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Chair

Mr. John Cannis

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• (1535)

[English]

The Chair (Mr. John Cannis (Scarborough Centre, Lib.)): I call this meeting to order.

We'll just do a little bit of housekeeping before we get started. It just takes a moment, gentlemen, if you'll excuse me for one moment for some housekeeping in terms of our budgetary expenditures.

Everybody, in my understanding, has been given a breakdown of the committee's proposed expenses. If there are any comments, I'll entertain them. If not, this is a mere formality and if we all agree we can just pass it.

The floor is open for any comments. Mr. Obhrai, have you had a chance to look at it?

Why don't you take a look at it for a moment and I'll just go around the table.

Marlene, are you okay with it?

Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): I'm fine with it.

The Chair: It's up to you, Mr. Obhrai. We'll make it unanimous with ye or nay.

Just as further explanation, even though we approve it here at the subcommittee, it would still have to be approved by the main committee.

Mr. Deepak Obhrai (Calgary East, CPC): Can I ask a question? Is this just general or is it specifically targeted for a study or not?

The Chair: It is primarily for witnesses.

Mr. Deepak Obhrai: Yes, but it is generating a study.

The Chair: It's for the study.

Mr. Deepak Obhrai: It is specifically targeted for this study.

The Chair: It is for this study here, which we're doing right now.

Mr. Deepak Obhrai: I see no problems.

The Chair: Is it approved?

Some hon. members: Agreed.

The Chair: We'll move on to the business of the day.

I am pleased to welcome to the committee as witnesses the Canadian Trucking Alliance, Mr. David Bradley, chief executive officer, and Mr. Ron Lennox, vice-president regulatory affairs; from

the Canadian/American Border Trade Alliance, Patrick Whalen, executive board member; and from the Canadian Vehicle Manufacturers' Association, Mr. Matthew Wilson, manager, consumer and industry affairs. Gentlemen, welcome to the committee.

I'll let you have the floor. Is everybody going to be speaking or is it just one person?

We will have three in total for 10 minutes each, and then we'll open for questions.

We'll begin with you, Mr. Bradley, or has there been an order selected? Go ahead, Mr. Bradley.

Mr. David Bradley (Chief Executive Officer, Canadian Trucking Alliance): Thank you very much, Mr. Chairman and members of the committee.

I'll try not to take up my full 10 minutes, although it's quite easy on this subject to get passionate and we could talk all day, but we're pleased to have this opportunity.

First, I'll give you a little bit of background about the trucking industry and its role in trade. As you know, about one-third of Canada's gross domestic product is dependent upon trade with the United States, 86% of the country's imports go to the U.S., and trucks haul two-thirds by value of that trade. There are about 13 million truck crossings a year across the Canada-U.S. border. That's one every 2.5 seconds, seven days a week, 24 hours a day, 365 days a year. About 80% to 85% of that trade would funnel through the top six or seven border crossings in the country. The Pacific highway in B.C.; in southern Ontario, both Windsor/Sarnia and the Niagara Frontier; as well as Lacolle in Quebec are the real hot points in terms of where most of the trade is flowing.

I was asked earlier today by someone in Ottawa whether, after all these years, and all of the money, and all of the discussions that have been going on around the border, the border is in better shape today than it was on September 10, 2001, and I can tell you quite honestly, no, it is not in better shape. Things were not perfect on September 10, 2001. There were many issues then, and with the growth in trade, we were at that time warning the federal government that if we did not invest in the trade we were going to choke off the goose that laid the golden egg. Then September 11, 2001, came along, and I don't need to spend a lot of time on that, but it did, at least at times, and for a time, focus our attention again in terms of the importance of the border, obviously with a new dynamic.

I think as we stand now, the next three to four months are going to be critical in terms of the future of the border. I'll say to you we have the potential for an improved situation at the border for the future, for the longer term. At the same time, we have an equally high risk of things moving in the other direction, and things getting significantly worse with a potential severe negative impact in terms of direct investment in this country. For us, that's the number one issue, and we believe it should be the number one economic issue for the country. If we're no longer getting our fair share of new direct investment in plants and factories and the like, if it's easier simply to source from or produce in the United States to avoid problems at the border, they won't need trucks or trains or planes or ships to move Canadian product anymore, because there won't be any. So I think the next few months, as I say, are critical.

The issue of how to fix the border is an extraordinarily complex one. The border is part of a system, and it's obviously part of a bilateral international relationship and therefore has to be handled differently perhaps from other issues. However, I think there is still much that can be done on this side of the border to try to ensure that the lifeblood of our economy continues to flow.

Without getting into a whole lot of detail now, there are really three areas where I think the future of the border hinges. The first one has been a positive story to date. For us, the premier action coming out of the 30-point smart border accord that Deputy Prime Minister Manley and, at the time, Governor Ridge agreed to was the introduction of the FAST program, a program of supposedly automated movement of goods across the border, where low-risk people, goods, and carriers hauling low-risk importers' goods would move freely across the border and everybody else would sit—those who either were not known, or where perhaps the authorities had some question about who was driving or who was behind these companies, and the like. We supported that, and the FAST program now has been in existence for a little over a year—a year and a half or so.

I think it still is one of best hopes for a facilitated border, but as with any new program, it is suffering from some growing pains and there's still a lot of work to do to have it functioning appropriately. There are some limitations at certain crossings as well in terms of being able to have the capacity at certain crossings to allow for dedicated fast lines and the like to have the full benefit.

● (1540)

That's an issue. That's partly within the Government of Canada's power, because FAST is also a shared program. We have to work with the Americans in a bilateral fashion on that.

Something that is critical and falls entirely within our own control here in Canada is the state of border infrastructure both at certain crossings and the obvious situation in Windsor, which is critical, but also at Fort Erie where a second span is required. We are enormously frustrated by the pace at which things have not moved forward, particularly in Windsor.

I was at the announcement way back in September 2002 when the Prime Minister of the day and the Premier of Ontario of the day were talking about the urgency of introducing not a long-term but a short- or medium-term solution in Windsor. They gave the bureaucrats 60 days to go away and come up with a plan, and here we are over two

years later. I'm not sure we're any closer to a plan. There are obviously difficult local issues and it's important that local issues be addressed and that people be treated fairly, but at the end of the day, this is Canada's border. It is the world's most important land border for trade, and it's going to require some political leadership because we're looking for a political solution, it would seem, there.

On top of all this, though, a real potential threat and one where Canada, despite its best efforts, still may not prevail is with respect to dealing with the spate of U.S. security measures that are in the process of being introduced within recent days and within the next few months. We'll leave with the clerk a listing of all of the various acts and all of the various measures supposedly designed to enhance security on the U.S. side—all of which move us away from the risk assessment model of the FAST program and move us toward checking everything, checking everyone, all the time. Now, the devil is always in the details in these things, and in some of the programs the Americans have shown a willingness to compromise and to work with the Canadian government and with the Canadian industry to try to come up with something that works. But it is a constant effort.

Trade facilitation does not fall under the purview of the Department of Homeland Security. That is not their mandate. Therefore, one has to be constantly vigilant. We as Canadian business and Canadian government need to be working together transparently and in true partnership if we're going to prevail to ensure that some of these other programs, whether it's the U.S. Bioterrorism Act, the U.S. Trade Act, the Patriot Act, the US-VISIT program, don't swamp and therefore impede some of the gains that have been made under FAST or in fact dilute some of the return on investment we might get from improvements in Windsor and places like that. So that's an enormous challenge.

We do have our successes. The US-VISIT program, I noticed in your briefing notes, indicates that all permanent residents, non-citizens of the country, will have to undergo biometrics, both a photograph and fingerprinting, every time they cross the border. Certainly from our point of view we were very concerned about the number of truck drivers who fall into that category and how that had the potential to gum things up. By our efforts and the efforts of the Government of Canada, we just learned in the last couple of days that indeed the U.S. has agreed that truck drivers who have the I-94 waiver form will not have to go into secondary every time. They will only have to do that at a minimum every six months as they renew their waivers.

There is still the potential as well that drivers who are registered for FAST, regardless of their citizenship, may not have to become a participant in US-VISIT at all. I know it was a heck of an effort by everybody to make that happen, but it is one of several battles that we're going to be fighting of a similar nature over the next few months.

● (1545)

With that, I remain optimistic. However, it's going to take clear leadership. Critical decisions have to be made. We would like to see an overarching vision for the border for Canada that looks at it as part of a system, as part of the transportation distribution network, and we have to win back the efficiency and the productivity we've lost since September 11, 2001.

Thank you.

Mr. Matthew Wilson (Manager, Consumer & Industry Affairs, Canadian Vehicle Manufacturers' Association): Thank you, Mr. Chair and members of the committee. My name is Matthew Wilson. I'm with the Canadian Vehicle Manufacturers' Association. Our association represents General Motors, Ford, DaimlerChrysler, and International Truck and Engine Corporation in Canada. Our members are leaders in an industry that employs about half a million Canadians. It accounts directly for 12% of Canada's manufacturing GDP. It represents about 22% of Canada's merchandise trade, which includes about a quarter of total trade with the U.S., and generates an annual trade surplus of about \$11.5 billion.

Our industry has a large role. David's members carry a lot of those goods. A lot of the goods they're carrying are auto parts and finished vehicles that our members are driving.

Over the last 40 years or so the automotive industry in North America has expanded from domestically based, either in the U.S. or Canada, to much more of a global industry. The Auto Pact signed in 1965 had a massive impact on the ability of manufacturers to operate on one side of the border or the other and export finished vehicles to the other market for sale without duty as long as appropriate levels were maintained.

