strides in the past two years as a result of concerted efforts in the areas of administrative and systems changes which had to be undertaken. In April 2004, the Council of Deputy Ministers Responsible for Transportation and Highway Safety asked for a status report on the state of readiness of the safety rating systems in all Canadian jurisdictions in preparation for the proclamation of the MVTA and enacting of the Safety Rating Regulations. Should the review indicate major inconsistencies in the treatment of carriers across jurisdictions, the planned January 2005 date may be compromised.

In light of this situation, this assignment required answers to the following questions:

1. Is the NSC Safety Rating regime, as implemented across the Canadian jurisdictions, capable of identifying those carriers with a poor road safety performance?

2. Does the NSC Safety Rating regime identify those carriers with a poor road safety performance on a consistent basis? For the purposes of this review consistency is to be measured in two ways: a) the extent to which the regime is consistent with the principles of NSC Standard 14: Safety Rating; and b) the extent to which jurisdictions are consistent in their identification and rating of carriers to which the “conditional” rating is applied.
3. If the answer to either question #1 or #2 is “no”, a gap analysis is to be conducted identifying the factors leading to inconsistency in the regime.

### **3.2 Assignment Overview**

In terms of specific tasks, the consultant was asked to develop a methodology capable of determining and assessing the degree of readiness for all provinces and territories; provide a non-biased analysis and overview of readiness based on critical time lines; and comment on areas of consistency and inconsistency.

Working with the Carrier Safety Rating Working Group through CCMTA, the consultant was to prepare their analysis using the base information provided as part of the original RFP information package, develop a questionnaire intended to update and verify the base information and administer a test case as a means to demonstrate the readiness of each province and territory.

Note that in determining readiness it was agreed by all participants (CCMTA, Transport Canada and the provinces and territories) that the key interest in compliance is related to the treatment of extra-provincial carriers. These are carriers who travel or operate in provinces and territories outside of their ‘home province’. Intra-provincial carriers, or carriers who never leave their home province are not covered under this analysis.

The reason for this distinction is that some provinces and territories plan to manage intra-provincial carriers in a different manner. An example is the weight threshold (GVW) used by some provinces. For instance, Alberta does not want to track farm vehicles that never leave the province and/or weigh less than 11,794 kg. The minimum weight threshold in the MVTA is 4,500 kg.

### **3.3 Methodology**

The consultants conducted their analysis using a series of sequential steps designed to identify areas of non-compliance, to consult with the jurisdictions to confirm the non-compliance still exists and to determine when each jurisdiction will resolve their respective areas of non-compliance. A test case was then run to help verify responses and demonstrate the overall degree of readiness. In summary these steps were as follows:

1. Identify areas of full compliance (with NSC standards and the draft MVTA legislation) by all jurisdictions, based on the survey using the 56 compliance criteria provided in the RFP;
2. Determine for each jurisdiction those specific compliance criteria with which they do not appear to comply;
3. Develop and distribute to each jurisdiction, questions designed to determine their intent to address the non-complying areas and a corresponding time frame for such compliance;
4. Distribute to each jurisdiction three test case scenarios developed by the Steering Committee that were designed to determine each jurisdiction's ability to assign a (consistent) safety rating to the three test case carriers and to identify any intervening action that would be taken against the carriers;
5. Analyze the results of the test cases to determine the degree to which jurisdictions assign similar ratings and take similar intervening actions;
6. Hold a Working Group meeting with jurisdictions to review and verify/update each jurisdiction's current state of compliance with the 56 compliance criteria provided in the RFP. (The survey data provided in the RFP was not current information);
7. Analyze the updated information to determine each jurisdiction's current state of readiness for the proclamation of the MVTA and its accompanying regulations; and
8. Interpret and summarize the results of the analyses.

Application of this methodology has provided an up-to-date and clear assessment of the state of readiness of each jurisdiction to implement the MVTA amendments by January 1, 2005 and an insight into the seriousness of any remaining areas on non-compliance.

## **4. DETAILED FINDINGS**

In this section the consultant presents the analysis and details of the findings. The information is provided in two sections and there are a number of levels of analysis in each section. The first section (Section 4.1) offers findings based on the results of the test case. The test case was a series of three fleet scenarios created specifically to test and verify the existence and consistency of the safety rating systems in each province and territory. The second section (Section 4.2) contains the more detailed findings associated with the 56 compliance criteria. The compliance criteria represent the 56 areas of conformity that all jurisdictions should meet if they intend to be fully compliant with the requirements spelled out in the MVTA, its regulations and the National Safety Code (NSC) Standards.

Collectively, the analysis of these two areas gives a strong indication of the overall degree of national readiness.

Sections 4.1 and 4.2 both provide an overview of each test, a summary of the methodology and a discussion of the positive (compliance or consistency) and negative (non-compliance or lack of consistency) outcomes. Both Sections are also supported by a series of technical details that are provided in the form of tables in the various appendices.

### **4.1 THE TEST CASE**

#### **4.1.1 Introduction**

The test case was developed as a tool intended to serve two important purposes. First, it was designed to demonstrate each jurisdiction's ability to enter carrier information into their rating systems and produce a safety rating result. In other words, the test data will confirm the existence and functionality of each jurisdiction's carrier safety rating system. Secondly, it will serve as a measure of consistency from jurisdiction to jurisdiction. Given the fact that each jurisdiction was given the same information, the results in terms of scoring, rating and interventions should be relatively consistent across the country.

The test case model was created by members of the CSR Working Group in cooperation with CCMTA and Transport Canada. A proposed model was developed by a small working team and put forward for review and approval to the larger working group. The model was designed to test both the viability and rigor of the carrier safety rating systems in each province and territory.

The test case consisted of three fleet sizes: 2, 10 and 25. Each fleet was assigned a certain number of accidents, convictions and inspections. The jurisdictions were asked to enter the data into their CSR systems and report on the result. **Appendix A** shows the overall result while **Appendix B** is a summary of the scores generated by the various provinces and territories.

#### **4.1.2 Methodology**

Once the Working Group achieved consensus on the test case scenario, the information was given to Knowles Canada who, in turn circulated the model to each jurisdiction with instructions. Provinces and territories were asked to enter each fleet size with the corresponding event data into their carrier safety rating system and report back on the results. The initial instructions asked for feedback on ratings. Some jurisdictions provided further elaboration in their responses by providing specific fleet scores and intervention actions as a result of fleet scores. The consultant felt there was some merit in having this additional information from all jurisdictions and asked everyone to provide the same level of detail (intervention actions and scores).

#### **4.1.3 Areas of Compliance and Consistency**

In general, the consultants were impressed with the consistency of the test case results on a number of fronts:

- All provinces and territories were able to enter the test case data into their CSR system and produce an immediate result;
- All provinces and territories were able to assign a carrier safety rating level (i.e., satisfactory, conditional, etc) to all three fleet sizes;
- All provinces and territories were able to identify intervention actions (letter, interview, audit, etc) based on information from their rating system; and
- All provinces and territories were able to assign specific safety performance scores based on the number and type of events.

The results were very consistent. This was true in the three evaluation areas (ratings, interventions and scores):

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Ratings

The ratings were very consistent as reflected by the fact that 10 of the 12 jurisdictions rated the 2 and 10 size fleets as *conditional* while 9 of 12 jurisdictions rated the 25 vehicle fleet *conditional*. (see the table below)

**Table One  
Test Case: Summary of Carrier Safety Ratings by Fleet Size**

Fleet Size	Satisfactory	Satisfactory Unaudited	Conditional	Unsatisfactory
<b>2</b>	1 (NT)	-	10	1 (PE)
<b>10</b>	1 (NT)	-	10	1 (PE)
<b>25</b>	1 (NT)	-	9	2 (ON & PE)

Note: 10/12 provinces and territories are using all four ratings  
(At this time, NT only has 2 ratings and QC has three).

