

**Fourth Session – Forty-Second Legislature**  
**of the**  
**Legislative Assembly of Manitoba**  
**Standing Committee**  
**on**  
**Public Accounts**

*Chairperson*  
*Mr. Jim Maloway*  
*Constituency of Elmwood*

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**Forty-Second Legislature**

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**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**THE STANDING COMMITTEE ON PUBLIC ACCOUNTS**

**Monday, June 20, 2022**

**TIME – 1 p.m.**

**LOCATION – Winnipeg, Manitoba**

**CHAIRPERSON – Mr. Jim Maloway (Elmwood)**

**ATTENDANCE – 8 QUORUM – 6**

*Members of the committee present:*

*Messrs. Isleifson, Lamont, MLA Lindsey,*

*Messrs. Maloway, Martin, Michaleski,*

*Ms. Naylor, Mr. Smook*

**APPEARING:**

*Mr. Tyson Shtykalo, Auditor General*

**WITNESSES:**

*Ms. Sarah Thiele, Deputy Minister of Transportation and Infrastructure*

**MATTERS UNDER CONSIDERATION:**

*Auditor General's Report—Department of Infrastructure: Oversight Of Commercial Vehicle Safety, dated December 2019*

\* \* \*

**Mr. Chairperson:** Good afternoon. Will the Standing Committee on Public Accounts please come to order.

This meeting has been called to consider the Auditor General's Report titled Oversight of Commercial Vehicle Safety, dated December 2019.

Are there any suggestions from the committee as to how we should sit this afternoon?

**Mr. Dennis Smook (La Vérendrye):** I would suggest we sit until 3 p.m., or, if it's earlier that we're finished, we conclude with questions then earlier.

**Mr. Chairperson:** Okay. It's been suggested by Mr. Smook that we sit 'til 3 p.m., unless we finish earlier. Are we agreed to that?

**An Honourable Member:** No.

**Mr. Chairperson:** No.

**MLA Tom Lindsey (Flin Flon):** I suggest we sit 'til 3 p.m. or earlier if we're finished, or reassess at 3 o'clock if we're not finished.

**Mr. Chairperson:** Okay. So are we agreed with what Mr. Lindsey has suggested here: we're going to sit 'til 3 or earlier—or we'll reassess at 3, right? Yes. Agreed? *[Agreed]*

Now, does the Auditor General wish to make an opening statement?

**Mr. Tyson Shtykalo (Auditor General):** I'd like to introduce the staff members I have with me this afternoon. I have Stacey Wowchuk, assistant auditor general for Performance Audit, and Dallas Muir, the engagement leader audit principal on the audit of the Oversight of Commercial Vehicle Safety.

Mr. Chair, I have previously provided comments on this audit at the June 10th, 2020, PAC meeting, so I will be making no further extensive comments. I note that the department, as of today, has not provided an action plan on the Public Accounts—or provided an action plan to the Public Accounts Committee and therefore my office has not had an opportunity to review the department's action plan.

I look forward to the discussion today on the report and hearing what progress the department has made on the recommendations.

Thank you.

**Mr. Chairperson:** Thank you.

Does the deputy minister wish to make an opening statement, and would she please introduce her staff joining her here today?

**Ms. Sarah Thiele (Deputy Minister of Transportation and Infrastructure):** I'll begin with an introduction of my staff. I'm joined with—by assistant deputy minister, Blair McTavish, of Transportation Operations; and assistant deputy minister, Kristine Seier, of Corporate Services.

I will also note that our action plan has been submitted and has been provided to the committee this morning.

I am pleased to be here to provide an update on MTT's progress on the Office of the Auditor General's review of Manitoba Infrastructure's Oversight of Commercial Vehicle Safety. Manitoba Transportation

and Infrastructure has accepted all 17 recommendations, which it views as an opportunity to improve motor carrier safety.

We have made significant progress on several of the recommendations with five completed, seven to be completed in the next fiscal year—2022-23 fiscal year.

We have begun work on the remaining five recommendations which involve the development of a new carrier profile system to help identify operators that pose increased safety risks. A new performance management process has been implemented to provide oversight and ensure quality of roadside inspections. Greater variability in shift schedules has been implemented to reduce gaps in on-road enforcement activities.

Improvements to the department's motor carrier safety monitoring activities have included more rigorous screening of new entrants and revisions to Manitoba's safety rating framework. Carriers that may pose an increased safety risk are flagged and prioritized by the audit team. If operator improvement is required, the audit team monitors the carrier's progress using tools such as safety plans and/or action plans, additional training, monetary penalties and further audits.

\* (13:10)

MTI has implemented recent changes to the motor carrier safety program, including the development of new safety monitoring reports to improve commercial vehicle operator oversight. MTI has also improved routine industry communications related to safety requirements and standardized follow-up processes when compliance issues are identified. A curriculum for commercial vehicle operators' new entrant training is being developed in co-operation with the Manitoba Trucking Association. We have taken steps to improve on road scrutiny and continue to adjust inspection targets.

Legislative and regulatory amendments are also being developed to improve and support Manitoba's safety fitness certificate program. The department has initiated planning and performance measurement discussions with Manitoba Public Insurance to develop a comprehensive strategy for commercial vehicle safety in Manitoba.