This allowed automotive trade to grow substantially over the years. Today, two-way automotive trade is about \$140 billion a year with the United States. Just to put that into perspective, Canada's total trade with Japan and the EU combined is \$103 billion. So it's about 40% more than Canada's total trade with the entire EU bloc and Japan.

With this high level of integration and the amount of trade that our members produce, we rely on a seamless border and infrastructure network probably more than most other sectors of the Canadian economy. As David was saying, they've been working since well before September 11. This isn't a new hobby for our association or for our members. Since well before September 11 we've been trying to get border problems ironed out.

Before September 11 it was mainly an infrastructure problem. Today, while some things have been addressed and some things have been improved, there are more significant problems, and David has hit on some of them. I am just going to reinforce some of things that he said and add to a few of them.

The first one I'd like to point out is the regulatory challenges that we face. It seems to be that the more we move closer together with the United States and the more we move closer together in Canada on harmonizing things at the border, the worse things get.

Over the last few years there's been the creation of the Department of Homeland Security in the U.S. as well as the Ministry of Public Safety and Emergency Preparedness in Canada. Both are supposed to have overarching responsibility for the border. Unfortunately there are about 44 agencies on both sides of the border that also have some say in what actually goes on at the border. Everything from transportation agencies to food inspectors, customs, immigration, police, environmental agencies, and consumer protection groups all have a role in regulating what comes and what goes out of our countries. Unfortunately, since 9/11 most of these agencies have

been working in their own direction to try to actually improve their regulations and secure their areas of responsibility against any and all possible future problems that might arise, so that they don't get blamed in case anything else happens in the future.

What's happening in this situation? It's a situation where the Canadian Border Services Agency is pushing hard, and so is U.S. Customs pushing hard, for advanced electronic information on all goods entering their countries. Unfortunately, most of the agencies that are outside of their purview—the 44 other ones—don't actually accept or give out electronic permits. In Canada a couple of examples of that would be the CFIA and agriculture, which is similar to going into the U.S., and ITCAN, with their dangerous goods permits on leaving Canada.

In the U.S. the situation probably is actually worse. David mentioned the Bioterrorism Act, where they have advanced reporting requirements that are actually different from the customs advanced reporting requirements. David talked a little bit about the US-VISIT program, which requires the non-U.S. and Canadian residents to get photographed and fingerprinted, but the last I heard, the FAST-registered drivers, who already were fingerprinted, photographed, and had complete security backgrounds, still had to be fingerprinted and photographed again for US-VISIT.

● (1550)

Today I heard more rumours coming out of the U.S. that its C-TPAT program is about to change. From the little information that I've had so far, the changes would be fairly significant and would cause business to invest a great deal of money without any benefit for either the companies or for the governments in actually improving security. Of course, it would be done hoping that Canada would follow suit, which creates a bit of a problem.

On the infrastructure front, this has probably been our biggest challenge to date. We have a couple of members here today from Windsor, and they know the situation that's going on down there. The short-term solutions that were announced in Windsor are three years old now, as David pointed out. We keep hearing reports that we'll soon hear about what's going to happen. Unfortunately, we're not too sure that anything is going to happen in the near term, and the short term has now moved into the mid-term and will soon move into the long term.

Speaking of the long term, the binational process actually had to do a study on whether we needed a new crossing, which I thought was interesting considering there have been quite a few done over the years. The study came back and said yes, we do need a new crossing, and that's going on. However, it's going to be at least another nine years before a new crossing is put in in the Windsor-Detroit region, which is the most critical one that we have.

Since the signing of the Auto Pact, the automotive manufacturing trade has increased from \$1.3 billion in 1965 to \$140 billion today, as I mentioned earlier. That means about twice as much trade now crosses the border in one week as did in an entire year 40 years ago. However, during this time, not one new bridge has opened in the critical southern Ontario area. In your background information, which I received before we started to speak, it notes these things as well.

The Peace Bridge opened in 1927, the Ambassador Bridge opened in 1929, the Detroit-Windsor Tunnel opened in 1930, the Blue Water Bridge opened in 1938 and was doubled in 1998, and the Lewiston-Queenston Bridge opened in 1962. Maybe even worse than this, or as bad, is that all the roadways and the key trade arteries leading up to these crossings were built at about the same time. Whether it's the 400 series or the QEW in southern Ontario, which link all these major border crossings or, in some cases, municipal roads, they cannot possibly handle today's trade demands and what we put on them.

Where are we today? We actually live in a world where a two-hour wait at the border is normal. That can't go on any longer. This has a major impact on Canada's ability to actually attract investment. It's happening in the automotive industry today, where it is becoming more and more difficult to attract investment. When you're looking at attracting investment, when the U.S. market is about 93% of the North American market and you're trying to attract investment here, it becomes very difficult when border delays are as significant as they are.

The last thing I wanted to touch on was Canada-U.S. cooperation and where things are happening on that. The pre-screening announcement that was made a couple of weeks ago by Deputy Prime Minister McLellan and Homeland Security Secretary Tom Ridge seems to be a good start. In the short term, it might help us eliminate some of the infrastructure challenges that we have. It would push the bottleneck off the bridges and back onto some of the highways, which are old, but at some of the crossings it may be able to help expansion in the short term.

We need to move on these solutions now and get them out there so people are aware of what's happening. We have the strategy that David was talking about, which is the vision for our border going forward.

I will leave it at that. I look forward to your questions.

Thank you.

• (1555)

The Chair: Thank you, Mr. Wilson.

Thank you, Mr. Bradley.

Mr. Whalen.

Mr. Patrick Whalen (Executive Board Member, Canadian/American Border Trade Alliance): Thank you, Mr. Chairman. It's a pleasure to be here.

Our executive director and president, Jim Phillips, sends his apologies. He couldn't make it today.

The Canadian/American Border Trade Alliance is a transcontinental, binational, broad-based organization with participation from all 27 states on or near the Canada-U.S. border, from Maine to Washington, and includes Alaska. It also includes all the Canadian provinces.

We have a combined network that includes over 60,000 companies and organizations. Can/Am BTA participants include members from border trade, border crossing, and transportation segments, including producers, shippers, brokers, mode transporta-

tion providers, bridge and tunnel operators, chambers of commerce, business and trade quarter associations, economic development and government agencies.

High-level Canadian and U.S. government officials continue to express to us that Canada-U.S. trade flows are strong and vigorous, Canada-U.S. relations are mature and solid, and Canada-U.S. economic fundamentals are excellent.

A lot of what I have here has already been said, but there are some broader issues in my remarks, so bear with me, if you would.

The smart border declaration and 32-point plan for the Canada-U.S. border has been signed and extensively implemented. The majority of the specific recommendations previously made have been incorporated into the smart border 32-point plan.

Their implementation is achieved or underway for all but two points. Currently, misinformation and rumours cause confusion and unnecessary, counterproductive concerns, including baseless negativity. Therefore, we feel it is important to note that we, Canada and the U.S., must determine factually what our common threats are, where they originate, and continue to develop a joint plan for use of both our countries' combined resources.

The sea change resulting from 9/11 continues to make security issues a primary necessity. This reality is permanent. It can be achieved while at the same time re-engineering the border process to ensure facilitation of known, low-risk goods and people with less delay than ever achieved before 9/11.

Two recent statements are central to the reality of the future of the U.S.-Canada border. Commissioner Robert Bonner, of the U.S. customs and border protection section of the Department of Homeland Security, specifically refers to the twin goals of public security and economic security. These goals are no longer separate or stressed, one versus the other.

Department of Homeland Security Secretary Tom Ridge states, "Public and economic security would not be approached at the expense of one for the other". We've always known that goods and people would not be admitted without review, but we are also not intending to risk economic security in the name of public security. Make no mistake, there will be major changes in the way we do business, and it is human nature to resist change.

The key to achieving public security with economic security, while substantially reducing congestion and delays, is participation in low-risk enrolment processes and pre-arrival information: NEXUS for people; FAST for goods, and MINI-FAST, which is a future system for small-volume shippers.

The critical mass of participants in NEXUS and FAST must be achieved through a major new cooperative initiative consisting of education, outreach, and marketing by both government and trade and tourism organizations to ensure visible, beneficial impact of the low-risk facilitation process for both goods and people.

The current pre-arrival information for maritime is the container security initiative, or CSI. Information is required 24 hours prior to loading. Twenty of the 20 major ports have signed on. They handle 65% of the containers bound for the U.S.

The U.S.-Canada exchange targeting program is operating successfully. Since CSI containers are targeted to identify high-risk for review, approximately 4% of the containers are reviewed. Major ocean carriers are involved.

● (1600)

With CSI, containers will move through destination ports more efficiently, in less time than previously. Containers that are risk management targeted at Canadian ports by the U.S., and vice versa, should move through the U.S.-Canada border without further delay by rail or truck.

For trucks, pre-arrival information before trucks arrive at the border became mandatory, at least at the major ports, on November 15. The reason for this is to allow risk management targeting, to result in a red-light or green-light decision upon arrival. By the fall of 2005, Canada will initiate harmonized procedures for entering Canada. Mandatory EDI manifests will be required for all trucks entering the U.S. in 2005. Pre-arrival information will have a dramatic impact on reducing congestion delay at the land border. Trucks that are given a green light upon arrival—expected to be over 90%—will proceed through the border process more efficiently than ever before.

The key is access to the primary booths without having to queue. Using processes such as traffic streaming will achieve this access. These specific initiatives impact positively on environmental air quality by reducing idling automotive and truck discharges. Canada's ACI is being phased in, in three phases, from 2005 to 2006, with advance notice times harmonized with the U.S.