*Reasons for the Variations*

- The Northwest Territories (NT) rated all three fleet sizes *satisfactory*. This is due to the fact that NT currently only has two ratings – *Satisfactory* and *Unsatisfactory*.
- The table shows PEI rating all three fleet sizes as *unsatisfactory*. This is somewhat misleading. In actual fact, PEI would not change a carrier's rating to *unsatisfactory* without an interview. The *unsatisfactory* rating is merely a trigger used by the PEI system to flag potentially problematic carriers. The *unsatisfactory* rating is used to trigger an automatic interview and the outcome of the interview is used to determine the final rating.
- Ontario rated the 25 vehicle fleet as *unsatisfactory*. The reason for this is the Ontario model points accidents and out-of-service (OOS) in a slightly different manner than most other provinces and territories. Ontario double weights accident points relative to conviction and inspection points. Consequently 50% of a carrier's overall violation rate is attributed to accidents. In the case of OOS rates, Ontario looks at the OOS rate based on the number of failed inspections as a percentage of the total number of inspections conducted. In the test case the OOS score was 100% since the 25 vehicle fleet had 11 inspections and failed them all. These two pieces of information combined were enough to generate an *unsatisfactory* rating

### Intervention Actions

There was also considerable consistency by jurisdiction in the intervention actions taken as a result of the ratings (see the table below). All jurisdictions have established four levels of interventions: letters (warning or enforcement), a facility audit, an interview or hearing and suspension action. Each intervention action is initiated based on a combination of the accumulation of points for events and the algorithms of the carrier safety rating system. As a result, actions are initiated at certain thresholds – the higher the score, the more severe the intervention.

In terms of actual results of the test case, the intervention actions were very consistent. For example:

- All 12 provinces and territories would issue a letter to all three fleet sizes. This could be an enforcement or warning letter;
- Ten of the 12 provinces and territories would perform a facility audit;
- Four of the 12 jurisdictions would follow up with a hearing or interview with the carriers; and
- Two jurisdictions would require their carriers to attend a hearing that could result in a suspension.

**Table Two  
Test Case: Summary of Intervention Actions by Fleet Size**

<b>Fleet Size</b>	<b>Enforcement or Warning Letter</b>	<b>Facility Audit</b>	<b>Interview or Hearing</b>	<b>Suspension (based on outcome of hearing)</b>
<b>2</b>	12	10	4	1
<b>10</b>	12	10	4	1
<b>25</b>	12	10	4	2

It should be noted that some jurisdictions have added more rigor to their safety rating systems. This rigor often leads to the triggering of additional intervention actions such as an interview or hearing. Some provinces have mechanisms in their rating systems to flag certain noteworthy incidents. For example, some flag a carrier for an interview when they are involved in a personal injury accident. Others may flag a carrier who obtains or accumulates points at an accelerated rate. In each case, these jurisdictions are using their rating systems to proactively identify potential problem carriers and trigger remedial action early.

This is the case for the four jurisdictions that would require a hearing or interview. Each province or territory uses unique triggers in their carrier safety rating systems that flag certain key incidents or events that occur in rapid succession. In each case, a hearing or interview is the result.

#### *Reasons for the Variations*

Once again, there are some minor inconsistencies in the interventional activities taken by the different jurisdictions. These variations are consistent with the variations in the ratings and reflect the appropriate level of action.

#### Scores

The third area of consistency is the overall scores or points assigned by each province and territory. Each jurisdiction's carrier safety rating system is designed to assign points to incidents based on the severity of the event. Incidents include accidents, convictions and inspections. The pointing system is based on a national standard. For example, in the case the points assigned to an accident include:

- Accident involving property damage = 2 points
- Accident involving a personal injury = 4 points
- Accident involving a fatality = 6 points

The system has algorithms built in that determine a carrier's violation rate (i.e. safety performance) based on fleet size and time frame. Each event is assigned points and these points are accumulated over time. As a carrier receives points it reaches certain violation thresholds which trigger intervention actions by the jurisdiction.

Points assigned during the test case were very consistent. Nine of the twelve jurisdictions assigned 206 points; one jurisdiction assigned 203 points; while another assigned 201 points. At the time of the test case, one jurisdiction was only able to assign points to convictions as their safety rating system had not been designed to assign points to accidents or inspections.

#### *Reasons for the Variations*

The variations in scores are minimal. Any differences are related to slightly different pointing systems.

#### **4.1.4 Areas of Inconsistency**

As part of their task, the consultants were asked to identify areas of inconsistency and determine the reasons for these inconsistencies. In terms of a general statement, the consultants felt that overall, consistency in the three evaluation areas (ratings, interventions and scores) was very good.

There are, however, some minor inconsistencies that need some explanation. One of the reasons for these variations is that a number of provinces and territories are still working with their applications to fine tune their scoring and thresholds systems. One reason for this pertains to the volume of historical data contained in the system. As data is accumulated over time, the algorithms use this information to determine actions and generate output based on statistical variations from the norm - the more data in the system, the more consistent, and accurate and fair the results. Because of the relative newness of the systems in some provinces and territories, they lack a sufficient amount of historical data on which to base variances. Once these systems are operational for 18 months or more, staff can fine tune the various thresholds or trigger points which should result in more consistent scores and actions.

Finally, there are some concerns with the situation in the Northwest Territories (NT). Although NT represents a small portion of the carriers in Canada, it is important that they provide consistent results through their ratings and intervention actions. At the present time, the Territory can only assign two safety ratings – satisfactory and unsatisfactory. It is important that they assign all four ratings for the sake of national consistency and the fact that the carrier industry expects and demands full harmonization.

#### **4.1.5 Summary**

Results of the test case indicate that all provinces and territories have carrier safety rating systems in place that are operating in a fairly consistent manner. This includes the ratings systems which were relatively consistent, the pointing systems which were very consistent and the intervention actions which were somewhat less consistent but not in a detrimental way.

For more details on the results of the test case, see:

- **Appendix A** for a summary of the ratings and interventions; and
- **Appendix B** for a summary of points or scores assigned by each jurisdiction to each fleet size.

## **4.2 ASSESSMENT OF READINESS BASED ON THE 56 COMPLIANCE CRITERIA**

### **4.2.1 Introduction**

Transport Canada developed a list of key areas of compliance that have been used to gauge the 'readiness' of each province and territory. This list of areas of compliance was included in the RFP and the consultants were asked to use an updated version of the table as a basis for analysis. The consultants worked with the jurisdictions to accomplish this task. **Appendix C** contains this updated table. The table shows the 56 criteria along the side and the 12 jurisdictions across the top. A "Yes" in a box on the chart means a jurisdiction is compliant with the criterion and a "No" indicates the jurisdiction does not comply. A number of the Yes and No answers are footnoted meaning that there is a condition associated with the response.

The 56 areas of compliance are divided into 7 main groups as follows:

1. Safety Fitness Certificate Application (Q1 to Q11)
2. NSC Commercial Vehicles (Q12- Q16)
3. Carrier Profiles (Q17 – Q36)
4. Carrier Information Exchange (Q37 to Q41)
5. Facility Audits (Q42 – Q47)
6. Assigning Safety Ratings (Q48 – Q55)
7. Sanctions, Appeal Mechanisms & Legislation (Q56 to Q61)

**Note:** There were at one time 61 compliance criteria. However, over time five have been dropped from the list making the new total 56. The deleted numbers are: 9, 10, 28, 29, and 44. The original numbers assigned to each criterion were not changed after the 5 criteria were removed. The numbering of criteria is the same as was received in the original RFP.

Each of the 56 items represents a legal requirement from the MVTA and/or a mandatory requirement from one or more of the National Safety Code (NSC) Standards. It means that ultimately, all 56 criteria must be met in order for a jurisdiction to be in complete compliance with the legal requirements spelled out in the MVTA.

In order to revise the table, the consultants identified all of the reported areas of non-compliance. Each province and territory was asked to update their responses by providing answers to the questions provided in the table below.

**Table Three  
Questions and Expected Responses Regarding Compliance Plans**

Questions	Response
Are you currently able to comply with this criterion?	Yes or No
If no, do you intend to comply?	Yes or No
If yes, by when?	January 1, 2005 or January 1, 2006 or Yes but not sure when
If the latter, explain why?	Legislative changes needed, resources, etc

Once the consultants had prepared their initial assessment, the findings, along with the details of how the material was generated, was presented to the CCMTA Working Group during a workshop session. Participants were invited to review and comment on the material and update, or correct, any inaccuracies or ambiguities.

#### **4.2.2 Areas of Compliance and Consistency**

**Appendix E** summarizes the areas of compliance for all jurisdictions. As **Appendix E** indicates, every jurisdiction is rating carriers and they are using their rating systems to determine intervention activities. The carrier profile systems in every jurisdiction captures all of the necessary information items including collisions, convictions, CVSA's, audit results and information on legal entity and demographics. Furthermore, every province and territory has agreed that they will track only those carriers home-plated in their jurisdiction. All jurisdictions have the capability to send, receive and share carrier data. All jurisdictions are using established pointing systems and have their algorithms in place to determine overall ratings. Finally, every jurisdiction offers carriers an opportunity to appeal or dispute the results of a facility audit or a safety rating through some mechanism.

#### **4.2.3 Areas of Non-Compliance**

Our analysis indicates that of the 56 areas of compliance 29 are not fully met. The following table highlights areas of non-compliance by jurisdiction.