I would like to acknowledge the co-operation from the economic sector leaders in Manitoba, as well as our provincial, federal and state and international government counterparts, for keeping our supply chains safe and reliable under extraordinarily difficult

circumstances over the last several years. I would also like to thank our stakeholders. MTI will continue to work collaboratively with the Manitoba Trucking Association and our operators on initiatives to improve the safety and efficiency of our motor carrier industry.

MTI is confident that we will meet or exceed the goals set out in the Auditor General's report and in our action plan over the next few years and will use this audit to foster excellence in safe and sustainable surface transportation system.

**Mr. Chairperson:** Thank you.

Before we proceed further, I'd like to remind the committee of the process that is undertaken with regard to outstanding questions. At the end of every meeting, the research officer reviews the answer for any outstanding questions that the witness commits to provide an answer to and will draft a questions-pending-response document to send to the deputy minister. Upon receipt of the answers to those questions, the research officer then forwards the responses to every PAC member and to every other member recorded as attending that meeting.

I would also like to remind members that only questions of an administrative nature are to be placed to the witnesses and that policy questions will not be entertained and are better left for another forum.

The floor is now open for questions.

**Mr. Brad Michaleski (Dauphin):** I want to thank the members of the committee and the 'mevery'—the deputy minister and the auditor for being here today to answer some questions.

I can just appreciate the fact that we got the action plan, like, five minutes ago, so the answers might be in—for my questions may be in that, but I don't know that yet.

But, so, anyway, I'll go back to your opening. You're talking about the intergovernmental counterparts, the federal and state. Of course, when it comes to trucking, there's a—you know, I don't know if they tend to operate in silos, but there's also a, you know, a tendency to improve interprovincial and international travel on trucking. And I guess I would just—and this is regarding safety and, you know, on-road inspections.

So is—how independent is Manitoba operating here, or is it really in line with everybody sort of working together towards a harmony of North America regulation and oversight?

**Ms. Thiele:** Thank you for the question.

Manitoba is committed to working towards harmonization both nationally and across our international borders as the movement of our commercial vehicles is critical to our economic development. We are a member of both the Compliance and Regulatory Affairs committee as part of the broader Canadian Council of Motor Transport Administrators. We also work with other departments of transport across Canada and regularly communicate with the state of North Dakota to the extent that we are able to.

Harmonization continues to be a goal, but as we work towards it, we ensure we're following national safety standards as well in our approach to oversight.

**Mr. Michaleski:** So just a—just if I get the temperature on this, is it—are you—and looking at in North American scope, so is this something that is largely being supported among states and—or US states—and Canadian provinces, or is there some protectionist elements that are entering this regulation of the trucking industry and, of course, the safety standards and all—on all those things that are applicable to this report?

**Ms. Thiele:** Within Canada there continues to be, I think, alignment on the ultimate goal of harmonization. I can't speak to the extent of that commitment south of the border, but, certainly, our position on the Manitoba side is to work toward that goal.

**MLA Lindsey:** Well, one of the things I hear about from people in the industry is really the training that takes place for some of the operators is a paper exercise at best and that there's a lot of commercial vehicle operators that aren't properly trained that are on the roads today. And just wondering what kind of follow up you have with the places that are doing the training to ensure that people that are getting certificates to be operators licences actually have the requisite skills to be on the roads?

**Ms. Thiele:** I'll note that the mandatory entry MELT program for drivers was outside of the scope of the audit. However, that is a key component. Within—the scope of the audit was training around operators and from a business standpoint and a safety standpoint. Towards that goal we are partnering with the Manitoba Trucking Association to implement a new entrant training, or NET, course. This course will support the department's efforts to improve carrier safety. We will provide carriers with training on how to prepare safety and action plans, and as new entrants they will be required to submit a safety plan as part of

the entrance process. We are also undertaking regulatory amendments to require all new entrants not only to submit that safety plan, but also to pay a new entrant fee. That was also identified in the audit as something that came out of the jurisdictional scan.

We're aiming to implement these changes in the fall of 2022 and then move forward from there. So that is a significant component of our approach to the recommendations, the introduction of that course, and partnering with the Manitoba Trucking Association was key, in our view, to the success of that course and buy-in from operators.

**MLA Lindsey:** So there's nothing presently in place, and perhaps maybe it wasn't part of the Auditor General's audit, to ensure that the training that's provided is actually the training that's needed so that operators that are on the road today are properly trained.

So is there any process within your department to do any kind of follow-up on operators that are in place today to ensure that they meet the minimum requirements to be an operator?

**Ms. Thiele:** Before I answer the question, can I clarify that the training that's being referred to is training for operators as opposed to individual driver training.

**MLA Lindsey:** I guess I'm confused. I was talking about training for people that are actually operating the equipment to ensure that they actually have the requisite skills to be on public roads operating heavy commercial vehicles.