To actually achieve what remains to be accomplished, we've had tremendous progress and cooperation by numerous involved parties in both countries, especially the leadership and personal direction of Deputy Prime Ministers John Manley and Anne McLellan and Homeland Security Secretary Tom Ridge. Together these leaders have moved mountains and paradigms. However, in spite of breakthroughs and initiatives, the fact remains that the current border processes for legal goods and people continue to impede rather than facilitate, and will do so until the full reality of all 32 points of the plan are achieved.

Specifically, at any given time, opening all primary lanes at peak periods into the U.S. has not been achieved on the Canada-U.S. border due to availability of Homeland Security primary inspectors. Additional resources for the Canada Border Services Agency are also required.

Second, there is a crucial need to shift control at either the point of origin or perimeter—in other words, push the border out—thus allowing facilitated movement of low-risk goods and people at the Canada-U.S. border.

Third, to expedite the movement of goods, there is a need for the Canadian government to allow U.S. officials to work on Canadian soil and vice versa in the clearance process of people and goods in any mode—land, marine, or air. That is the basis for implementing accord processing zones at land border crossings. Such accord processing zones will allow simultaneous enforcement according to both countries' laws by representatives of each country's agencies regardless if physically located on the Canadian or U.S. side. As

space dictates, there are different situations at different border crossings. Sometimes it would be in the U.S. and sometime it would be in Canada.

The only two points of the 32-point plan that, in the near term, appear doubtful without legislative help are point 15 of the plan, clearance away from the border, and point number 16, joint facilities.

Fourth, deal with immigration at the source country so that only admissible individuals can actually physically land in the United States or Canada. So we interdict those people at the origin airports.

Fifth, physical reality and infrastructure constraints at the border must be dealt with. FAST plus other low-risk trucks and empties are currently impeded by the physical inability to reach the primary lane. The current reality is that the least-prepared truck in each line dictates the waiting time for all prepared drivers. A 45-minute delay, or as Matt said, a two-hour delay to get to the primary booth, only to be processed in seconds, is ridiculous. It is extremely costly to both the shipper and the carrier. It also wastes fuel.

Trucks need to be streamed so that all prepared and/or pre-cleared trucks are processed in tandem without waiting needlessly in a line, ahead of those who are not prepared or require additional time. The solution involves traffic management on approach roads and commercial vehicle processing centres upstream to divert unprepared trucks before such trucks are allowed to clog up primary processing lanes.

● (1605)

Sixth is cross-designation. We've heard about other agencies at the border, and one thing the CAN/AM Border Trade Alliance is working on is cross-designation of FDA and customs and border protection people, so that the inspections that happen after five o'clock or on weekends, when the FDA is not there, can be done by customs people.

We're also working to harmonize the advance notification requirement. Customs currently asks for one hour and FDA asks for two hours.

We'd also like to see customs and border protection people from the U.S. and Canada Border Services Agency personnel cross-train to perform port inspections in both directions at low-volume ports. This would not be for commercial traffic, but for cars. There are a lot of ports in the Maritimes or in Quebec that border Maine, where there are four or five crossings an hour in both directions. We feel there's no sense having our two agencies' staff at those border crossings.

A seamless border is needed between Canada and the U.S. for known legal, low-risk activity. We need a technically smart border and intelligence to handle other unknown activity. Economic vitality is the basis for the power a country commands in the global context. We need to ensure a trade-efficient Canada-U.S. border under whatever security levels we need to employ. We need to look at what doesn't need to be done on the 49th parallel and what could be done better and more efficiently. We need a common-sense, cooperative, joint initiative by the agencies, users, and elected officials from both Parliament and the U.S. Congress, plus local governments, to finalize solutions to the essential question: how will we do it? Most importantly, we must establish an attitude of how we can instead of why we can't.

Thank you very much.

The Chair: We'll start with Mr. Watson.

Mr. Jeff Watson (Essex, CPC): Thank you to all of the witnesses for appearing here today. Your testimony is incredibly crucial to finding some solutions to this very important trade issue, a national and international issue.

I just want to start with process improvements, which seems to be where the federal government has been focusing most of its attention on this one. I want to identify a few problems here and have you guys elaborate on them a little bit for the benefit of the subcommittee.

Currently, as I understand it from talking with stakeholders, because of pre-clearance requirements, there is some difficulty switching ports. If there happens to be a problem at the Ambassador Bridge, for example, one can't simply then just hop the highway and go to the Blue Water Bridge and cross through that particular port. And I'm talking about moving from Canada into the United States, of course.

I'd like to hear about impacts on the auto industry with respect to a situation in which there's a parts emergency; for example, perhaps there are defective parts. I certainly lived through this as an auto worker. We received a shipment of transmissions that were defective, and then the plant laid idle because of requirements of how many hours they had to have in advance to clear the border. The parts never reached the plant in time. I'd like to have some discussion about that.

Also, there are some problems about the approaching FAST deadlines with the United States. There has been an extension, as I understand it, but there hasn't been an awful lot of communication about this to those companies who contract trucking agencies.

And the last thing is the FAST program not being fully optimized because we lack capacity at the border. In other words, we essentially have one lane, particularly at the Ambassador Bridge. If there's a flat tire or an accident on the bridge, you can't access a FAST lane.

Could you expand briefly upon some of those issues on the process improvement side?

Mr. David Bradley: I'll start.

You've asked a lot of things there. I would respond by saying the devil is in the details in what you're talking about in terms of

processes, essentially with regard to southbound shipments. As a result of some of the U.S. programs that we're having to confront, whether it's the data requirements or whatever the systems may be, they can and in fact have increased the amount of time it takes to clear. There are lots of numbers and hearsay floating around, but at the end of the day, the numbers that I've heard and that I think are probably closer to reality are as follows.

At primary prior to 9/11, it took about thirty seconds on average for a truck to clear. Again, that was thirty seconds once you got to primary. If you were having problems getting to primary, that's a whole other issue. I'm now told the average is significantly higher than that, and the number of two minutes seems to stick in my mind. When you add twice the amount of traffic moving across the border over the last ten to fifteen years, and when you add a trebling or quadrupling of the time at primary in order to deal with all of these issues, it's no wonder you have a slowdown. It doesn't take too many trucks before you start having a significant backup.

But if there's something specific, we try to address it.

•(1610)

Mr. Ron Lennox (Vice-President, Regulatory Affairs, Canadian Trucking Alliance): Maybe I could just give you a specific example that a carrier brought forward to me the other day.

David talked about how critical the next few months will be as we see a whole series of new requirements put into place. Under this advance cargo information rule that we've been dealing with as of November 15, carriers have run into problems with bonded shipments. They will forward the information in advance to the border, and generally speaking that works well. The broker will do his thing and the shipment will clear and away he goes, right from primary. The problem they've run into is that they can no longer bond a shipment inland into the U.S. that doesn't clear. The only option then is to turn the truck around.

These are the sorts of very detailed issues that we've been talking to U.S. customs and border protection people about over the last little while. Hopefully we can work out these sorts of things, but it's an awful lot of work.

Mr. Matthew Wilson: I guess I'll just talk about FAST for a couple of seconds. Our members are probably the first companies in both Canada and the U.S. to get on the FAST program. Roughly about 80% of the volume of their movement in both directions is in the FAST program. I don't know what the volumes are today under the program, but the vast majority of all FAST shipments going in both directions are automotive goods that our members are sending one way or the other.

We support the program. We believe in the program. We think it's the way that security and trade facilitation are going to go hand in hand going forward. But at the same time, we work very hard to make sure it's where it is today as far as getting the program ironed out is concerned.

You ask about why companies aren't on the program. A lot of companies are afraid to make the types of investments it can take, from an importer's perspective, to get onto these programs. The costs have come down significantly to get a program like CSA-FAST up and running for most companies. But they're going to sit back and wait to see how things play out. There's been so much regulatory change both in Canada and in the United States in getting goods in and out of the countries. If I was a company looking at investing, say, even \$50,000 in security and compliance, you're probably going to take a second look at it when you're not sure where the program is going to be in six months or a year.

I mentioned the U.S. C-TPAT program and the possible changes that could be coming there and that they're discussing south of the border. Well, that has a direct impact on the FAST program going to the U.S. It is the core FAST on the U.S. side of things. For a company looking to invest, it's difficult to make that investment when you're unsure where things are going. That's my first point.

The second point I'd like to make is on some of the things that could be done to improve the program. We talked a lot about infrastructure and leading up to it; there's very little benefit to date. The Ambassador Bridge opened up a designated lane going in both directions now, southbound and northbound...and driving the trucks in the left-hand lane of Huron Church. That has been a great benefit to our industry. It's been a big help.

If you look at where the Blue Water Bridge is, with dedicated streaming lanes right across the bridge, that's where we need to get to make this program really attractive. When you can say, well, it's going to be—I don't know, throw in any number you want—a one-hour or a two-hour wait for people who aren't pre-approved low risk, and five minutes for everyone else, there's a direct return on investment. An importer, a carrier company, a broker, or anyone else can look at it and say, well, I'm going to get my money back out of this when I invest the money into it. So far to date those benefits have been limited.

The Blue Water Bridge is a great example where the program is fantastic and they did a really good job. But coming into Canada, you can't get off the highway to get on to the plaza. So a FAST truck, once it gets around the corner and off the highway, has direct access across, but you sit in line on the interstate trying to get on to the ramp. Apparently they're working on it.

These are the types of things we've been working with and our experiences with the program to date.