**Table Four  
Areas of Continued Non-Compliance by Jurisdiction**

<b>Jurisdiction</b>	<b>Areas of Continued Non-Compliance</b>	<b>Implementation Date</b>
BC	<b>19, 53</b>	No changes planned.
AB	<b>19, 23</b>	No changes planned.
SK	0	n/a
MB	0	n/a
ON	<b>3, 22, 23, 25, 35, 36, 39, 40, 41, 46, 52, 55</b>	Changes planned in many areas but cannot comply by Jan 1, 2005.
QC	<b>22, 23, 34, 35, 39, 40, 41, 46, 49, 52, 53, 54, 55</b>	Many changes will be in place by Spring 2005. Others are planned but have no date.
NS	<b>46, 55</b>	No changes planned.
NB	<b>3, 6, 7, 8, 20, 31, 39, 40, 52</b>	All changes planned for Fall 2005 or January 1, 2006.
PE	0	n/a
NF	0	n/a
YT	<b>25</b>	Variation is minor.
NT	<b>3, 5, 7, 18, 22, 23, 31, 40, 46, 49, 51, 52, 53, 54, 55,</b>	Five are planned for January 1, 2006. Ten are planned for January 1, 2007.
<b>Total</b>	<b>57</b>	

**Note:** bolding indicates more than one jurisdiction is non-compliant. For example, Criterion 53 appears under BC, QC, and NT.

Table 4 shows that the Northwest Territories has the most areas of non-compliance with 15. Quebec is second with 13 and Ontario is third with 12. New Brunswick has 9. Everyone else has none, one or two.

This is significant since Ontario and Quebec register 62% of the carriers in Canada.

### **Common Reasons Cited For Non-compliance**

#### Legislative Changes

- Many provinces and territories have said that their current legislation is in conflict with the requirements defined in the MVTA.

- Associated with this is the fact that they have not been able to secure space on their respective legislative agendas to make the necessary legislative and regulatory changes. Many jurisdictions mentioned that they have their revisions or new wording written but the issue has come down to finding or securing time on busy legislative agendas.
- Many jurisdictions stated that they believe proclamation of the MVTA will be the impetus needed to raise the profile of their legislative conflicts and secure the needed time on their legislative agendas.

#### Lack of Resources

- Many jurisdictions stated that the main reason for their lack of compliance in certain areas comes down to resources.
- Many jurisdictions simply do not have the staff resources needed to make the necessary changes.
- Many of the systems changes require dedicated programming or systems staff and some jurisdictions lack the internal expertise.
- Many of the changes require financial backing or support and jurisdictions have not allocated sufficient funding due to other priorities.

#### Lower Priority Activity

- Q15 -- *NSC commercial vehicles that should be in safety rating regime according to the definition but are exempted in provincial regulation.* Many provinces choose to exempt vehicles that meet weight requirements but are not either extra-provincial operators or classified as motor carriers. An example is farm vehicles.
- Q19 - *Safety rating is based on all events within a 24-month period.* Two provinces use a 12 month period which is reasonable provided thresholds are based on that same time-frame.
- Q35 - *Jurisdiction includes all five levels of CVSA inspections on profile.* Two jurisdictions only use a Level 1 & Level 5 inspection. They are the most important inspection levels.
- Q52 - *Jurisdiction issues an unsatisfactory rating to motor carriers that fail to continue meeting minimum liability insurance coverage requirements.* Provided all of a carrier's vehicle registrations are suspended if/when insurance requirement is not met, (QC example) it becomes academic what the safety rating is.

#### Exceeding of Requirements

- Q22 - *Jurisdiction points all collisions in accordance with Appendix A of Standard 7 – Carrier Profiles (i.e. property damage, injury, fatality).* A number of jurisdictions have their own pointing schemes that are more sensitive and are designed to identify potential problem carriers in a more proactive manner.
- Q23 - *Jurisdiction points all inspections in accordance with Standard 7 – Carrier Profiles (i.e. OOS).* A number of jurisdictions have their own pointing schemes that are more sensitive and are designed to identify potential problem carriers early.

#### Meets the Requirement through Other Means

- There are a number of criteria that are being fully met but not through the jurisdictions carrier safety rating system. The best example is the group of criteria related to insurance (Q3, Q4, Q5, and Q52). Based on the MVTA definition, none of these criteria are being fully met by all jurisdictions however most jurisdictions track and monitor the status of a carrier's insurance coverage using other means such as vehicle (plate) registration.

#### **4.2.4 Critical Areas of Non-Compliance**

**Appendix D** focuses on the 29 areas of non-compliance. For each of the original categories identified in **Appendix C** this table provides the following information:

- Areas of non-compliance;
- Timing of expected compliance by jurisdiction;
- Consultant's interpretation of data.

In reviewing the findings, the areas of most significant concern remain in the compliance categories of:

- Safety Fitness Certificate Application; and
- Carrier Information Exchange.

This conclusion is based on the following:

### *Safety Fitness Certificate Application*

All jurisdictions eventually intend to comply with all nine compliance criteria related to certificate applications, however, four jurisdictions cannot meet the January 1, 2005 deadline. While Ontario has not specified a date when they will be able to comply with criteria Q3, (*proof of liability insurance*) we expect that this will occur sometime during 2005. Northwest Territories plans to comply with criterion Q4, Q5 & Q7 (*minimum liability coverage, notification if insurance fails to meet minimum requirement, carrier declaration*) if and when resources are available. PEI and New Brunswick expect to be fully compliant by end of 2005.

We believe non-compliance in these areas is important since jurisdictions could face difficulties if they cannot enforce carrier compliance with minimum insurance requirements. We also recognize however, that non-compliance in this area is temporary as non-compliant jurisdictions have plans in place to become compliant in the 2005 calendar year.

### *Carrier Information Exchange*

All jurisdictions intend to comply with all five compliance criteria related to carrier information exchange, however, four jurisdictions (ON, QC, NB & NT) cannot meet the Jan 1 2005 deadline. QC & NB are expected to be compliant within 2005, but ON and NT are having difficulties incorporating exchanged data into their models. It is believed that NT's problem is simply one of resources, but Ontario's problems are much more serious.

Because Ontario's model (CVOR registration) is not directly linked to vehicle plates, but rather, to operators (i.e. NSC #), it cannot always clearly identify the responsible carrier to which the received exchange event data must be applied. In addition, it will have to collect additional data and recalibrate its intervention model before implementing this requirement.

This area of temporary non-compliance is fairly significant since without this exchange data, a non-compliant jurisdiction cannot be certain that it has identified all unsafe extra-provincial carriers base-plated in its jurisdiction. Until compliant, it can only identify an unsafe carrier on the basis of performance observed within its home jurisdiction.

### Other Areas of Non-Compliance

Comments on the other, less serious areas of non-compliance include the following:

### *NSC Commercial Vehicles*

Nine jurisdictions have indicated that they have some commercial motor vehicles that are exempt from NSC requirements and that changes are not planned. While this may appear serious on the surface, we do not feel the exemptions are of a critical nature, given that all other criteria in this category will be met by Jan 1 2005.

### *Carrier Profiles*

Seven of the ten areas of compliance criteria in this category will never be fully complied with by all jurisdictions. In the Consultant's opinion, this reflects the regional differences among the jurisdictions. We believe that some flexibility can be allowed here, since each jurisdiction already does (or will) capture all data elements in their carrier profiles. They have simply utilized this information slightly differently in developing their safety rating/intervention models.

### *Facility Audits*

Only one of five areas of compliance criteria in this category will not be met by Jan 1 2005. While criteria 46 (audit requirement for Conditional safety rating) is a requirement specified in NSC Standard 15 (Facility Audit – Audit Selection, clause 4 (b) (I)), we believe that some discretion may be warranted to bypass this requirement. For example, an audit may not be necessary if the evidence presented is sufficient by itself to result in a conditional (or worse) safety rating, provided a safety rating dispute mechanism is in place. Consequently, we do not feel this area of non-compliance is significant.

### *Assigning Safety Ratings*

Four of the eight areas of compliance criteria in this category will never be fully complied with by all jurisdictions. Quebec does not plan to comply with criteria 52 (assignment of an unsatisfactory rating for failure to meet liability insurance requirements) but we do not consider this a serious concern. Quebec does not assign a safety rating in this instance, but rather suspends vehicle registration until adequate levels of insurance are in place. BC does not plan to comply with criteria 53 (Conditional rating for carriers that reapply after certificate has been revoked). Instead, they will assign a Satisfactory-unaudited rating with appropriate conditions (that could mirror a conditional rating) until an audit is conducted. Again, we do not consider this a serious concern. It is unclear at this

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time why QC does not plan to require a passed audit as a condition of a satisfactory rating. We suspect it is because they do not yet have a Satisfactory-unaudited rating in place. We understand that Quebec plans to be fully compliant in this area by June 2005. Neither ON, QC nor NS intend to comply with criteria 55 (audit prior to receiving rating other than satisfactory un-audited). As noted above (re criteria 46) we believe this requirement may not always be warranted.