\* (13:20)

**Ms. Thiele:** So the MELT training plan, which is focused on new driver entrants, was not part of this audit.

What we do have in place is through the Safety Fitness certification process. If a driver—if an operator is deemed to not be practising safety appropriately, we've—if we've seen issues with them, they're required, then, to submit a safety plan to us and then they are monitored. And we have also introduced a more targeted monitoring within our system so that higher risk carriers, whether they are transporting dangerous goods or if they have a history of incidents, are monitored more closely to ensure that we're able to treat them with that extra level of attention that is required.

**Mr. Len Isleifson (Brandon East):** I'm going to go on the same line as Mr. Lindsey. I'm still not clear, because there's a number of things that are different—

you know, carriers, individual operators, individual drivers and so on. And I bring up more of what you said in your opening statement, and I quote, you said: We have taken steps to improve on-road scrutiny and continue to adjust inspection targets.

Last night coming into Winnipeg, I'm doing 117 down the highway and this double-rig semi—I don't know what he was carrying. He was doing at least 130 and was just passing everybody. And so it's kind of appropriate—and when I follow up with Mr. Lindsey's question, is this—these improvements that you have for on-road scrutiny, the steps—can you explain what those steps are and how we—I guess I'm trying to get, where were we—here we are now, what have you done to get to the point where we are?

And then I have follow-up I'll certainly ask.

**Ms. Thiele:** So the role that our Motor Carrier Enforcement plays relates to oversight of the safe operation of the vehicles. A speeding incident would be monitored by the RCMP. So just to make that distinction.

However, as part of the audit, one of the themes that we saw was around ensuring that we had mobile coverage and enough variation in coverage on enforcement so that it was not predictable and that we were covering areas with the highest likelihood of vehicle traffic, commercial truck traffic. There was also notes around level 1 versus level 2 inspections. So in response to that we have introduced new minimum performance standards for our officers. Level 1 inspections are required at 75 inspections per year, minimum. We hope to exceed that. Level 2 are at 240 inspections per year. In order for them to retrain their certification they need to have a minimum of 32 inspections per year. So this is well above the certification level.

We also introduced more shift variations. So we have introduced a rotating weekend shift as well as evening hours and a minimum of five evening shifts a month, or night shifts at the Headingley station, which is one of our busiest.

**Mr. Isleifson:** So just a follow-up, then, and I apologize for ignorance, but I've never driven a truck before. But I noticed going through some of this, you talk about carriers. You talk about operators and you've mentioned drivers.

So if someone is operating in a manner that's unsafe, whether it be the load they're carrying or, as you've mentioned, the speed, and sort of things like that, would all three be notified? Or maybe I'm

looking for a definition of what is an operator compared to a carrier compared to a driver, where—would everybody involved in Paul's Hauling, for example, be notified if I was driving erratically or unsafe loads? I'm just trying to get a better understanding of the process, the how that works.

**Ms. Thiele:** So, I will do my best to provide that clarification.

We work directly with operators, which are the businesses that run the trucks, if I can put it that way. There are instances where an operator and a driver are one in the same. There's other instances, and you mentioned Paul's Hauling, where they would have a very large fleet.

If we have an incident that results in an offence, whether that is a—an inspection is failed or a driver incident, that would become part of the carrier profile that we would attribute to that operator as a whole. So if that's, again, an individual who is both the operator and the driver, it would be on their carrier profile. If it's a larger entity with many drivers, it would go onto that entity's file.

**MLA Lindsey:** And I guess part of my question got answered—just to differentiate between an operator and a driver. I was mistakingly calling the drivers operators, but two separate entities is my understanding now.

So back to my initial question, then. How do we ensure that drivers actually have the right training to be driving on public roads and how do you ensure that that training is adequate and actually taking place?

**Ms. Thiele:** So the MELT program—which, again, was outside of the scope of this audit—is set up so that Manitoba Public Insurance provides the certification for the training programs. And, as that wasn't part of the training—part of the audits, pardon me—I would suggest we could provide you with some general information on the MELT program, if that would be helpful.

**MLA Lindsey:** So you talked a little bit about the motor carrier enforcement.

How many inspections were done, particularly in northern Manitoba—and perhaps maybe you could break that down over the last number of years—and how many inspectors are actually employed to do those inspections.

**Ms. Thiele:** So, we conduct levels 1, 2 and 3 inspections.

The numbers—and I can read them into the record: calendar year 2019 we had 6,769 total inspections; calendar year 2020 we had 4,508; and calendar year 2021 we had 6,309. I will note that in 2020 and 2021 Motor Carrier Enforcement officers were part of the COVID enforcement team and so there was some reduction in some of their motor carrier enforcement activity. That has now concluded, so we are quite confident that our numbers will be better in 2022.

In terms of total numbers, we have 37 enforcement positions, of which 30 are currently filled and one is—will be filled within the next couple of weeks. We're well into the recruitment process.

**Mr. Smook:** Question on regards to driver training and how we stand up across Canada: I know that Manitoba has a fairly tough, I guess stringent rules for training of drivers; how does that compare to other provinces because we can control the drivers that are from Manitoba driving here but the people that are going down Trans-Canada coming from all corners of the province—is there any ideas on how Manitoba stands as compared to the other provinces?