One of the key things you mentioned was an emergency parts delivery system. This is something that is so key. It was promised under the original guise of FAST a few years back that no matter what the security conditions, the FAST and NEXUS travellers would move across the border. There's absolutely no way today, if something happened at one of the border crossings, that anything would ever get by.

All you have to do is look at the strike a few weeks ago. That was an absolute disaster at the Canada-U.S. border, at most major border crossings, especially at Sarnia. I know our friends from the union were supposed to join us today, and I wish they would have. While we fully support their right to strike, that made it a very difficult

situation. It showed the limited effect even of a pre-approved program. When something goes wrong, we just don't have the infrastructure to handle these problems.

We've been asking for some type of process to be put in place so that at least we know in an emergency situation who to call. With such a huge amount of the trade reliant on our three members' shoulders, they have a lot of impact with what they send to and from the border, on how congested things are, especially down at two or three southern Ontario crossings. We can't get a straight answer on what that plan would be, what it would look like, or who you would have to call in a case of something like that going on. We feel it's critical that there is a binational contingency plan in place so that when something does happen, those FAST shipments, those NEXUS travellers, the people who've proved that they are a low risk, can get across the border.

● (1615)

So those are a couple of things that we've been working on to try to improve FAST. We think it is something that can be done by every importer. The costs have come away down for implementing it in the inside companies. We've promoted it as much as possible. Our groups, especially David and the CTA, and the Can/AM BTA and a few others have really been pushing broader adaptation in the business community.

Once we get some of the initial hiccups out of the way, I think it will become more attractive and we can move farther along in integrating and we can get more companies on it and the volumes up even higher.

Mr. David Bradley: I'll tell you a concern I have. I don't have the faith of some people that our governments are going to be able to cope with these programs, the billions of transactions per day going across, with the resources they have at their disposal, or perhaps under any situation—and I'm talking particularly in the U.S. here. I don't believe they're going to be able to cope with all this data and to make informed and virtually instantaneous decisions on whether a truck gets the green light or not. When you're working in a just-in-time system.... Forget about emergencies, just in a normal just-in-time system this has to work.

Part of the confusion that's arising out of this—and nobody wants to admit it publicly, of course—is that we're seeing the Americans continually backing away, extending deadlines. You know, 30 days from now you're going to be fined, or your truck is going to be turned around, or your goods aren't going to move if you don't x, y, and z. And then that 30 days comes along, and they realize that not only perhaps has industry not been able to absorb this and get all the administration together, but they're also not ready either.

We talk about how, under the pre-notification, for example, if you're FAST-approved all you have to do is to pre-notify a half-hour ahead of time. That will look after most shipments, unless of course you happen to be located in Windsor and you just need to get across the border, and then that half-hour is a problem in itself. But nobody thinks about the fact that the customs brokers are part of this equation too. They're now telling their customers, the trucking companies, that they need at least four hours' advance notice ahead of that half-hour for FAST or hour for non-FAST. So that complicates things.

We found out in August, before the pre-notification rules came in, the ones that started up on November 15, that the most popular program, what they call a "line release program"—it's called the BRASS system—handles about 50% of the freight going across. Back in August they said that any driver who wanted to continue to participate in BRASS had to be FAST-registered.

Okay. So we get to work at it. As of today, by both governments' best estimates, there are about 90,000 truck drivers who cross the border. As of last week or the last 10 days, there were about 47,000 of those 90,000 somewhere in the system. Of that 47,000, about 23,000, so say about 25%, of the driving force who would cross the border actually had their FAST cards. About 11,000, as I recall, had been approved but hadn't picked up their card yet, and there were about another 20,000 who were God knows where. They were somewhere in the system.

An hon. member: Who's responsible for that?

Mr. David Bradley: That's both governments. You have to be approved by both the Canadian and the U.S. governments in order to get registered for FAST. You have to undergo both—

An hon. member: It's been picked up, but everybody made...the trucker didn't pick it up.

Mr. David Bradley: No, that's right.

Trucker drivers are very good at meeting their customers deadlines. They're not so good about necessarily having to go to some government office to get fingerprinted and photographed and they don't know why. So we have some work to do there.

We were meeting with the U.S. folks to say, look, we only have 25% of the drivers ready to handle 50% of the freight, despite everybody's best efforts. And we said, you can have your deadline of November 15, but you're just going to have chaos at the borders.

• (1620)

We calculated that for the 20-odd thousand who are in the system—and we understand that at least 10,000 more have applied in the last 10 days or so—given the current timeframes or the amount of time and effort it takes to get people registered and through the system, it would take them to at least May 15 before the drivers in the system would be ready for FAST.

So we get, okay, we'll give you 30 days, and after that 30 days you're going to start facing \$5,000 or \$10,000 fines, or you're going to have to turn the truck around on the bridges. Life doesn't work that way. We have to be realistic about some of these things, and the resources have to be there for us to comply.

We were promised last summer that we would have what are called portable enrolment centres to make it easier, having the centres coming to where the drivers are as opposed to having the drivers go where government is. They will be rolled out in finally in January; this doesn't help us very much in terms of meeting the current deadline.

So there is a whole host of things. And I think that while industry is having a hard time coping, I think government is too. But Congress has thrust all of this stuff on the bureaucracies in the U.S., and it's a very, very difficult job for Canadians and the Canadian

government to stay on the radar screen and to try to get some consideration. But we have no choice, because as Pat indicated, everything is being seen through the lens of security. You don't go down to Washington and talk about trade facilitation. I don't care what people say when they come here to Ottawa, but when you go to Washington and you talk to them, it's security, and they really don't care what Canadians are concerned about. I challenge anyone to find anything in the Homeland Security Act that refers to trade facilitation; it's not there. It is our number one priority.

I think one of the biggest problems we face as Canadians is complacency about the border. We were seized with it back in 2001 and the beginning of 2002, but I'm not sure we're seized with it now. It certainly wasn't an issue during the election that I heard. But without that and if we don't keep that, we are the most vulnerable nation in the world when it comes to trade with one other country, and most of that trade is moving over the road, like it or not.

We spend a whole lot of time in this country talking about trying to change the economy so that it fits somebody's vision of the transportation system, as opposed to providing the transportation system that meets the needs of the economy, which is a trade-based economy.

• (1625)

The Chair: In the first round we'll go to Marlene, and then we'll go back to....

Actually, I just have one quick question for the panel. Earlier, you talked about the FAST program, and then you indicated, Mr. Wilson, that even registered members still have to be fingerprinted.

Who is requesting this and why? To my understanding, they have supposedly been pre-authorized and fingerprinted already, etc., under the FAST system. I think you mentioned this, Mr. Wilson.

Mr. Matthew Wilson: I did mention it. David could probably answer this a lot better than I could.

The way I understand it works, or at least how it's worked up till now, is that under the FAST program the driver goes in when they get registered and they get the security check, the 10-digit fingerprints, the digital picture on the card, and everything is great. The U.S. visit program, which is the immigration part of U.S. Customs, requires additional fingerprinting and picture-taking of every non-resident.

Just to give you an example of how many we could be talking about, I hear that 25% of new commercial drivers at General Motors are of either Pakistani or Indian origin and are non-resident or new immigrants into Canada. David can probably back this up a lot better than I could, but that's a significant number of truck drivers going across the border. With the driver shortages going on, if that requirement goes forward, that's a lot of people, with trucks parked at U.S. secondary, getting fingerprinted, especially if they've already been fingerprinted and photographed once.

The Chair: Thank you.

Mr. David Bradley: I don't know if any of you are fans of *Seinfeld*, but I find this a good way to make my point on all of this stuff. Do you remember the episode where George's wallet was really thick because he was carrying all his life's belongings in there? Well, we're going to need wallets as thick to handle all the cards that the U.S. wants us to have, all of which require the same FBI/RCMP security check.

By creating this great organization of Homeland Security, people think that we somehow dismantled the silos and the kingdoms that existed in other departments. That's not so. They have more money than they ever dreamed of. Matthew is absolutely right. Nobody wants to be the guy to have it happen on his watch, so they are all into protection to make sure they do everything possible to avoid that occurring.

In addition to the FAST card, you have the US-VISIT, requiring biometric identifiers. They've now changed it from January to March. Any truck driver in the U.S. who hauls hazardous materials, including soap, whiskey, and things like that, will also be required to have some kind of credential on his driver's licence. It's something that we don't do in Canada at all, so we don't know how we're going to comply with that.

They're also in the process of testing something called the transportation worker ID card. At some point, they figure that 3 million U.S. transportation workers are going to require this card to get into ports, trucking companies, airports, etc. Again, it's going to require a security background check, the same one as you've had before.

Because we think we can kill a few birds with one stone, what we're proposing for the FAST program is this. Again, we all support the FAST program, but it is experiencing growing pains and we're not seeing, in all cases, the full benefit that we could achieve from it. Why not use the FAST card as the building block for the other programs?

Maybe you need another card, but for gosh sakes, do you really have to go through a security check five, six, or seven times? To the extent that it happens, people will say they don't need the hassle. They'll only haul within Canada or within the United States and not cross the border anymore.

We are making some headway on the idea of building on the FAST card, but it's a struggle. For every program, you again start from scratch, explaining to people what the FAST program is, or you need political buy-in. It's a huge effort.

We're losing truck drivers. There are some who don't meet the qualifications. Maybe they have something in their past histories, or

whatever. That's fine, but whether they've been rehabilitated or not doesn't seem to matter. Those things are going to happen.