Consequently, other than Quebec's intended non-compliance with criteria 54 (pass audit before satisfactory rating is assigned) we do not see any significant concerns with these areas of non-compliance.

## **5.0 OVERALL CONCLUSIONS**

This report has examined the areas of compliance and non-compliance by jurisdiction and by individual criteria. This section uses this information to draw some conclusions regarding whether or not the critical areas of non-compliance are significant enough to suggest that proclamation of the MVTA be delayed to some point after January 1, 2005

On the one hand, we support plans to proceed with proclaim the MVTA as quickly as possible but also advocate caution as there continues to be critical areas of non-compliance that will not be corrected until after the January 1, 2005 date.

Our comments are based on the following:

- We are in favour of a timely proclamation of the MVTA because proclaiming the Act is seen by many jurisdictions as the important impetus that they need to raise the profile of their non-compliance issues. This means:
  - Securing time and resources to make legislative changes; and
  - Motivation for accelerating implementation plans and for obtaining staff and funding resources needed to ensure timely implementation.
- We are however advocating that Transport Canada proceed with caution and consider a short delay in the proclamation of the MVTA. We are suggesting the delay be kept to an absolute minimum and not exceed six to twelve months for the following reasons:
  - There are two critical areas of non-compliance (*Safety Fitness Certificate Application & Carrier Information Exchange*) that could expose Transport Canada and all the jurisdictions to certain temporary risks;
  - There are five jurisdictions that do not comply with one or more criteria under the *Safety Fitness Certificate Application* heading. All non-compliant jurisdictions have plans in place to meet the requirements of the SFC but these changes will not be completed by January 1, 2005.
  - There are four jurisdictions that do not comply with one or more of the requirements under the *Carrier Information Exchange (CIE)* heading. All non-compliant jurisdictions have plans in place to meet

the requirements of the CIE but these changes will not be completed by January 1, 2005.

Given these facts, the question becomes can Transport Canada tolerate the lack of non-compliance for a full year (2 years in the case of NT) and the risks associated with this non-compliance? If Transport Canada concludes these differences are not tolerable, then a delay to the January 1, 2005 proclamation of the MVTA is warranted. This delay could be from six months up to a year. If Transport Canada concludes that these temporary inconsistencies are in fact tolerable and they understand the risks, then it becomes a judgment consideration.

### **Risks**

The risks are twofold. In the case of the *Safety Fitness Certificate Application* the risk is that carriers could be granted operating privileges in some provinces and territories without the minimum insurance required under MVTA or could subsequently drop the minimum insurance without knowledge of, and action by, the jurisdiction. Conversely, because some provinces and territories are not fully able to track changes in insurance coverage, they may mistakenly assign an *unsatisfactory* safety rating to a carrier thinking that carrier has lost or cancelled its insurance when in fact it may simply have changed its insurance carrier.

In the case of *Carrier Information Exchange*, Ontario does not yet have the ability to use carrier information data provided to them from other jurisdictions and Quebec does not yet have the authority to do so. Although they can accept the data and store it electronically, they cannot incorporate this out-of-province data into their own safety rating system to generate a carrier safety rating or to identify unsafe performance across Canada. This could result in a carrier obtaining an acceptable rating in its home jurisdiction even though it may be operating in an unsafe manner in other jurisdictions.

It is important to note that in both areas of risk, the exposure is temporary. All non-compliant jurisdictions have plans in place to become compliant in the 2005 calendar year.

Finally, the original RFP asked the consultants to answer the following questions:

1. Is the NSC Safety Rating regime, as implemented across the Canadian jurisdictions, capable of identifying those carriers with a poor road safety performance?

*Yes, with the following exceptions:*

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- *NT needs to implement the four safety ratings (Conditional in particular);*
  - *ON, QC and NB need to incorporate carrier exchange event data received from other jurisdictions into their models.*
2. Does the NSC Safety Rating regime identify those carriers with a poor road safety performance on a consistent basis? For the purposes of this review consistency is to be measured in two ways: a) the extent to which the regime is consistent with the principles of NSC Standard 14: Safety Rating; and b) the extent to which jurisdictions are consistent in their identification and rating of carriers to which the “conditional” rating is applied.

*Yes except the Northwest Territories.*

3. If the answer to either question #1 or #2 is “no”, a gap analysis is to be conducted identifying the factors leading to inconsistency in the regime.

*The gap analysis is in the main body of the report. See Sections 4.1.3 and 4.2.4 for details.*

## **APPENDICES**

- A: Summary of Test Case Results
- B: Summary of Test Case Scores
- C: Revised Compliance (Readiness) by Category
- D: 29 Areas of Non-Compliance by Category and Timing of Expected Compliance
- E: Compliance by Major Category
- F: Other Issues

## Appendix A

### CARRIER SAFETY RATING – Test Case Results

Jurisdiction	Rating by Fleet Size						Notes/Assumptions
	Fleet Size	Rating	Type of Interventions				
			Letter	Audit	Hearing	Suspend	
<b>BC</b>	2	Conditional	*	*			Based on a 12 month profile (vs. 24 months)
	10	Conditional	*	*			
	25	Conditional	*	*			
<b>Alberta</b>	2	Conditional	*	*	*		Based on a 12 month profile (vs. 24 months) Each time an interview or audit is conducted, a written action plan is also required. AB has assumed for all three carriers: (1) action plans were not fully implemented and (2) audits were failed.
	10	Conditional	*	*	*		
	25	Conditional	*	*	*		
<b>Saskatchewan</b>	2	Conditional	*	*			We assumed each carrier received a warning letter prior to a conditional rating.
	10	Conditional	*	*			
	25	Conditional	*	*			
<b>Manitoba</b>	2	Conditional	*				
	10	Conditional	*				
	25	Conditional	*				
<b>Ontario</b>	2	Conditional	*	*			Sanctioning procedures would be started for the fs25.
	10	Conditional	*	*			
	25	Unsatisfactory	*	*	*		
<b>Quebec</b>	2	Conditional	*		*		We assumed each carrier received a warning letter prior to a conditional rating. Assumes QTC Commissioner rendered a decision of a conditional rating which means conditions are in place. If the carrier fails to meet the conditions he will be rated unsatisfactory.
	10	Conditional	*		*		
	25	Conditional	*		*		

## Appendix A CARRIER SAFETY RATING – Test Case Results

Jurisdiction	Rating by Fleet Size						Notes/Assumptions
	Fleet Size	Rating	Type of Interventions				
			Letter	Audit	Hearing	Suspend	
<b>New Brunswick</b>	2	Conditional	*	*			Assumes carrier fails an audit in all three cases.
	10	Conditional	*	*			
	25	Conditional	*	*			
<b>Nova Scotia</b>	2	Conditional*	*	*	*		* If carrier has a successful hearing it becomes conditional. If not, it is suspended. We have assumed the previous in all 3 cases. May impose operating conditions.
	10	Conditional*	*	*	*		
	25	Conditional*	*	*	*		
<b>PEI</b>	2	Unsatisfactory - Conditional	*	*	*		Province requires all carriers to be audited prior to receiving a conditional rating. 4 letters – advisory, warning, interview & suspension. Carrier is Unsatisfactory for the period of suspension and then reverts to Conditional. System does not automatically change the rating of a carrier until completion of the interview result and /or facility audit result. Carrier is sent a notice of intention to change the rating to conditional or unsatisfactory and in the scenario presented would be notified.
	10	Unsatisfactory - Conditional	*	*	*		
	25	Unsatisfactory - Conditional	*	*	*		
<b>Newfoundland</b>	2	Conditional	*	*			Assumes fleet size 2 carriers fail an audit – otherwise satisfactory.
	10	Conditional	*	*			

## Appendix A CARRIER SAFETY RATING – Test Case Results

Jurisdiction	Rating by Fleet Size					Notes/Assumptions	
	Fleet Size	Rating	Type of Interventions				
			Letter	Audit	Hearing		Suspend
	25	Conditional	*	*			10 & 25 are sat unaudited unless audited and then either sat or conditional depending on the results of the audit – NL assumed they were audited and failed. Note: due to newness of systems, thresholds continue to be refined. The question mark is used because their response states a hearing may occur.
<b>Yukon</b>	2	Conditional	*	*			An audit would likely become a condition to continue operating (along with a safety plan). Audit would almost automatically follow a conditional rating.
	10	Conditional	*	*			
	25	Conditional	*	*			
<b>NW Territories</b>	2	Satisfactory	*				Only has two ratings – Satisfactory and Unsatisfactory. Only points convictions at this time – no points for accidents or inspection.
	10	Satisfactory	*	*			
	25	Satisfactory	*	*			

### Notes:

The Northwest Territories only has two ratings – Satisfactory and Unsatisfactory. Quebec uses three ratings – they currently do not have a Satisfactory Unaudited rating

### Conclusions

Overall, ratings are mixed as the table below indicates. The majority of jurisdictions rated all three carriers as conditional.