**Ms. Thiele:** So again, because MELT wasn't part of the scope of the audit, I don't have those statistics or our jurisdictional scan available today.

**Mr. Smook:** No, that's fine.

**Mr. Chairperson:** Further questions?

**MLA Lindsey:** So, you've given us the total number of inspections.

\* (13:30)

Can you break down for us how many of those vehicle inspections were done by season. So, how many were done in the summer? How many have done in the winter? How many are done in a facility that may have heat and lights and all the rest of it? How many are done on the side of the road?

**Ms. Thiele:** We don't collect the data seasonally, but what I can share is the breakdown by levels.

So, the level 1 are the inspections that are done in the shed. And, typically, those ones are conducted during the warmer seasons, particularly because pulling the truck off the road and doing that level of inspection in freezing conditions creates an additional mechanical risk to the vehicle, and so we have to balance that with the importance of those level 1 inspections. So, over those three years, starting in 2019, again, on a calendar year basis, we did 1,975; in 2020, we did 1,523; and in 2021, we did 1,813.

Level 2 inspections are side of the road. In 2019, we did 4,700; in 2020, we did 2,935; and in 2021, we did 4,479.

A level 3 inspection is a desk-type audit, documents only, and those had 94 done in 2019, 50 done in 2020 and 16 in 2021.

And again, I would note that our numbers are lower in 2020 due to the requirements of COVID enforcement and the impact of that on the system as a whole.

**MLA Lindsey:** So do you have a breakdown of where those inspections would have taken place? Are they all primarily—because I don't think there are any sheds in the North, so I'm assuming the majority of level 1 are not done kind of north of Swan River, for sure.

So do you have a breakdown of where each one of those levels of inspections are taken place?

**Ms. Thiele:** So, our two inspection sheds are located in Rosser and Emerson, so that's where the level 1 inspections would occur.

And I don't have a breakdown by region of our level 2, but we could see if we can provide that as a takeaway.

**Mr. Shannon Martin (McPhillips):** Good afternoon. So, of the—you noted that the level 1, level 2 and level 3 reviews are undertaken, and that—can you advise how many vehicles passed those inspections in the years? Has there—has it been a—on a declining or 'weceiving'—or receiving more or less vehicles passing?

**Ms. Thiele:** So we typically see about a 30 per cent rate of conditional or problems identified. However, we would want to caveat that number, noting that we deliberately target carriers that we believe we have concerns with. So it's not a reflection of overall compliance in the industry.

**Mr. Martin:** So of that 30 per cent—and it's just interesting—so, previously, we were dealing with doctors overbilling and they pursued education as a remedy. So how does the department address that 30 per cent?

Is there—you were indicating that you, for lack of a better term, target certain players? So does—do you also target certain players, in terms of educational opportunities to help address these shortcomings if they find themselves in—or regularly within that 30 per cent that's being captured.

**Ms. Thiele:** So in order to address those compliance issues, we work through a series of increasing compliance notifications. So we start with a warning letter. We then work directly with the carrier, ensure they have access to our materials that are available to them. If they remain not in compliance, it then moves forward to a second letter, and then eventually it will impact their Safety Fitness rating.

**Ms. Lisa Naylor (Wolseley):** Thanks for being here.

I wanted to note that it's actually really refreshing to look at a report like this, that so many of the recommendations have already been met, and that you've been working towards and that you're in agreement with all of them, so that's really helpful.

I wanted to ask about recommendation 18 in terms of the greater variability in weigh station and patrol operating hours. And I see that you have an MOA with the union regarding the shifts and that there's a comment about: implemented fully as new staff are hired.

So does that coincide with this fall 2022 target date or is—are—like, do you expect to have this place, or is there still a hiring issue before that can be fully implemented?

**Ms. Thiele:** Thank you for the question, and we are very much finding the recommendations in this audit to be very helpful in this area, so I appreciate your comments.

We've already implemented the change in shifts, but as we bring additional officers on, it will allow us to add even more variability into that mix. So we're doing that already with existing staff and then we're expanding it as new staff come in.

**Ms. Naylor:** Just a follow-up—have you found, then, that having that variability in shifts—has it been conducive to, you know, what the AG would have hoped, that it would have been useful at finding more issues with operators, or?

**Ms. Thiele:** So we're still very early days, so we don't have the numbers yet to be able to fully answer that question. But we are anecdotally getting the sense from our officers that the ability of carriers to find other routes is being limited. So we will be looking at our numbers at the end of this calendar year to see if that is evident in the numbers as well.

But we do expect with this additional—the additional time that they're out on the road and the changes at the stations, that we will see a greater number of incidents, which, I would also add, in those numbers,

could mean that we also see an increase in that fail rate, if I can call it that. But that will be as much evidence of the success of the additional oversight as it will be an indication of what's happening across the industry. So we will need to approach those numbers accordingly to ensure that we continue to focus on those more problematic carriers.

**Mr. Chairperson:** Mr. Michaleski.

**Mr. Michaleski:** No question.

**Mr. Dougald Lamont (St. Boniface):** I just wanted to ask a couple of questions about—(1) is the inspections being treated as—where fails were treated as the same as passes, as well as the CPS system.