We also have people saying they don't want the hassle. They're not going to spend two or three hours every day sitting in a lineup to be questioned by the guy who questioned them yesterday, the day before, and the day before that. We have a driver shortage now, and it's only going to deepen as long as these kinds of things are not being handled in an efficient, transparent, and fair way. If you're turned down for a FAST card, you can't find out why. They won't tell you.

● (1630)

Mr. Patrick Whalen: Could I follow on that and give you an example?

This is the NEXUS card. When I cross the border, customs inspectors on either side of the border may ask me for proof of citizenship. If I give them my driver's licence, they say that they want proof of citizenship. If I don't have my passport with me, I would assume this would work, but it doesn't. It's issued by the government. My fingerprints are on file and my photo is on it. They can bring that photo up on the screen, and they can bring my fingerprints up on the screen, but they'd rather take my birth certificate—which is several years old, and I'm not going to say how old—as proof of citizenship.

Mr. Matthew Wilson: To follow up on that, it goes back to the driver problem as well. While NEXUS is a great program, it only works at the crossing you actually sign up for. If you live in Toronto, you could go to about six or seven different crossings that are a couple of hours from Toronto, but you can't go to each crossing with a NEXUS card.

NEXUS Air is coming. There are completely separate requirements for NEXUS Air, and you have to go through the process again.

It's not only on the trucking side, it's also on the travellers' side. There's no need for it, as David said. You're asking the same questions over and over again. You're taking the same picture and getting the same fingerprints. These things should be streamlined and put into one program, if at all possible.

The Chair: Thank you.

Ms. Jennings.

Hon. Marlene Jennings: Thank you very much for your presentations, which I have to say were quite comprehensive and very clear.

You've made a number of very important points about some of the lacks, if I can use that word. One point that seems to come out is that government departments that have some form of authority or jurisdiction in something that crosses our Canada-U.S. border are operating in silos and, in doing so, have complicated the goal of achieving well-controlled national security at our border crossings.

A lot of what you've said seems to be addressed primarily to the United States because of their heightened security. I don't think anyone will or should fault the United States for having this heightened security concern, but a lot of the weaknesses you've described have to do with the fact of the silos in the United States.

Do the same silos exist in Canada and do they exist across the transportation modes? You've just talked about trucking—that's land—but now you're talking about an air NEXUS program. To your knowledge, is there any integration being planned at least on the Canadian side for this NEXUS, for instance?

On the point you made about the FAST card and NEXUS—that it's only for one border crossing—are there any discussions going on between the two governments and the agencies responsible to extend it, so that once you've been approved, whether it's under FAST or under NEXUS, it's good across any border crossing, for instance, or any airport if they started up at the airport?

Do you think that at least on the Canadian side the government is doing what it should be doing to break down the silos on the Canadian side and to encourage the Americans to break down their silos? That's the first thing.

The second thing is that you, Mr. Bradley, made a very important point when you said everything in the United States is seen through the national security prism, not through trade, and that at times the politics have much more weight than the actual scientific evaluation of real security risks or the effectiveness of a certain idea or program. I'm not going to talk about our government now; I'm going to talk about parliamentarians. Do you think Canadian parliamentarians have been doing enough to engage our counterparts in the United States, both in Congress and at the gubernatorial, state, and city level, in trying to educate if possible—if that's what's required—and sensitize, to see if we can't create a groundswell to break down some of these silos?

It's a long question; I'm sorry.

•(1635)

The Acting Chair (Mr. Deepak Obhrai): Let me interject, please. Yes, it's a long question. Can we have your answers a little bit quicker or shorter? We have a lot of people who want to ask questions, and we want to try to accommodate everybody in time. We just have an hour left.

Hon. Marlene Jennings: Let me just add that if you don't have enough time to give a full answer, you can always respond in writing through the chair to the members of the committee, and we would welcome that.

Mr. David Bradley: I would answer both questions by first saying that on the Canadian side it's improving in both regards, compared with where we were maybe two years ago. Committees have been struck, we understand, recently; there's an ad hoc cabinet committee with, I think, the right players around the table. But it's difficult still.

What we've advocated for is, for lack of a better term, a border czar—a minister who has power and has money to do things. We've had to assuage oftentimes numerous ministers to try to get people moving in one direction, and it has made things somewhat cumbersome. We think there could be further improvement there.

In my own experience walking around Ottawa meeting with ministers, there are I think three I've visited with now who all say they're in charge of infrastructure. It makes it a little difficult. I've yet to identify the minister who's responsible ultimately for the decision in Windsor, for example. It's just the way it is right now.

I think we're beginning to do a better job of dealing with Congressional people and people at the gubernatorial and other levels in the states. Some of the decisions around having an advocacy office in Washington associated with the embassy provided a good start. But whatever we do, we need to do more.

In the transportation sphere, for example, at Transport Canada, where they're dealing more now with international issues than in the past, we still spend a lot of time dealing with transnational issues that Canada is somewhat in a vacuum about, not recognizing where the big markets are.

So it's starting, but there is room for improvement.

Mr. Ron Lennox: Let me add one concrete example. You talked about silos and whether or not we're doing enough in Canada to break down the ones we may have.

For some time now industry has been arguing that the scope of products under the customs self-assessment program, which is sort of the foundation of FAST—and it's a good program—should be expanded. Food is one category often mentioned; it's excluded from eligibility for that program. We learned not too long ago that the Canada Border Services Agency and Agriculture and Agri-Food Canada have agreed to start talking about that in detail. We're pleased to hear those sorts of signals coming from the government and obviously we're hopeful something is going to be done about it.

•(1640)

Mr. Matthew Wilson: I don't have a lot to add. I think one of the things about the silos in Canada being potentially different from those in the U.S. is that Canada on a lot of these measure has looked at what the U.S. has been doing first and has followed along a little, which is for the most part a good thing, because we can let them force things through. At least for our industry it seems to make things easier when they do things first: they can make the mistakes, and we follow along a little bit later. It tends to help sometimes. I don't know if other people have the same experience, but it's not a bad thing in some cases that the U.S. goes first in some of these things.

The silos are slowly coming down in Canada. The creation of the super-ministry or whatever you want to call it helps, though there are still many agencies outside it, and in the less than a year they've been together they've done a pretty good job of coming together.

I'll agree with David in saying we could always do more in the U.S. to increase our profile and get our positions known a little better and make sure they understand how dependent they are on Canadian trade as well. That isn't done well enough yet and could always be improved upon.

The Acting Chair (Mr. Deepak Obhrai): Thank you.

Did you wish to say something?

Mr. Patrick Whalen: I would just echo that last comment by Matt. I think it's imperative that Canadians somehow get to the citizens of the United States and make them aware how important the Canadian trade relationship is for them, especially away from the border in places like Tennessee, where there's an auto plant that depends on parts from Canada. If they can't get across the border, that plant shuts down and those people get laid off. There are about 9,000 of them, I think, in the plant.

Mr. Matthew Wilson: International Trade Canada has a great map of Canada on one side and the U.S. on the other that breaks down every state and every province and how much goes back and forth. They need to do a better job of getting that information out and having it online. The last time I checked it wasn't there. Something like that really helps.

The Acting Chair (Mr. Deepak Obhrai): Thank you very much.

Monsieur Paquette.

[Translation]

Mr. Pierre Paquette (Joliette, BQ): Mr. Chairman, I am sorry I missed the witnesses' presentations. Before putting my questions, I would like to say that I am told there has been some misunderstanding with regard to the rules for the rotation of the turns for questioning. From what I had understood, the Chairman can have some flexibility in this regard, but he must rely on the rules of the full Committee. Normally, after the Conservatives, it is the Bloc québécois that should have its turn.

I would therefore like to have these matters clarified at the Committee's next meeting and I would ask that this be the first item on the agenda. We are just beginning our work and it is not too late to ensure that everything is done according to the rules. I had in no way understood that this was to be left to the discretion of the Chair. My understanding was that for the work of the sub-committee, as has always been the case elsewhere, there would be some flexibility but that the rotation order for questioners would be the same as at the full committee.

[English]

The Acting Chair (Mr. Deepak Obhrai): Monsieur Paquette, the clerk will look at what agreement came in, so the previous chairman, who is the vice-chair here, who chose this, will look into it.

Go ahead.

[Translation]

Mr. Pierre Paquette: Are you going to discuss this with us at the next meeting or at the beginning of the next meeting?

I will now move to the witnesses. You have been asked a lot of questions. I unfortunately missed the first ones relating to what provincial governments and the federal government should be doing. What efforts should the Americans be making with regard to the

fluidity of transborder traffic? If you were Mr. Martin, during the meeting with Mr. Bush planned for next week on November 30 and December 1, what would your message to him be or what guarantees would you seek to obtain from him in this area?

[English]

Mr. Matthew Wilson: You've been going first all along, Ron, so go ahead.

Mr. Ron Lennox: Merci.

I wouldn't even ask for any guarantees on anything. I'd just like to be in business next week.

• (1645)

Mr. David Bradley: I think we have to understand as Canadians that it's this market we want to trade with, that we want to have access to. We are important in terms of supply to the United States, but at the end of the day, we don't have the domestic market that's large enough to support ourselves on our own. They are exercising... and they always did place more of an emphasis on national security than we do, for obvious reasons. We've always placed more of an emphasis on trade.

I think what we have to do, and certainly all of us around the table here have been doing it, and I think that our government as well has been attempting to do it, is to assure the President that we will ensure that we will meet all of the challenges in terms of security, that our businesses do not, and will not, pose a security risk to the United States, and that the trading relationship, which has been of such mutual benefit to both countries, will grow. The border needs to be managed from a binational basis. We won't ever get any guarantees on that, and I shudder at the thought of there being another attack. They, in the U.S., feel it's a question of when, not if. So that's the message I would leave.