## Appendix A

### CARRIER SAFETY RATING – Test Case Results

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Fleet Size	Satisfactory	Satisfactory Unaudited	Conditional	Unsatisfactory
<b>2</b>	1 (NWT)	-	10	1 (PEI)
<b>10</b>	1 (NWT)	-	10	1 (PEI)
<b>25</b>	1 (NWT)	-	9	2 (ONT & PEI)

#### Positives:

- All of the provinces and territories currently have the ability to score and rate carriers.
- Other than a few exceptions, the results are very consistent.
- All of the participants have a system in place to point incidents (accidents, convictions & inspection results)
- All of the provinces and territories have systems in place to apply point scores to intervention activities based on scoring thresholds.
- All of the provinces and territories have mechanisms in place to identify problem carriers and determine appropriate actions with reasonable consistency.

#### Negatives:

- Some of the jurisdictions continue to show mixed results which implies inconsistencies in methods of analysis, scoring or different threshold levels. We understand some jurisdictions are still refining threshold levels.
- There are very slight inconsistencies in intervention activities from one jurisdiction to another – ideally the results could be more consistent however the intervention activities do not impact a carrier’s overall safety rating.

## Appendix B Points Assigned During the Test Case

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Jurisdiction	Fleet Size 2			Fleet Size 10			Fleet Size 25			Total Points
	Accidents	Convictions	Inspections	Accidents	Convictions	Inspections	Accidents	Convictions	Inspections	
<b>Base Case</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>10</b>	<b>6</b>	<b>11</b>	<b>12</b>	<b>12</b>	-
<b>British Columbia</b>	8	9	9	16	30	18	44	33	36	203
<b>Alberta</b>	8	9	9	16	30	18	44	36	36	206
<b>Saskatchewan</b>	8	9	9	16	30	18	44	36	36	206
<b>Manitoba</b>	8	9	9	16	30	18	44	36	36	206
<b>Ontario</b>	8	9	12	16	30	16	44	36	30	201
<b>Quebec</b>	8	9	9	16	30	18	44	36	36	206
<b>New Brunswick</b>	8	9	9	16	30	18	44	36	36	206
<b>Nova Scotia</b>	8	9	9	16	30	18	44	36	36	206
<b>Prince Edward Is.</b>	8	9	9	16	30	18	44	36	36	206
<b>Newfoundland</b>	8	9	9	16	30	18	44	36	36	206
<b>Yukon Territories</b>	8	9	9	16	30	18	44	36	36	206
<b>NW Territories</b>		9			30			36		-

## Appendix C Revised Compliance (Readiness) by Category

23-Sep-04 Safety Rating Consistency - Safety Fitness Certificate Application													
Q.	Green shading indicates full compliance White text with a black background means a change has been made since the original CCMTA survey.	BC	AB	SK	YT	NT	MB	ON	QC	NS	NB	PE	NF
1.	Register only motor carriers base-plated within your jurisdiction.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes (i)	Yes	Yes	Yes	Yes
2.	Jurisdiction issues a unique NSC identifier number.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Carriers must file proof of liability insurance.	Yes	Yes	Yes	Yes	No (iv)	Yes <sub>1</sub>	No	Yes	Yes	No (iv)	Yes	Yes (iii)
4.	Minimum liability coverage of \$1 million for all motor carriers or \$2 million for transporters of TDG where ERAP is required to be filed.	Yes	Yes	Yes	Yes <sub>8</sub>	Yes (vii)	Yes <sub>1</sub>	Yes	Yes	Yes <sub>8</sub>	Yes	No (iii)	Yes
5.	Insurance policy contains endorsement for jurisdiction to be notified if policy coverage fails to meet minimum requirements.	Yes	Yes	Yes	Yes	No (v)	Yes	Yes	Yes <sub>2</sub>	Yes	Yes	Yes	Yes
6.	Carriers must submit articles of incorporation or partnership or proprietorship registration documents or driver's licence numbers of all principals.	Yes	Yes <sub>9</sub>	Yes <sub>9</sub>	Yes	Yes <sub>4</sub>	Yes	Yes	Yes	Yes	No (iv)	Yes <sub>4</sub>	Yes
7.	Carriers must provide a declaration that contains all of the statements and information required by Standard 14.	Yes	Yes	Yes	Yes	No (v)	Yes	Yes	Yes <sub>5</sub>	Yes	No (iv)	Yes	Yes <sub>6</sub>
8.	Application process addresses re-application due to revocation of a safety fitness certificate or the transfer of a motor carrier's operations from one base jurisdiction to another.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes <sub>5</sub>	Yes	No (iv)	Yes	Yes
11.	Jurisdiction develops and maintains a carrier profile upon approval of the application for a safety fitness certificate.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes <sub>7</sub>	Yes	Yes

## Appendix C Revised Compliance (Readiness) by Category

23-Sep-04		Safety Rating Consistency - NSC Commercial Vehicles											
Q.		BC	AB	SK	YT	NT	MB	ON	QC	NS	NB	PE	NF
12.	Weight threshold for including trucks in safety-rating regime is greater than:	5,000	11,794 <sup>11</sup>	5,000 <sup>12</sup>	4,500	4,500	4,500	4,500	3,000 <sup>10</sup>	4,500	4,500	4,500	4,500
13.	Weight threshold based on registered gross vehicle weight.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
14.	Buses included in safety-rating regime based on a designated seating capacity of more than 10 passengers, including the driver.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
15.	NSC commercial vehicles that should be in safety rating regime according to the definition but are exempted in provincial regulation.	None	Some	Some	Some	Some	Some	Some	Some	Some	None	Some	None
16.	Intra and extra-provincial carriers and CMV's receive equal treatment in every way.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

## Appendix C Revised Compliance (Readiness) by Category

Safety Rating Consistency - Carrier Profiles													
Q.	BC	AB	SK	YT	NT	MB	ON	QC	NS	NB	PE	NF	
17. Carrier Profile control system captures all information items (i.e. demographic, collisions, CVSA's, convictions, audit results, legal entity) in accordance with Standard 7 - Carrier Profile.	Yes	Yes <sub>30</sub>	Yes <sub>13</sub>	Yes	Yes	Yes	Yes	Yes <sub>13</sub>	Yes	Yes <sub>13</sub>	Yes	Yes	
18. Carrier Profile control system captures all data elements for each of the above information items in accordance with Standard 7 - Carrier Profile.	Yes <sub>21</sub>	Yes <sub>22</sub>	Yes <sub>13</sub>	Yes	No (iv)	Yes	Yes	Yes	Yes	Yes <sub>13</sub>	Yes	Yes <sub>26</sub>	
19. Jurisdiction determines safety rating based on all events within the profile for the 24-month period preceding the determination, in accordance with Standard 14 – Safety Ratings.	No <sub>14</sub>	No <sub>14</sub>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
20. Jurisdiction utilizes risk/exposure data in the process of normalizing data.	Yes	Yes	Yes	Yes	Yes (ii)	Yes	Yes <sub>24</sub>	Yes	Yes	No (iii)	Yes	Yes (ii)	
21. Jurisdiction points all convictions in accordance with Appendix C of Standard 7 – Carrier Profiles.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes (ii)	Yes <sub>15</sub>	Yes	Yes	
22. Jurisdiction points all collisions in accordance with Appendix A of Standard 7 – Carrier Profiles (i.e. property damage, injury, fatality).	Yes	Yes	Yes	Yes	No (iii)	Yes	No	No <sub>16</sub>	Yes (ii)	Yes <sub>26</sub>	Yes	Yes	
23. Jurisdiction points all inspections in accordance with Standard 7 – Carrier Profiles (i.e. OOS).	Yes	No <sub>17</sub>	Yes	Yes	No (iii)	Yes <sub>23</sub>	No <sub>25</sub>	No <sub>17</sub>	Yes (ii)	Yes <sub>28</sub>	Yes <sub>23</sub>	Yes	
24. Jurisdiction can determine if a carrier currently has vehicles operating under their NSC number.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
25. Jurisdiction utilizes the risk band/average fleet size categories as established by Standard 15 - Facility Audits.	Yes	Yes	Yes	No <sub>29</sub>	Yes (ii)	Yes	No	Yes	Yes	Yes	Yes	Yes	
26. Jurisdiction utilizes average fleet size in the process of normalizing data.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes <sub>15</sub>	Yes (ii)	Yes (ii)	
27. Number of intervention/monitoring levels.	4	4	4	4	4	4	4	4	4	4	4	4	
30. Jurisdiction includes all collisions within profile based on the definition of a collision within Standard 14 – Safety Ratings.	Yes	Yes <sub>30</sub>	Yes	Yes	Yes	Yes	Yes	Yes <sub>18</sub>	Yes	Yes	Yes	Yes	