\* (13:40)

So, just wondering, the target date of having fails not be treated as passes is winter 2023. The CPS replacement is—seems to be—it's a bit further out, April 2027. So, just, what are the challenges around bringing in the pass, fail, or the—a system where we're recognizing those inspection fails as fails? What's—what would be the delay and—what are their challenges in doing it, you know, or in—the winter of 2023 is now right around the corner. But the other is, are there any changes that—or improvements that could be made within the current CPS, or is it—does it simply have to be replaced in its entirety?

**Ms. Thiele:** So the ability to level the playing field, so to speak, on how points are assessed, is fairly complex. There's a number of components to it. In particular, what we were finding and what the audit noted, was that the number of kilometres travelled was not one of the considerations, and so a large carrier operating many, many trucks might see higher points just by virtue of their size and a small carrier differently. So knowing how far and how much they're travelling helps to even that out. So that is not data that we have at this point.

So we have been working with Manitoba Public Insurance and Manitoba Finance to find a way to track that. That work is in progress. We're also working with industry and with the Manitoba Trucking Association towards that goal. We certainly see merit in it. So that one's a little bit further out.

In the meantime, we are working to modify the inspection threshold calculations, which is that assignment of points. As part of that, we're looking at other jurisdictions for best practices and, again, working with industry.



Overall, what we have been doing is implementing any changes we can into our legacy carrier profile system to enable shorter term improvements to how the data is either collected or matched in the system to the extent that we can. We've initiated the process to replace the carrier profile system, but that's a major multiyear IT project, and so we are now initiating the development of the business rules, which is a critical step in then being to—able to identify the appropriate IT solution that would replace the system.

**Mr. Lamont:** If you could just tell me—thank you very much for that. If you could just tell me about where we're at with chameleon carriers and how that's progressing and whether you—and just—what the deadlines are, and, of course, there are—our question, as always, whether you can do it faster, but not necessarily whether you can do it better. But if you could just tell us about where we're at with chameleon carriers, because that was identified as a fairly serious issue for people to—in terms of highway safety.

**Ms. Thiele:** So the changes that we are required to make to address chameleon carriers has been one of our priority areas of focus over the past year and a half. And so we've done this on a few different fronts. We've been working with MPI to improve the data that we're collecting. We're also requiring operators to provide us with more of that critical information so that we can identify addresses or principals in the company. We've also added fields within our existing carrier profile system to be able to then match a new carrier to a previous one if there is a similarity in address or principal.

Another key component for us, though, is what I spoke of earlier, which is the introduction of that new training course that will be required for a new applicant. So one of the issues with chameleon characters is that these are existing operators that had safety issues and so they come back under a new name. They'll now be required to submit a safety plan and to go through that training that we're creating in co-ordination with Manitoba Trucking Association, and I might be repeating myself, but they're also required to submit a safety plan.

So those are the steps we've put in place so far to start to address that issue.

**MLA Lindsey:** So one of the things that the Auditor General recommended was the practice of not requiring out-of-province or out-of-country operators to comply with the requirements of operating in

Manitoba. And you've agreed with that recommendation and you've set a target for 2023 just to determine if you're going to change the policy.

So can you, perhaps, tell us where you're at in that process and why it wouldn't make sense to change the policy so that we know that vehicles operating in the province comply with the standards of the Province?

**Ms. Thiele:** There is a fairly significant amount of policy and—primarily policy work that needs to be done in order to move this particular recommendation forward. We've started, at a national level, working with our counterparts across Canada to determine whether and if there's opportunities to link databases; it's the sharing of data that's fairly critical in this space.

In terms of crossing the international border, it's a fairly significant policy discussion, and so we are moving that forward, not only in consultation with other Canadian jurisdictions, but also looking at industry's perspective and understanding their preferences in this regard as well.

So that policy review has been initiated and we are moving that forward.

**MLA Lindsey:** I guess part of that answer concerns me, and I understand it, on a certain level, where we need to take into account the operator's perspective. But sometimes operators don't want to have to comply with higher standards. We shouldn't accept that as being acceptable in the province of Manitoba.

So if Manitoba has higher standards than other jurisdictions, and I don't know if we do or not, would it not make sense—even if the industry, the carriers, the trucking companies themselves don't really think they want to comply because it might cost them more money or be more work for them to comply—shouldn't it still make sense that if those provisions are in place in Manitoba to make sure that the people operating in Manitoba, regardless of where they're licensed to actually operate, shouldn't we make sure that they meet our minimum standards?

**Ms. Thiele:** Yes, and that's the reason why we've accepted that recommendation, just by way of an example, and this was across provincial boundaries and reflects back on the chameleon carrier issue. As we've moved through this policy discussion where we've seen opportunities to co-ordinate better with other jurisdictions, we have been—so there was an incident with an operator that was certified in Alberta, that where we had an incident in Manitoba, we shared that information back to Alberta because they had issued the safety certificates, so we weren't able to

impact their safety certificate. And Alberta, in turn, took action.

\* (13:50)

So where we're identifying those opportunities, we're taking them and we are certainly committed to moving forward on this recommendation for the reasons expressed.