I would also leave with him something else. The last time Secretary Ridge was in town meeting with the Deputy Prime Minister, he raised in one of the meetings that I was at, for example, the situation in Windsor. He raised the issue of the need for Canada to be investing in infrastructure on our side of the border as well. I would like to see us assure him and provide him with some guarantees—and, at the same time, our industries some guarantees—that indeed we have a longer-term funded vision for transportation infrastructure in this country, and most acutely at the most important border crossings.

Mr. Matthew Wilson: I agree with everything that David said. I'm just going to add to one of his points. Right after 9/11, and the Shared Border Accord backed this up, the focus was on eliminating or thinning out the Canada-U.S. border and putting the focus on the perimeter. Canada and the U.S. are friends and we are partners in this together, and we want to work with them as much as possible to address any concerns they might have.

Patrick mentioned the perimeter strategy earlier, but all of our attention has been on how much regulatory change and layering is going on at the Canada-U.S. border. If there is one message to add on to what David was saying, it's that the focus should be that we're not the threat. We're doing whatever we can internally, and we can back it up with the national security policy and a lot of the other good things that have been going on federally. Obviously more can always be done, and the President can be reassured of that. But the focus should be on our perimeters, international areas where the real threats are. I don't think we are the real threat here, and I think they realize that, but it's just that sometimes we don't assure it as well as we probably could.

The Acting Chair (Mr. Deepak Obhrai): Mr. Masse.

Mr. Brian Masse (Windsor West, NDP): Thank you, Mr. Chair.

I'd first like to acknowledge the important comment that Mr. Bradley and Mr. Wilson made that there was an infrastructure and resource deficit prior to September 11. I was a city councillor for the area of Windsor and, on Huron Church Road, watched the backups go farther and farther every year. Recently it's been better; we've only had two bad days since new implementation measures last week. Since the four booths were opened up in June, it has been a much better situation for us.

I'll pose my questions first and let you respond.

I'd like to know if any members of your organizations, after being through these security measures, have actually been charged as a security threat in the United States. I'd like to know if you're keeping statistics on that in terms of per crossings and whether or not people have been charged as a security threat.

Second to that, I know there has been frustration expressed with the process in the Windsor corridor. I know for a fact that the 60-day process that was set up was not inclusive of the community. Hence, we saw two private proponents that are currently marketing their so-called solutions against one another lining up organizations and groups. In fact, some of them fund skateboard parks or promise money to them, put up billboards, and all those things. Clearly it's an unhealthy environment.

What I've been for is a public border authority for the area that would provide some due prudence. There's the car tunnel, train tunnel, Ambassador Bridge, also the ferry operation, and they're all symbiotic. What happens on one affects the other. It's the same with Sarnia, I would argue.

Would you be supportive of some type of initiative like that to help with this, given that 22 of the 24 crossings on bridges and tunnels between Canada and the United States are publicly owned and most have public authorities or commissions either on the Canadian or U.S. side? Is it something you would consider supporting as a collaborative effort? Obviously we still have to deal with the privatization of one of the particular assets, and also other ones that might come forward.

I know you've had discussions with the mayor of Windsor related to the Schwartz report that's coming out. As David Estrin was retained, the situation became so bizarre and twisted that the municipality had to spend about \$1.5 million on a war chest for the City of Windsor. LaSalle already put some money away, and I think

Tecumseh as well, to fight the implementation of government infrastructure projects because of the poor due diligence. Where are you in terms of that process now? I know you've expressed some concern about that. I felt better comfort to at least have a public involvement process, because it was a 60-day process that was available and on the city council I'd seen more scrutiny for a four-day stop than I did for the proposals that would solve our most important border corridor.

So where are you with that?

Last, with regard to the new legislation that's coming out in the United States on this border czar, as you've well articulated, it's an interesting idea. I was looking in my own area in terms of the coordination element. How well do you think that would function for all of Canada if that were implemented?

• (1650)

Mr. David Bradley: I'll start with the second issue first, because I can remember it.

• (1655)

Mr. Brian Masse: I'm sorry. I've thrown a lot at you, but you're very good at responses.

Mr. David Bradley: That's okay.

I would agree with you that on turning the clock back to September 2002, the 60-day process clearly was flawed. I was certainly involved in some discussions, and my recollection was that there were people from the city but perhaps not the communities at large. I think the problem we've always faced is how all that trade and truck traffic coalesces with the communities. To the degree that wasn't adequately addressed, obviously it was a failing of that initial process.

Yes, since then we have seen.... I wonder how much of the community we're hearing from. How much are we really hearing from the community and not from people who are speaking for or against a certain proposal, for whatever reason? I've said to the mayor that his process that he started back about a year or so ago, after he was elected, if he could turn the clock back, is maybe the way it should have been approached in the first place.

In terms of having a more open process that involves the community, at times it hasn't been particularly open either under his process, the result being that we're all now waiting with baited breath for Gridlock Sam's report. I don't know that any of us have any good idea about what's actually in it and whether it will address the concerns or not.

I would like to have seen the two senior levels of government at that time offer something else to the community, to say they would look at what the community liked and didn't like in the nine-point plan and at how they could alleviate community concerns. We could see how much of that plan can be salvaged, and we could undertake to do the appropriate consultation.

I don't know, Mr. Masse, whether it's right or not that a city council should have a veto power over a national or international issue, but their views certainly need to be considered. I don't know whether it's had to take as long as it has taken. From our point of view, for years, every time I visited your community, I was a *persona non grata* because I was the guy who spoke for all those truckers who were having to go through the stop lights in the community—we have to get those trucks off Huron Church Road, we have to get them moving more smoothly so that they don't pollute the atmosphere, and what not.

When the nine-point plan came out, it wasn't what I expected to see, but there was a certain elegance to it, I thought.

Mr. Brian Masse: But you had a vested interest in one of the actions.

Mr. David Bradley: No, that is so untrue. We do not support—

Mr. Brian Masse: So they used your name unknowingly then.

Mr. David Bradley: No. They asked me for a letter of support—we're referring to the DRTP here—and I said, yes, okay, because I thought it sounded like a good idea. It took away the car-truck thing and put the trucks in a separate place. There was an infrastructure already there, and railways were using it. Everybody wants a multi-modal system. Well, we were going to end up paying for the new railway tunnel, so as part of a plan, we said sure. Had the Ambassador Bridge or MichCan International Bridge Co. asked me for a letter for their proposals, I would have given them one too, because I always said I was not going to pick a winner and loser. I think they all have merit.

What I liked about the nine-point plan was that it brought the highway to each of them. I then said to those two proponents in particular—because MichCan is a bit further down—“Now the ball's in your court. You said you could do this without government money if the infrastructure is there at your front door. It's there now, so let's see what you're made of”. That's what I said.

Mr. Brian Masse: That's why I was trying to clarify that.

With the public border authority, how many of your members have been charged?

Mr. David Bradley: In terms of the number of members who have been charged, I don't know—not with the way you've put it, for being a security threat.

Mr. Brian Masse: That's a big point in this House. We're doing all this for security measures, and none of your members are actually being charged.

Mr. Ron Lennox: I'm not aware of any who have been charged. Of course, you can be fined and sanctioned if you violate the law at the border.

I guess where it comes up is in the driver screening, and a relatively small number of drivers who have applied for the FAST card and undergone the security screening have actually been screened out. I think there's a fair bit of self-screening going on by individuals who know that they probably shouldn't be applying because something will be uncovered in that process.

Mr. Brian Masse: Like smoking marijuana and being caught for it or something like that.

Mr. Ron Lennox: Yes, exactly.

Mr. David Bradley: I think we're constantly reminded of the marijuana situation when we operate in the States.

We have had situations where drivers have been turned down for their FAST card but were not told why. Were they a security threat or not? They tell me they're not and that they've never done anything wrong, of course, but I don't know.

Mr. Patrick Whalen: On the point about the border agency, if you come to Buffalo, you can see a perfect example of where it works and a perfect example of where it doesn't work. I think the Lewiston-Queenston Bridge is going to be a really good example of how an agency can get infrastructure done. The Peace Bridge is probably the exact opposite. Both of them are international agencies.

Mr. Brian Masse: That's because there's a private lawsuit on the Fort Erie project, is that not correct? It's being held up because there's a competition between the Canadian Transit Company and the public authority for another crossing.

Mr. Patrick Whalen: That's a more recent impediment, but if you go back to the beginning of the process of adding lanes across the Niagara River at Buffalo and Fort Erie, I don't think those guys were in the mix in the very beginning and we still didn't get it done. It's because of community involvement. Fewer people live around Lewiston and fewer people live around Queenston, in the vicinity of the crossing, so there's just not as much community involvement.

The Acting Chair (Mr. Deepak Obhrai): Thank you very much. We'll go for round two now.

We have Mr. Watson, and Mark Eyking after that.

Mr. Jeff Watson: Thank you. This is turning out to be some very productive discussion here.

We've talked a lot about silos in the U.S. Well, U.S. problems are mostly or largely beyond our control, so I'd like to bring our focus back to our federal government's problems on this issue, to issues over which we have much more control.

First of all is the lack of vision here. I was pleased to hear somebody talk—I think it was you, Mr. Bradley—about the economic context for making transportation decisions. I read the recent 12th report from the foreign affairs committee, on Asia-Pacific. There are 27 recommendations, and not one of them talked about infrastructure and how to move or capitalize on opportunities from Vancouver into the continent. With the rise of China and the European Union and our need perhaps to team up with the United States on a number of these issues as a trading bloc, that has profound implications for north-south trade routes. The economic context is certainly very important, and it almost makes infrastructure decisions self-evident at particular crossings.