## Appendix C Revised Compliance (Readiness) by Category

Safety Rating Consistency - Carrier Profiles (cont'd)													
Q.		BC	AB	SK	YT	NT	MB	ON	QC	NS	NB	PE	NF
31.	Jurisdiction considers fault/no fault collisions or preventable/non-preventable collisions as factors in determining whether to point collisions contained within the profile.	Yes	Yes	Yes	Yes	No (iv)	Yes	Yes	Yes	Yes	No (iv)	Yes	Yes
32.	Jurisdiction includes <b>all</b> convictions within profile as listed in Appendix B of Standard 7 – Carrier Profile.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes <sub>27</sub>
33.	Data utilized as starting point for calculating conviction points (i.e. 1.date of conviction, 2.violation or 3.data entry).	1	1	1	1	1	1	2	2	1	1	1	1
34.	Violations pointed only after conviction.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
35.	Jurisdiction includes <b>all</b> five levels of CVSA inspections on profile.	Yes	Yes	Yes	Yes	Yes	Yes	No <sub>19</sub>	No <sub>19</sub>	Yes	Yes	Yes	Yes
36.	Jurisdiction points only OOS inspections in accordance with Standard 7 – Carrier Profile.	Yes	Yes <sub>17</sub>	Yes	Yes	Yes	Yes <sub>23</sub>	No <sub>25</sub>	Yes	Yes (i)	Yes	Yes <sub>23</sub>	Yes <sub>20</sub>

## Appendix C Revised Compliance (Readiness) by Category

Safety Rating Consistency - Carrier Information Exchange													
Q.	BC	AB	SK	YT	NT	MB	ON	QC	NS	NB	PE	NF	
37. Jurisdiction sends to other provinces or territories, <b>all</b> conviction, inspection and collision event data that occurs within jurisdiction and involves non-base plated carriers, as set out in Standard 7 – Carrier Profile.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
38. Jurisdiction picks up <b>all</b> event data that is sent from other jurisdictions.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
39. Jurisdiction incorporates <b>all</b> event data into profile that is received from other jurisdictions.	Yes	Yes	Yes	Yes	Yes	Yes	No	No (ii)	Yes	No (iii)	Yes	Yes	
40. Jurisdiction points <b>all</b> CIE event data incorporated into the profile in accordance with Standard 7- Carrier Profile.	Yes	Yes	Yes	Yes	No (v)	Yes	No	No (ii)	Yes (v)	No (iii)	Yes	Yes	
41. CIE event data that is received is treated the same way (i.e. how it's pointed or utilized within safety rating regime) as event data generated within jurisdiction.	Yes	Yes	Yes	Yes	Yes	Yes	No (vi)	No (ii)	Yes	Yes	Yes	Yes	

Safety Rating Consistency - Facility Audits													
Q.	BC	AB	SK	YT	NT	MB	ON	QC	NS	NB	PE	NF	
42. Jurisdiction conducts facility audits in accordance with NSC Standard #15.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
43. Audit results quantifiable with established pass/fail criteria.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
45. Driver and vehicle sample size are selected in accordance with Standard 15 – Facility Audit.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
46. Jurisdiction always conducts a facility audit in conjunction with the assignment of a Conditional safety-rating.	Yes	Yes	Yes	Yes	No (v)	Yes	No	No	No	Yes	Yes	Yes	
47. Compliance tickets issued at the time of audit are placed, upon conviction, on the profile.	Yes	Yes	Yes	Yes	Yes	Yes <sub>31</sub>	Yes	Yes	Yes	Yes	Yes	Yes	

## Appendix C Revised Compliance (Readiness) by Category

Safety Rating Consistency - Assigning Safety Ratings																							
Q.	BC	AB	SK	YT	NT	MB	ON	QC	NS	NB	PE	NF											
48.	Jurisdiction is currently assigning safety ratings to bus and truck carriers.										Yes (i)	Yes	Yes	Yes									
49.	Jurisdiction issues all four ratings (Satisfactory, Satisfactory un-audited, Conditional and Unsatisfactory) as part of safety-rating regime.										Yes	Yes	Yes	Yes	No (v)	Yes	Yes	No (ii)	Yes (i)	Yes	Yes	Yes	
50.	Carrier profile information is used to establish the safety rating.										Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes <sub>32</sub>	
51.	Audit results are used to establish the Safety Rating.										Yes	Yes <sub>37</sub>	Yes	Yes	No (v)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
52.	Jurisdiction issues an unsatisfactory rating to motor carriers that fail to continue meeting minimum liability insurance coverage requirements.										Yes	Yes	Yes	Yes	No (v)	Yes	No (vi)	No <sub>35</sub>	Yes (i)	No (iv)	Yes	Yes	Yes (i)
53.	Jurisdiction automatically issues Conditional rating to motor carriers that are re-applying for a safety fitness certificate after it had been revoked by your jurisdiction or another province or territory.										No <sub>36</sub>	Yes	Yes	Yes	No (v)	N/A	Yes	No (ii)	Yes (i)	Yes	Yes	Yes	Yes
54.	Motor carriers are required to pass an audit before being issued a "Satisfactory" rating.										Yes	Yes	Yes	Yes	No (v)	Yes	Yes	No	Yes (i)	Yes	Yes	Yes	Yes
55.	Motor carrier must be audited prior to receiving any safety rating other than the rating of Satisfactory un-audited.										Yes	Yes	Yes <sub>35</sub>	Yes	No (v)	Yes	No	No	No	No	Yes	Yes <sub>34</sub>	Yes <sub>33</sub> , 34

## Appendix C Revised Compliance (Readiness) by Category

Safety Rating Consistency - Sanctions, Appeal Mechanisms & Legislation													
Q.		BC	AB	SK	YT	NT	MB	ON	QC	NS	NB	PE	NF
56.	Administrative fines levied (in jurisdictions that have such a process) for non-compliance identified at time of audit are utilized within the carrier profile.	N/A	Yes	N/A	N/A	Yes (vii)	Yes (vii)	N/A	N/A	N/A	N/A	Yes	N/A
57.	Jurisdictions have a motor carrier appeal/dispute mechanism regarding the events included within the carrier profile.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
58.	Jurisdictions have a motor carrier appeal/dispute mechanism regarding the results of a facility audit.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
59.	Jurisdictions have a motor carrier appeal/dispute mechanism regarding the assignment of a specific safety rating.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
60.	Carriers will not receive an unsatisfactory rating without first having the opportunity to attend a show cause hearing.	Yes	Yes <sup>40</sup>	Yes <sup>38</sup>	Yes <sup>38</sup>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes <sup>39</sup>
61.	Jurisdictions have legislation that sets out the requirements for a motor carrier in regards to record keeping, preservation of records, location of records and the establishment of record related sanctions.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

### Footnotes:

#### Safety Fitness Certificate

- 1 A requirement for commercial carriers except farmers.
- 2 Currently in implementation stage or committed to implement as a future requirement.
- 3 Carrier does not have to provide the information. Verification checks are conducted instead.
- 4 Requires incorporation and registration documents but not driver's licence numbers at this time.

## **Appendix C**

### **Revised Compliance (Readiness) by Category**

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- 5 Jurisdiction does not request details or address the issue of any revocation of a SFC issued from another jurisdiction.
- 6 Jurisdiction does not request details of any revocation of a SFC or permit.
- 7 Required at the time the CMV is registered.
- 8 All transporters of dangerous goods, and not just shipments required to have an ERAP, are required to have \$2million in liability.
- 9 For hire carriers must provide entity information and previously associated entity information for all principals, and driver's licence for drivers and principal owners.

#### **National Safety Code**

- 10. Based on tare (net) weight, considered to be equivalent to 4,500kg g.v.w.
- 11. Threshold to be implemented for all carriers at 11,794 kg. as of June 2004. Any extra-provincial carrier operating at the 4,500kg. threshold will be issued a safety fitness certificate upon request.
- 12 Committed to implement in 2004.