**MLA Lindsey:** So, I understand there's probably a move afoot to try and, at least across Canada, have some kind of standard for regulations and compliance rules and all the rest of that.

If Manitoba presently has more stringent standards than other jurisdictions, is it your intention to ensure that those better provisions remain in place? And if another jurisdiction has more stringent standards will you be adopting those more stringent standards to ensure that Manitoba always has the highest standard when it comes to any of these things in relation to the trucking industry?

**Ms. Thiele:** The co-ordination of those standards is a priority project at the CCMTA table, so that's the Canadian council where we are working with other jurisdictions to that end. Not only do we want to ensure consistent and high safety standards, we also want to ensure that we're not creating barriers to industry, so that there's consistently—consistency across provincial borders. So our intention is to ensure a robust and national level of safety standard that's consistent both in Manitoba and across Canada.

**MLA Lindsey:** Let's talk about farm trucks for a minute.

Right now, farm trucks are exempt from some of the requirements that the rest of the trucking industry does have to comply with, and I think the recommendation from the Auditor General was to change that so that farm trucks do have to meet the same standards, and I believe that you agreed with the recommendation.

So where are we at as far as making a decision? And could you explain first why farm trucks were exempt in the first place, when a truck is a truck? The operators—the drivers should all be trained to the same level regardless of whether they're delivering agricultural products or mining products.

So if you could just tell us where you're at with that decision and the reasons why it was there in the first place.

**Ms. Thiele:** You're correct. The recommendation which I believe you're referring to is recommendation 11, that recommends the department stop registering commercial operators of heavy farm trucks in the Safety Fitness program without requiring them to obtain safety fitness certificates and instead requires those crossing provincial borders to both register and obtain those certificates and decide if those operating strictly within Manitoba should be registering and obtaining safety fitness certificates by assessing the underlying safety risk.

In our action plan we have noted a few steps towards that goal. I would also add, just further to the earlier discussion, that the MELT training for drivers has been applied across the board. So that also is required for agricultural equipment.

The starting point that we saw in that recommendation was being able to assess the underlying safety risk. So the action plan in our package includes, first, a jurisdictional scan to understand other Canadian jurisdiction's treatment of farm trucks, then to undertake a safety review of farm-plated trucks in Manitoba using accident statistics, inspections, statistics and convictions.

We will then develop options for Manitoba's future policies. So our target date to complete the policy work is April 2023, so less than a year away and then implementation will be determined by the option that is moved forward.

And I'll just add that my understanding is that the exemption or the exclusion of farm vehicles from this policy is a long-standing historic issue in Manitoba. I'm not in a position to speak to how that came to be.

**MLA Lindsey:** And I understand that once upon a time farm trucks operated under different rules for a lot of different things, but farm trucks aren't the same today as what they were once upon a time, like when I was a kid. And trust me, the farm truck that I drove wasn't safe in any way, shape or form. And that's what concerns me about continuing with an exemption for farm trucks.

So can you tell me, are they subject to the same levels of inspection that other commercial trucks of the same size and same weight categories and stuff would be required to be subject to?

**Ms. Thiele:** So, currently, farm trucks are not part of the oversight of commercial vehicles mandate. And so they're not subject to those same inspections by the Motor Carrier Enforcement group.

But I'll reiterate that this was identified in the audit and we've accepted that recommendation, so we would concur that the type of vehicle being used for agricultural production now is fairly significant on our roads. And so we want to better understand the safety risk and we're prioritizing that work so that we have some options to put forward next spring.

**MLA Lindsey:** Gee, it seems everybody else is running out of gas.

Talking about northern Manitoba again, there's a number of mining companies that have increased the amount of truck traffic, and they don't all come south. Some of them are strictly going east and west, like concentrate trucks coming from Snow Lake to Manitoba—or to Flin Flon.

What level of inspection would they be subject to? They're operating 24 hours a day, seven days a week, summer and winter. How do we ensure that those vehicles are safe to be on the road, when one of the things I've heard from some of the drivers is, as soon as an inspector shows up, they all know about it so they stop overloading their trucks, and the ones that know they're not really up to the right standard, they park them for the day, type of thing? So, how do we make sure that there's more unannounced inspections and more availability to actually inspect trucks on a regular basis to ensure they're safe to operate?

**Ms. Thiele:** So, I've already spoken to some of the larger changes that we're making around new carriers entering industry. So, in instances where those—for example, a new mining operation, they would now be required to take the new course and to provide a safety plan. If there is an incident and it affects their record, then there's a safety plan process embedded in that as well.

However, the larger issue around ensuring that enforcement can't be worked around is partially addressed through the ongoing recruitment effort that we have undertaken. We have seen our vacancy rate significantly improve, and that certainly helps. We've also added in the variation in shifts, so that there's less predictability in our presence.

\* (14:00)

But the other tool that we're using is through blitzes or promotion of enforcement, if I can call it that way. We have a recent example where our Motor Carrier Enforcement officers partnered with Norway House. They were concerned about some of the trucks travelling north on their winter road, and so without

notification, we attended that area with the local enforcement and conducted inspections at the site. And we have been working to develop other similar relationships with both municipal enforcement agencies like the City of Winnipeg. We've had a couple others in southern Manitoba as well as with the RCMP. So where we see an opportunity to introduce a more innovative and unexpected approach to that type of enforcement, particularly if we're hearing the types of concerns that you've described, that's one of the tools that we've been using.