On the leadership issue, two months ago I wrote to the Prime Minister, asking for a border czar. I still haven't heard a response from the Prime Minister on that particular issue. We've had the nine-point gateway action plan rejected by a municipality. Phase one of the Let's Get Windsor-Essex Moving program has been negotiated, but nothing has been moving on that, so we haven't gotten Windsor and Essex moving. We now have the Schwartz report, which the federal government has already declared as the basis for phase two, and not the final solution. In March, when the Prime Minister showed up in Windsor and said they were in the driver's seat, that was a critical ceding of leadership on this issue to a municipality on a national and international concern.

We've just talked about process problems. In order to optimize the number of these programs, particularly FAST, it seems to me that we need—which is the fourth critical deficiency from our federal government—a decision on additional capacity either across or under our border in the short term. With the binational process recommending something by 2013, I'd like to shrink the timeframe down to the next four or five years.

We've talked about three possibilities for doing something about increasing capacity across the border, whether that's doubling the ferry service, the twinning of the bridge, or a cut-and-cover with DRTP. Industry has also been silent on this, and I'd like some of the industry voices, in some respect, to step up to the plate on answering the question, is short-term infrastructure or capacity needed in the next five years regardless of the long-term binational process? And again, the ferry issue is not an infrastructure issue, it's a capacity issue that you don't have to build a bridge for.

I'll let industry answer that.

• (1700)

Mr. Patrick Whalen: Yes, infrastructure is definitely an issue, certainly in the Ontario crossings. There are not enough lanes across the Niagara River, I can tell you that for a fact. There are three lanes across the river between Buffalo and Fort Erie, and when you think about the amount of traffic that crosses that border every day, it's amazing the backups aren't much worse than they are. I know the same situation exists at the Michigan crossing.

So yes, there's an infrastructure problem.

Mr. Matthew Wilson: We're a lot like the CTA in the sense that we're not in the process of picking winners and losers on this. We want to see as much development as possible as far as future border crossings go. The fact that a lot of people get railroaded into talking about a crossing is a little bit scary. We talked about these numbers—I threw out all these numbers—and I can give them to you all again, but the amount of trade that's grown since the last border crossing was thrown up is ridiculous. And we're talking about one additional crossing. Unless it's 12 lanes wide, really, there's no point in even talking about one crossing.

We need to get this process going. Whether it's a DRTP, doubling the Ambassador Bridge, or adding three or four more ferries, we'll be in favour of anything and everything that adds capacity to the border crossings. We're not going to pick winners and losers. We're not really choosy; we just need more capacity, and I hope that the CCA and the other groups would agree with that comment.

As far as your short-term timeframes are concerned, I was joking to a colleague before I left that if the new border crossing were to open up in 2013, as we're talking about, at least it would be relevant. We could open it up as a kind of anniversary present to the FTA—it would be the 25th anniversary of it—which is kind of sad, when you talk about things in that regard. This has dragged on for so long.

But from what we hear from these folks who are involved in the consultations on the government side, they're so afraid of litigation—which has happened at every other new crossing that's come up—that they are going to dot every *i* and cross every *t* to avoid every possible slowdown in the courts once they've made their decision. If that's what makes it get done in 2013, at least then there's a date. If this starts being dragged through the courts and everything else, you could be looking at a date much farther out. So that's what I understand the process holdup is that's dragging it out that long.

As for the money itself, \$300 million to build a new bridge is really, in the grand scheme of things, a pretty small amount of money, given the economic benefits to Canada. So the money shouldn't be a problem, and I understand it isn't a problem. It's more the fear of litigation that could drag things out a little bit farther. We would support anything that could be done tomorrow. The sooner the better. It's needed. It's 40 years overdue as far as we're concerned.

• (1705)

The Acting Chair (Mr. Deepak Obhrai): Thank you, sir.

Go ahead.

Mr. David Bradley: I agree with Matthew. I don't want to be the guy, for example, from Toronto who goes into Windsor and tells them the way of their world.

I never did get to answer your question in terms of your local authority. I think we have to have somebody in Ottawa who is in charge, but having satellites at the local levels, because each is different, makes eminent sense to me.

I've often said—and I'm a cynical person perhaps, I don't know—that NAFTA was one of the largest unfunded policies of the Government of Canada ever. Canadian business—Canadian importers, Canadian exporters, manufacturers, truckers—have made it happen. We've made NAFTA work. We've seen trade move from east-west to north-south, and we're seeing it grow and grow and grow. But we've not made as part of a strategic plan the ongoing investments in our infrastructure to support that trade.

If you look at what Mexico did in the run-up to NAFTA or at what China is doing now, granted from a much lower base—let's face it, they don't have the inventory of infrastructure that we have now—they are investing in billions for the next 50 years. We're going to be lucky.... If trade continues to grow, which we all want, we're not going to be able to support the next three, four, or five years.

With respect to the environmental assessment process, I've not been advocating that we try to cut corners around the environmental process for the very reasons that Matthew raises: you'll just end up in court and drag things out further. What I'm hearing from some of the people involved in the binational study down in Windsor is that you can't speed it up, necessarily, but you can sure as heck do something to prevent it from being dragged out further and further.

They're saying that, for example, when they approach certain groups, organizations, or communities and they say they need a response in 90 days—to whatever terms of reference they're looking at—on the 89th day they get a letter saying, "We're not ready". And they say, "Okay, well you get another 90 days, then". I'm afraid of that sort of inertia.

I don't believe we're going to see anything built in Windsor for 15 years in terms of a second span or anything like that. Under current circumstances, it's going to take 9 or 10 years before the binational study is complete. That's before you even put a shovel in the ground.

We're looking at 15 years under present circumstances before you see some other major crossing capacity in Windsor. All we're hoping for right now is something to make it a little bit better between now and then, and recognition that even during the construction period of whatever the medium- and short-term solutions are, the trucks have to go somewhere. So there are going to be big problems in Windsor for the foreseeable future, but we need to have a vision of where we're going and that it's a national priority. We're the only major industrialized country on the planet not to have a national highway policy. That's how goods are moving.

We need that vision, and I've said this to the Minister of Transport. Transport Canada's straight-ahead vision—it's no vision. The only people who look at it as a vision are the people in Transport Canada, who again, I think, are too often looking at how we can make transportation distribution fit their vision, as opposed to how it should fit to ensure that we have the direct investment, the jobs, to generate the wealth we need going forward into the future.

• (1710)

The Acting Chair (Mr. Deepak Obhrai): Thank you, David.

We have two more people who want to ask questions, so we'll try to finish those as quickly as possible.

Mr. Eyking.

Hon. Mark Eyking (Sydney—Victoria, Lib.): Thank you, Mr. Chair.

I'd like to thank you all for coming here and giving us a reality check on what's happening at the border.

In my previous life, I did a lot of business with the United States. I sold and I also bought, so I have experience with the frustration when you're dealing with just-in-time products or perishable products back and forth.

We do \$1.8 billion a day in trade with the U.S., and I'm sure about \$1 billion goes south of the border and maybe \$700 million goes this way. So it goes both ways.

I know some of it, but I'm also curious. I have not been involved in the last few years in selling down there and buying. With the

goods coming this way, maybe you have a trucker, say he's from Tennessee, who takes up a load of U.S. tomatoes to the Toronto terminal, and then he picks up parts in Mississauga, or whatever, and goes back to the plant in Tennessee. You're also dealing with a lot of U.S. truckers here who would be faced with the same thing when they're turning around and going back. What is their point of view is on this? How are they looking at it? Are they seeing this as a real impediment for their industry, because they're only allowed so many hours for driving and what not?

Do you work with a lobby group down there, like an American truckers association that you could have a linkage with or partnership with and say, look, this is not good for either side of the border? How can they maybe impress on Congress or whatever that there's more than security here?

David, maybe you'd be the guy who could respond.

Mr. David Bradley: Yes.

First, the U.S. economy in the last couple of years has been doing so well that one issue is a lack of capacity in the States. Quite frankly, while there are U.S. carriers that operate up here—not nearly to the extent of maybe 15 years ago and not nearly the competitive threat in that regard that they were 15 years ago—for the most part, the U.S. trucking industry is busy enough at home, and with the Canadian market being so small and their drivers not having the experience crossing the border, it's not as big a deal. Those who are involved in international trucking operations will share in the same sorts of problems we have.

We do discuss these issues with our counterpart, the American Trucking Associations, all the time. But I'd like to respond to your question there in terms of the business community at large in the United States.

I've spent a lot of time talking not only to trucking companies but to people who use trucking services and import goods into the U.S. I've yet to meet one of them who doesn't agree with us in terms of the frustrations this is causing, the cost and who is going to pay for all of this in the end, and questioning—and rightfully so, I think—whether all these things really are doing what they're supposed to do.

Having them tell me that, though, and having them say that to their congressman or to stand up in Washington and say that are two completely different things.

Hon. Mark Eyking: It's because of September 11, and if you get up and even whisper up about it, it's like you're—

Mr. David Bradley: You're anti-patriotic. I can't put it any better way than that, and it's palpable and it's real.

I was just mentioning to Ron on the way over that I was reading one of the U.S. trade magazines—and I think you alluded to this, Matthew—and for the first time I'm seeing in print, at least in the trade magazines, in the United States where the manufacturers, the businesses, are questioning this next round of C-TPAT. They're saying, wait a minute now, you promised us all this other stuff when we invested the first time and now you want to add more regulation to it. So it has been very difficult to engage U.S. industry on these issues in a concerted way.