#### **Carrier Profiles**

- 13 All except Legal Entity – Director/Partner information.
- 14 Based on a 12-month window as opposed to 24 months.
- 15 Committed to implement as a future requirement.
- 16 Assigning 2 points for property damage is under consideration, injury is 4 points and fatalities are 10 points
- 17 CVSA inspections are not pointed. Carrier performance is assessed based on fleet size and percentage of vehicles declared OOS.
- 18 Property damage collisions are included on the profile only if one of the vehicles involved in the collision was towed from the scene.
- 19 Only Level 1 & 5 inspections are included in the profile.
- 20 Jurisdiction also assigns points if inspection had more than one defect present.
- 21 Profile does not include description of vehicle in respect of the collision portion of the profile.
- 22 Jurisdiction includes street address where possible. Profile does not specifically identify whether the driver or carrier was charged with a violation.
- 23 A failed inspection also receives 1 point.

## **Appendix C**

### **Revised Compliance (Readiness) by Category**

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- 24 Jurisdiction determines adjusted fleet size by utilizing kilometres traveled within the jurisdiction as a percentage of overall travel. Double-shifted vehicles are also taken into consideration.
- 25 Jurisdiction assigns points for OOS items per inspected unit, to a maximum of four units per inspection, with additional points added if fleet exceeds provincial OOS percentage rate.
- 26 Profile contains most data elements, but not all.
- 27 Under Review
- 28 Implemented effective February 02, 2004.
- 29 Risk band/average fleet size categories differ only slightly from those found in the Standard for smaller carriers, which are most common in jurisdiction.
- 30 Collision information will be added to profiles effective April 1, 2004.

#### **Carrier Information Exchange**

None

#### **Facility Audits**

- 31 It is the normal practice to issue administrative fines rather than violation tickets as a result of a failed audit.

#### **Safety Ratings**

- 32 Carrier profile only triggers an audit and is not considered when assigning the safety rating.
- 33 Registrar has the legislative authority to issue a rating without an audit being conducted, however this authority is not used in practice.
- 34 Except in cases where an unsatisfactory rating has been issued due to inadequate insurance.
- 35 Jurisdiction does not assign a safety rating in this instance, but rather suspends vehicle registration until adequate levels of insurance are in place.
- 36 All new carriers are assigned a satisfactory-un-audited rating until an audit is conducted, however conditions can be assigned to the safety fitness certificate that would mirror the conditional rating.
- 37 Audit results are taken into consideration but do not directly change a carrier's rating.

## **Appendix C**

### **Revised Compliance (Readiness) by Category**

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#### **Sanctions, Appeals and Legislation**

- 38 Except in cases where an unsatisfactory rating has been issued due to inadequate insurance.
- 39 Registrar has the legislative authority to issue a rating without a hearing being conducted, however this authority is not used in practice.
- 40 Only in cases where there is an immediate safety risk to the public.

#### **New Footnotes:**

- i. Requirement will be in place by January 1, 2005
- ii. Requirement will be in place by spring 2005.
- iii. Requirement will be in place by fall 2005.
- iv. Requirements will be in place by January 1, 2006
- v. Requirements will be in place by January 1, 2007
- vi. Implementation is planned but not sure when
- vii. Uses administrative fines in conjunction with safety plans, etc., as a tool to improve motor carrier performance, requires a legislative change in order to record administrative fines on the Carrier Profile System (CPS).

## Appendix D

### 29 Areas of Non-Compliance by Category and Timing of Expected Compliance

23-Sep-04		Safety Rating Consistency - Safety Fitness Certificate Application			
Q.	Consistency Question	Compliance planned by Jan 1, 2006	Compliance planned post Jan 1, 2006	Compliance planned, no date given	Compliance not planned
3.	Carriers must file proof of liability insurance.	NT, NB		ON	
4.	Minimum liability coverage of \$1 million for all motor carriers or \$2 million for transporters of TDG where ERAP is required to be filed.	PE		NT	
5.	Insurance policy contains endorsement for jurisdiction to be notified if policy coverage fails to meet minimum requirements.		NT		
6.	Carriers must submit articles of incorporation or partnership or proprietorship registration documents or driver's licence numbers of all principals.	NB			
7.	Carriers must provide a declaration that contains all of the statements and information required by Standard 14.	NB	NT		
8.	Application process addresses re-application due to revocation of a safety fitness certificate or the transfer of a motor carrier's operations from one base jurisdiction to another.	NB			

#### Consultant's Interpretation of Data

All jurisdictions eventually intend to comply with all nine compliance criteria related to certificate applications, however, four jurisdictions cannot meet the Jan 1, 2005 deadline. While Ontario has not specified a date when they will be able to comply with criteria #3, it is expected that this will occur during the 2005 calendar year. Northwest Territories plans to comply with criterion #'s 4, 5 & 7 if/when resources are available. PEI and New Brunswick expect to be fully compliant by end of 2005.

**We believe non-compliance in these areas is serious** since insurance requirements are clearly set out in the MVTA amendment and jurisdictions could be held liable for failure to enforce carrier compliance with minimum insurance requirements and/or for lack of due diligence when registering operators.

## Appendix D

### 29 Areas of Non-Compliance by Category and Timing of Expected Compliance

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23-Sep-04		Safety Rating Consistency – NSC Commercial Vehicles			
Q.	Consistency Question	Compliance planned by Jan 1, 2006	Compliance planned post Jan 1, 2006	Compliance planned, no date given	Compliance not planned
15.	NSC commercial vehicles that should be in safety rating regime according to the definition but are exempted in provincial regulation.				AB, SK, YT, NT, MB, ON, QC, NS, PE

#### Consultant's Interpretation of Data

Nine jurisdictions have indicated that they have some commercial motor vehicles that are exempt from NSC requirements and that changes are not planned.

While this may appear serious on the surface, **we do not feel the exemptions are of a critical nature**, given that all other criteria in this category will be met by Jan 1 2005.

## Appendix D

### 29 Areas of Non-Compliance by Category and Timing of Expected Compliance

23-Sep-04		Safety Rating Consistency – Carrier Profiles			
Q.	Consistency Question	Compliance planned by Jan 1, 2006	Compliance planned post Jan 1, 2006	Compliance planned, no date given	Compliance not planned
18.	Carrier Profile control system captures all data elements for each of the above information items in accordance with Standard 7 - Carrier Profile.		NT		
19.	Jurisdiction determines safety rating based on all events within the profile for the 24-month period preceding the determination, in accordance with Standard 14 – Safety Ratings.				BC, AB (i)
20.	Jurisdiction utilizes risk/exposure data in the process of normalizing data.	NB			
22.	Jurisdiction points all collisions in accordance with Appendix A of Standard 7 – Carrier Profiles (i.e. property damage, injury, fatality).	NT			ON, QC
23.	Jurisdiction points all inspections in accordance with Standard 7 – Carrier Profiles (i.e. OOS).	NT			AB, ON, QC
25.	Jurisdiction utilizes the risk band/average fleet size categories as established by Standard 15 - Facility Audits.				YK, ON
31.	Jurisdiction considers fault/no fault collisions or preventable/non-preventable collisions as factors in determining whether to point collisions contained within the profile.	YK, NB			
34.	Violations pointed only after conviction.				QC
35.	Jurisdiction includes <b>all</b> five levels of CVSA inspections on profile.				ON, QC
36.	Jurisdiction points only OOS inspections in accordance with Standard 7 – Carrier Profile.				ON

(i) Based on a 12-month window as opposed to 24 months.

### Consultant's Interpretation of Data

Seven of the ten areas of compliance criteria in this category will never be fully complied with by all jurisdictions. In the Consultant's opinion, this reflects the regional differences among the jurisdictions. **We believe that some flexibility can be allowed here**, since each jurisdiction already does (or will) capture all data elements in their carrier profiles. They have simply utilized this information slightly differently in developing their safety rating/intervention models.