**Mr. Lamont:** Thank you.

You mentioned earlier—we were talking about roadside inspections and of some of the challenges around winter inspections. I know that you're proposing improved—warmer safety gear and stuff that's going to be tested soon. But you specifically mentioned that there are safety challenges with pulling a truck off the road for a winter inspection, or that it would—could have an effect on the safety of the vehicle if you—if I understood it correctly.

Could you just expand on that and what that means? Because, clearly, you know, we've got inspections that are working, and they're—that are busier during summer months, but the flipside of that is, obviously, that there's lots more danger because of hazardous roads, dark—bad driving conditions, winter weather, darkness and cold, all those things that are bad.

So what is it about those inspections in winter that make them more of a challenge, aside from everything that I've just said?

**Ms. Thiele:** The issue that I was referring to wasn't necessarily related to a typical roadside inspection, but if we are pulling the truck off the road and sort of going under the hood, if I can call it that, and we have to remove ice, that's where you can—we need to balance the effect that would have on the vehicle. So we do conduct both level 1 and level 2 inspections throughout the year.

But in the warmer months, between May and November, if winter favours us, we will do more of those more intensive inspections when we can. And as you noted, we were and continue to look for other means of doing more of those level 1 inspections, including providing winter gear to the officers so that they can conduct those. But one of the concerns that we've noted in our discussions with our stakeholders is that we not start trying to remove ice outside, for

example, and damage equipment is really all I was referring to.

**Mr. Lamont:** And just to follow up on—in the goal of the CPS replacement, which—the target date of April 2027, and, clearly, it's a challenge. But is this a—is—I mean, is there such thing as turnkey CPS software? Is this—or is it all—is it going to have to be developed in house, or is it going to be a combination of pre-existing software and customization?

**Ms. Thiele:** For an IT refresh of this significance, I would hesitate to answer that question at this stage. So we're going through the process of development the business rule so that we can make that type of assessment. And it's for that reason that we've indicated that length of time frame. We will absolutely be pushing to do it faster than that. The replacement of that system is very important to our ability to fulfil all of the recommendations.

**MLA Lindsey:** One of the things that the Auditor General has recommended is some changes in the follow-up after inspections find deficiencies. Obviously, there are things that—you have to take it to a shop to get fixed. There's bills, there's all that stuff. But there are other things that the operator can potentially address themselves, change a headlight, whatever. How do we ensure that those kind of issues get tracked and ensure that they're complete? I know if I get stopped by the police and I have a burnt-out headlight in my car, I have to present myself to the police station within a certain number of days to show that my headlight is fixed. And I know that from experience.

So what do we have in place for these operators or these drivers to make sure that deficiencies—the non-major ones, I guess—how do we track that to ensure that that's complied with?

**Ms. Thiele:** So, again, I think this is a reference to recommendation 16. So there is some information in the action plan that I can refer members to. We were looking to complete a jurisdictional scan to determine best practice in this regard. There are some situations, as noted, where there wouldn't necessarily be a receipt or invoice to submit. So we were assessing the best way to address that.

Not all defects identified are repaired on site. If they're listed on an inspection report they must be repaired and carriers must confirm that to us. They can do that by submitting an invoice—or a receipt, rather—or in some cases, particularly for larger carriers where

they'll conduct that work in-house, we would require them to submit an indication of that in writing.

So we are continuing to work on this but submitting a receipt each time may not be the solution, and so one of the things we want to do is look at what other jurisdictions are doing to address that so that we have reliable confirmation of repair in our carrier profile system.

**MLA Lindsey:** How do we ensure if a vehicle has some failed items on an inspection today and then whenever it gets inspected again some of those items are still marked as failure—what's the follow-up from that? Recognizing that there should have been some corrective action, there wasn't corrective action—is that addressed anywhere in here or should it be?

**Ms. Thiele:** Through the inspection process as incidents pile up, we go through the process I described earlier where we would issue a letter indicating a performance concern. We then begin to work more directly with that carrier and they would become part of our monitoring of those more higher risk carriers as well. If they still weren't in compliance, we would provide another, firmer warning. And then, eventually, they would get to a point where we would require them to submit a safety plan.

And from our perspective it's having those strong safety plans in place that they then refer to to support them in getting to a point where they're meeting those requirements on our behalf. And that would be combined with the addition of more oversight on that—receiving those receipts or the confirmation of repairs being completed in-house that I described earlier.

**MLA Lindsey:** Talking about safety plans for a minute, in a previous life I was a safety representative for a large corporation for their workers, and one of the issues that we had was that safety plans were developed, put in a book, put on a shelf; nobody ever saw them again until an auditor showed up and wanted to see the safety plan. And they'd pull it out and look at it and say, see, we have a plan.

But first question, I guess, is when companies' carriers submit safety plans to your department, is there actually somebody in your department that reviews them for adequacy? And what kind of follow-up do you have back with those that have submitted the safety plans to ensure that they're being followed, that they're understood, that they're known, that everybody that needs to know what that plan is knows what it is and are in compliance with?

**Ms. Thiele:** We do have an audit team that would review those safety plans and where we are seeing chronic safety issues when we're doing inspections. They would then go and audit that operator directly.

\* (14:10)

In addition, coming out of the audit, one of the recommendations was around improving our routine communication, which we have already implemented, and we are including information that was available through our website but was not well promoted. We've identified a number of ways that we will better share that that information is out there. But for carriers that consistently do not follow or ignore their own safety plans, that's really—those are those ones that we're targeting and focusing on more directly, and our audit team would be the first point of contact with them.

**Mr. Michaleski:** I think Mr. Lindsey kind of asked the question I was going to, and it was regarding the facility audits, and you note that the action taken on recommendation No. 7 is complete summer of 2002. And, of course, it—they're talking about a paper-based audit. Now, I'm assuming that's a department paper-based audit.

So what changes have been made in facility audit process by the department to better determine document and follow-up any causes and any actions asked for in operators' facilities? What is it looking like now? Is it saying it's complete as of 2022? So, you know, again, what does that process look like?

**Ms. Thiele:** We've approached this in a couple of ways. We've introduced the use of forensic interviews as part of the audit process of a broader cross-section of carriers' employees in order to sustainably incorporate that into our process. We've also been working with the Manitoba Trucking Association on a full review of our audit policies, and that work has come to a conclusion, and we are introducing some of those policy improvements as well.

**Mr. Michaleski:** Okay, just a supplemental question to that, then, and maybe I'm off-track here, but I'm looking at a scenario where I'm a large trucking outfit, or operation, I would say. And there's, for whatever reason, they're getting called into question on safety audit and facility audits. So there's a process of going in, again, determining, documenting and follow-up. And my understanding is, okay, that's a, you know, so when that audit is being done, you're going to a particular facility, and, okay, there's these three steps we need to do.

Can you, again, can you just enlighten on what that looks like? Like, do you—and the timelines of recommendations or things that you're telling they're deficient. Like, what kind of timelines are you putting on these organizations and that your paper-based audit isn't sitting on a shelf and being forgotten? That's, again, kind of want to see what it's looking on the ground right now.

**Ms. Thiele:** The safety audit process is structured in such a way that we target that more intensive review to the higher risk operators. These—and the results of the audits affects their safety fitness certification. And so if an audit found issues that resulted in a conditional level of certification, for example, then there is—there's an incentive for them to move forward in implementing those audit recommendations. That being said, there's also an annual renewal process for their safety fitness certification, and so we would work with them towards that renewal.

In terms of what our timelines are, it would really depend on what was found in the audit, and we would try to be reasonable in balancing the urgency or the height of the risk with their ability to implement and we would set timelines accordingly, so it's a little bit difficult to answer that question. But in some cases, for example, if we required a revised safety plan, which would be a fairly common outcome of an audit like that, that would be required in a fairly short time frame because it would be essential to their safe operation on the road.

So, it's really dependent on what we find in the audit. But, certainly, because of the link between the facility audit and the safety fitness certification, leaving those audits on the shelf is unlikely because they need to meet those recommendations in order to have their certification remain in place and potentially to remove that conditional rating, if that's a concern to them.

And just as a final comment on this one, for the larger carriers in particular, some suppliers prefer to see a clean safety certification and so a conditional rating would be of significant concern to them. So we do find that in most cases they're fairly responsive. It depends on the issues that are identified.

**Mr. Lamont:** Just on recommendation No. 10, which is about US-based carriers participating or not participating in the Manitoba Safety Certificates program, right now it's slated as a policy review for April 2023. So, I mean, clearly, you know, we have lots of business with the US.

I was just wondering, what is—what accounts for that delay? I mean, I know that there's some complexities, but you've mentioned talking with, I guess, with Canadian governments—have there been discussions with American governments as well in order to either speed this up or—what's the delay, I guess, is one of my questions.

**Ms. Thiele:** The practice that's in place today, we have agreed with the recommendation, as I noted earlier, and are committed to moving this forward.

Our—we prioritized our response to the recommendations based on our own safety review, and so we have looked to addressing some of those more critical areas first. In particular, the introduction of the curriculum for the NET course and much more robust requirements around safety plans.

This work is proceeding now, and we should have that—or we've targeted to have that policy review completed by next spring. So, from our perspective,

it's not a delay per se but a prioritization of how we're responding to the recommendations.

**Mr. Lamont:** I thought—my mistake is that the—I misread it as that the target date is April 2023 for the decision, and I misread it as being that that's the date of the policy review.

Okay, that's it. Thank you.

**Mr. Chairperson:** Well, hearing no further questions or comments, I will now put the question on the report.

Auditor General's Report—Oversight of Commercial Vehicle Safety, dated December 2019—pass.

The hour being 2:19 p.m., what is the will of the committee?

**Some Honourable Members:** Rise.

**Mr. Chairperson:** Committee rise.

**COMMITTEE ROSE AT: 2:19 p.m.**

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