## Appendix D

### 29 Areas of Non-Compliance by Category and Timing of Expected Compliance

23-Sep-04		Safety Rating Consistency – Carrier Information Exchange			
Q.	Consistency Question	Compliance planned by Jan 1, 2006	Compliance planned post Jan 1, 2006	Compliance planned, no date given	Compliance not planned
39.	Jurisdiction incorporates <b>all</b> event data into profile that is received from other jurisdictions.	<b>NB, QC</b>		<b>ON</b>	
40.	Jurisdiction points <b>all</b> CIE event data incorporated into the profile in accordance with Standard 7- Carrier Profile.	<b>QC, NB,</b>	<b>NT</b>	<b>ON</b>	
41.	CIE event data that is received is treated the same way (i.e. how it's pointed or utilized within safety rating regime) as event data generated within jurisdiction.	<b>ON, QC</b>			

#### Consultant's Interpretation of Data

All jurisdictions intend to comply with all five compliance criteria related to carrier information exchange, however, four jurisdictions (ON, QC, NB & NT) cannot meet the Jan 1 2005 deadline. QC & NB are expected to be compliant within 2005, but ON and NT are having difficulties incorporating exchanged data into their models. **It is believed that NT's problem is simply one of resources, but Ontario's problems are much more serious.**

Because Ontario's model (CVOR registration) is not directly linked to vehicle plates, but rather, to operators (i.e. NSC #), it cannot always clearly identify the responsible carrier to which the received exchange event data must be applied. In addition, it will have to collect additional data and recalibrate its intervention model before implementing this requirement.

**This is a serious area of temporary non-compliance** since without this exchange data, a non-compliant jurisdiction cannot be certain that it has identified all unsafe extra-provincial carriers base-plated in its jurisdiction. Until compliant, it can only identify an unsafe carrier on the basis of performance observed within its home jurisdiction.

## Appendix D

### 29 Areas of Non-Compliance by Category and Timing of Expected Compliance

23-Sep-04		Safety Rating Consistency – Facility Audits			
Q.	Consistency Question	Compliance planned by Jan 1, 2006	Compliance planned post Jan 1, 2006	Compliance planned, no date given	Compliance not planned
46.	Jurisdiction always conducts a facility audit in conjunction with the assignment of a Conditional safety-rating.		NT		ON, QC, NS

#### Consultant's Interpretation of Data

Only one of five areas of compliance criteria in this category will not be met by Jan 1 2005. While criteria 46 is a requirement specified in NSC Standard 15 (Facility Audit – Audit Selection, clause 4 (b) (I)), **we believe that some discretion may be warranted to bypass this requirement.** For example, an audit may not be necessary if the evidence presented is sufficient by itself to result in a conditional (or worse) safety rating, provided a safety rating dispute mechanism is in place.

**Consequently, we do not feel this area of non-compliance is significant.**

## Appendix D

### 29 Areas of Non-Compliance by Category and Timing of Expected Compliance

23-Sep-04		Safety Rating Consistency – Assigning Safety Ratings			
Q.	Consistency Question	Compliance planned by Jan 1, 2006	Compliance planned post Jan 1, 2006	Compliance planned, no date given	Compliance not planned
49.	Jurisdiction issues all four ratings (Satisfactory, Satisfactory un-audited, Conditional and Unsatisfactory) as part of safety-rating regime.	QC	NT		
51.	Audit results are used to establish the Safety Rating.		NT		
52.	Jurisdiction issues an unsatisfactory rating to motor carriers that fail to continue meeting minimum liability insurance coverage requirements.	ON, NB	NT		QC (ii)
53.	Jurisdiction automatically issues Conditional rating to motor carriers that are re-applying for a safety fitness certificate after it had been revoked by your jurisdiction or another province or territory.	QC	NT		BC
54.	Motor carriers are required to pass an audit before being issued a “Satisfactory” rating.		NT		QC
55.	Motor carrier must be audited prior to receiving any safety rating other than the rating of Satisfactory un-audited.		NT		ON, QC, NS

#### Consultant’s Interpretation of Data

Four of the eight areas of compliance criteria in this category will never be fully complied with by all jurisdictions. **Quebec does not plan to comply with criteria 52, but we do not consider this a serious concern.** Quebec does not assign a safety rating in this instance, but rather suspends vehicle registration until adequate levels of insurance are in place.

BC does not plan to comply with criteria 53. Instead, they will assign a satisfactory-unaudited rating with appropriate conditions (that could mirror a conditional rating) until an audit is conducted. **Again, we do not consider this a serious concern.**

It is unclear at this time why QC does not plan to require a passed audit as a condition of a satisfactory rating. We suspect it is because they do not yet have a Satisfactory-unaudited rating in place. **We believe Quebec should be pressed to comply with this requirement when it introduces a Satisfactory-unaudited rating in 2005.**

## Appendix D

### 29 Areas of Non-Compliance by Category and Timing of Expected Compliance

Neither ON, QC nor NS intend to comply with criteria 55. As noted above (re criteria 46) **we believe this requirement may not always be warranted.**

**Consequently, other than Quebec's intended non-compliance with criteria 54 (pass audit before satisfactory rating is assigned) we do not see any significant concerns with these areas of non-compliance.**

23-Sep-04		Safety Rating Consistency – Sanctions, Appeal Mechanisms and Legislation			
Q.	Consistency Question	Compliance planned by Jan 1, 2006	Compliance planned post Jan 1, 2006	Compliance planned, no date given	Compliance not planned
56-61	No areas on non-compliance				

#### Consultant's Interpretation of Data

**All jurisdictions are already compliant with all six areas of compliance criteria in this category.**

## Appendix E

### Compliance By Major Category

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#### Safety Fitness Certificate Application

- This sub-heading contains 9 criterion
- Currently, 3 of the 9 criteria in this sub-heading are being fully met.
- Of the remaining 6 criteria, 4 have only one non-compliant jurisdiction
- In all cases of a “No” response very jurisdiction is planning to achieve compliance in the future but they will not do so by January 1, 2005.

#### NSC Commercial Vehicles

- This sub-heading contains 5 criterion
- Currently, 4 of the 5 criteria in this sub-heading are being fully met.
- The remaining criterion pertains to vehicle exemptions which provinces use to eliminate certain types of vehicles that fall under the MVTA due to their weight but are not considered motor carriers or are not extra-provincial operators. Farm vehicles is the best example.

#### Carrier Profiles

- This sub-heading contains 18 criterion
- Currently, 8 of the 18 criteria in this sub-heading are being fully met.
- Of the remaining 10 criteria, 4 have only one non-compliant jurisdiction – all 4 jurisdictions are planning to achieve compliance in the future but they will not do so by January 1, 2005.

#### Carrier Information Exchange

- This sub-heading contains 5 criterion
- Currently, 2 of the 5 criteria in this sub-heading are being fully met.
- Of the remaining 3 criteria, all have 2 or more non-compliant jurisdictions.
- This may be because these three areas involve pointing systems for accidents, inspections and convictions and many jurisdictions have their own method of pointing.

#### Facility Audits

- This sub-heading contains 5 criterion
- Currently, 4 of the 5 criteria in this sub-heading are being fully met.
- The remaining criterion has 4 non-compliant jurisdictions.
- Compliance is difficult for many jurisdictions since the criterion requires a jurisdiction to conduct a facility audit prior to issuing a conditional rating.

## Appendix E

### Compliance By Major Category

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#### **Assigning Safety Ratings**

- This sub-heading contains 8 criterion
- Currently, 2 of the 8 criteria in this sub-heading are being fully met.
- Many of the non-compliant jurisdictions indicated that they are planning to achieve compliance in the future but they will not do so by January 1, 2005.

#### **Sanctions, Appeal Mechanisms & Legislation**

- This sub-heading contains 6 criterion
- All 6 criteria in this sub-heading are being fully met.

## Appendix F

### OTHER ISSUES

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As part of our questions we invited jurisdictions to add or identify other issues that they thought were worthy of mention. The items raised and the jurisdictions that raised them are listed below. Note that we did not address or respond to these issues nor did we modify the comments in any way. They are being provided simply because they were raised and do represent some valid points.

- *Depending upon how the funding agreement is structured we may or may not be able meet targets as we cannot carry funding beyond the year in which the expense is incurred. (NWT)*
- *Current staffing levels preclude any increase in capacity. (NWT)*
- *Could potentially be in the situation where we do not have the number of vehicles operating in the territory to provide us with enough vehicles to inspect to meet the larger targets. Vehicles coming in from the south increasingly have current CVSA tags leaving us with a limited amount of local traffic to target for these inspections. (NWT)*
- *The NWT is increasingly finding itself in the position of deciding whether signing an MOU is in the best interest of our program. If the funding provided comes with systemic and reporting processes which cripple our operational ability we really need to assess whether this program is in our best interest. (NWT)*
- *Ontario is concerned about the fact that proclamation of the MVTA will pre-date its readiness to meet the requirements of the amendments and the impact this may have on our ability to monitor carrier safety in the interim until full compliance has been achieved. (ONT)*
- *Ontario also remains concerned about the treatment of U.S.-based carriers operating in the province in the absence of carrier data exchange and reciprocity of carrier safety ratings. (ONT)*
- *Missed the legislative window for 2004. Fall 2005 is a more reasonable and achievable implementation date. We are also short of funds for system development. (NB).*