That's not to say we haven't had cooperative relationships with them, and on certain specific issues we've been able to work together, but in terms of placing trade facilitation high on the agenda versus security, they're not even in the same ballpark—not even in the same ballpark.

The ATA is receiving over \$40 million U.S. a year for administration and implementation of security programs, things like an entity called “America's Trucking Army”. That's where the focus has been. It has been on securing the homeland. Trade is a very distant second.

• (1715)

The Acting Chair (Mr. Deepak Obhrai): Your time is done, Mr. Eyking.

Mr. Masse.

Hon. Mark Eyking: Done? I have another minute, Mr. Chair. I protest.

The Acting Chair (Mr. Deepak Obhrai): You're done.

Mr. Masse.

Mr. Brian Masse: Thank you, Mr. Chair.

One of the things that we could have coming out of this actually too is that if, for example, the Ambassador Bridge or the DRTP job is selected, one could sue the other one or, as well, the government. If they have a process going for 2013 to fast-track the actual development of a new border crossing, it would provide more comprehensive.... Are there things we can do in the meantime that would improve things?

I know, say, if the ferry service has to pay for border...it's actually a joke. They pay for their customs officers. How can they compete against two other private operators—one public operator and one private operator—when they have this subsidization?

Last, I'm wondering how many members are actually getting fingerprinted soon. Do you have any idea for FAST? I know the Pakistani community in my constituency is being targeted. They're Canadians who have their citizenship, and it's at the point where, when they're actually going to get fingerprinted, they don't even have to show their ID because they know who they are. But they still pull them over. Are you keeping track of that at this point in time, or will you be?

I think this is important. We can build as many parking lots as we want; if we can't get the things processed, it won't make a difference.

Mr. Matthew Wilson: As far as the fingerprinting goes, we've heard some of it. David would probably have a better idea, or Ron,

because they have a much broader membership. We haven't heard of that much going on—some of it, but not a great deal.

Mr. David Bradley: Anybody who wants to use FAST has to be fingerprinted and photographed once.

Mr. Brian Masse: People are being pulled in, but that has to do with NEXUS, though.

Mr. David Bradley: Yes.

Now, I've heard things from the east Asian community that are similar to what you've been hearing. I can only say that I don't have any numbers to say the extent to which this is an issue.

With the US-VISIT Program that's going to be coming in, it looks as though, at the very least, they'll only have to go in when it's time to renew their I-94s every six months. There looks to be the opening that perhaps, if you have your FAST card, you won't be caught in the US-VISIT net. That's a “perhaps”, but we're optimistic in this regard.

As I said at the outset, there are 47,000 truck drivers, minimum, presently somewhere in the FAST system. At some point in time they will need to be interviewed and go through the process.

Mr. Ron Lennox: If I could just comment on the US-VISIT program, even though the expectation isn't that these individuals would be fingerprinted every time they cross the border, there is discretion always available to the officers in the booth to send somebody in to be fingerprinted if they have reason to believe or suspect that fingerprinting is required to determine who that person really is.

I guess time will tell. They just rolled it out on a pilot basis on November 15. Time will tell whether there are certain ethnic groups who are being targeted under that program.

Mr. David Bradley: But the US-VISIT program applies to everyone, even citizens of Britain. We're not going to resolve the driver shortage that we have in this country. Federal studies indicate that we need to replace 80% of our drivers by 2008. We're not going to be able to do it from domestic sources. We're going to have to open up immigration. We can't now. They're not considered skilled, which I find rather contradictory. But even if we get the immigration opened up, it's not going to help us a whole heck of a lot if we can't use these guys.

Mr. Brian Masse: It's a hidden story in all of this.

Mr. Matthew Wilson: And it's so crucial. Our industry struggles right now to get enough drivers in the FAST program who are available and can cross the border. The driver shortage has just compounded it. It has a huge impact on Canada's economy, that's for sure.

Mr. Patrick Whalen: Getting back to the comment before about U.S. trucking associations and U.S. truckers, one of the reasons there are a lot more Canadian drivers crossing the border is that loads are posted in the United States and the U.S. drivers don't want to take a Canadian load. It exacerbates the problem.

• (1720)

Mr. Brian Masse: Because they get the same thing, and their own citizens are subjected to the same....

Mr. David Bradley: Well, they're not used to these sorts of things. It's our business. It hasn't historically been as big a deal crossing the border in the U.S. It's not something they need to do. We do, so we're used to it. We know the process; they don't. They're not as in tune with it, so the driver says "I don't want that hassle".

Mr. Patrick Whalen: If a driver has the opportunity to take a load from St. Louis to Boston or St. Louis to Guelph, that driver picks the Boston load. Truck drivers just don't want to get behind the drivers who are having trouble.

The Acting Chair (Mr. Deepak Obhrai): I'll indulge in a question as the chair.

What you just said here would be quite interesting in the context of what happens with those drivers going down all the way to Mexico. It's part of NAFTA. Do they go through the whole process in the same way?

Mr. David Bradley: No, they don't, because NAFTA doesn't exist in transportation. The Americans never opened the southern border, which they were supposed to do years ago. So there's no NAFTA when it comes to trucking.

The Acting Chair (Mr. Deepak Obhrai): So there's no issue on that side.

Mr. David Bradley: Well, there's an issue in terms of the Americans unilaterally ignoring NAFTA. That's the issue. There are some Canadians who will cross to the maquiladoras and then a Mexican company will take the freight, but it's such a small proportion of our trade, and the risk is so great of coming back empty from there, that there isn't a whole lot of Canada-Mexico trucking. There's some, but not a lot.

The Acting Chair (Mr. Deepak Obhrai): We have eight more minutes. If anyone wants to ask a last question, please feel free.

Mr. Paquette.

[Translation]

Mr. Pierre Paquette: My question is not for the witnesses. I would simply like to know if what we had planned for next Tuesday, in other words a meeting with the officials on the textile and clothing industry, is still on.

[English]

Hon. Marlene Jennings: I just have two questions.

I believe it was you, Mr. Wilson, who talked about how some companies may not be interested in getting involved in the FAST program because they're not sure what benefit their investment will bring them. There's a level of insecurity as to what's coming down the pipeline. What is the approximate cost for a company of setting up a FAST program? That's one question.

The other question I have is this. Now, I'm not sure because I didn't mark it down, but somebody promised portable enrolment centres to register truckers for FAST. Who promised that? Have any been set up?

Mr. David Bradley: They were promised by the Canadian customs people and the U.S. customs people, because it's a joint thing. They began to be piloted two weeks ago.

Mr. Ron Lennox: Yes, they've actually started testing the equipment over the last couple of weeks. They actually plan to get them out for real as part of a pilot project starting this January.

Mr. David Bradley: My point was that we sort of missed the boat in getting ready for the pre-notification. But better late than never.

Mr. Patrick Whalen: The same issue exists with NEXUS. People can't get to the NEXUS enrolment centre, so NEXUS enrolment is not as healthy as it should be.

Mr. Matthew Wilson: On your question about FAST implementation and what it costs, it varies greatly depending on the company. For our members and large multinational corporations, there would be significant costs involved.

Our members had additional costs mostly because they were the first ones going through the process in Canada and the U.S., and they had to make changes that others may not have had to make as things went along, or new computer systems were developed to handle the electronic information. I've heard very wide variances in how much it could cost.

I believe service providers have started offering services to get companies enrolled in FAST. I've heard numbers as low as, I think, \$25,000 to \$30,000 for a smaller company. Probably when you get into a large multinational, you'd be looking at several hundred thousand dollars, but it's all about return on investment. One of the things we've been trying to get Canada Customs—and U.S. Customs likewise—to do is to put a number on paper and at least show us something about what the return on investment is.

From an automotive perspective we couldn't do it, because about half of the processes they use today were built up over a period of ten years. So you can't pick a black and white date and say this is how much we're saving today. But other companies could pick that date.

We're trying to find out what that actual return on investment is and what the financial benefits to a company are. They've been fairly limited to date just because of the infrastructure. The back end stuff, the accounting stuff, has been a real benefit, especially for large corporations where you're talking about millions of transactions a year. But smaller companies, from my understanding, are more concerned with how long they're waiting at the border and how much they're paying a driver or a carrier to get the goods through.

● (1725)

Mr. David Bradley: There is another aspect to this that I think is interesting. Maybe Matt and I would actually have a debate about it. The FAST program was modelled to a great extent on the Canadian customs self-assessment program. Canada Customs was always well ahead of the U.S. in terms adapting technology and doing risk assessment. We had to reframe it as Canadians from self-assessment, which is a bad term now, to what became FAST.

As it turns out, though the world's changed now that the priority is security, it's easier to get into the U.S. program than it is to get into the Canadian program. I find this sort of strange in the new era we're operating in.

In the U.S. there are several hundred customers—people whose goods my members are hauling—in the program. Compared to the entire scope of companies that haul across the border it's still relatively small, and there's no worse thing than for a trucking company to go to all the effort, get their FAST registration, and then see their drivers have to sit in a line-up because they're hauling a non-FAST load. But at least there are several hundred now for southbound.

For northbound into Canada, there are currently 12 companies, which is a very small Kodak you have in there. Part of the problem is that a lot of the elements of the CSA program are still in place on the Canadian side. I think that's what you were referring to as mini-FAST, something that will get more people involved from a border point of view.

Mr. Ron Lennox: An announcement was made recently on that by the Canada Border Services Agency. The term it was using was the FAST “middle option”, which is somewhere between what the U. S. does for its FAST program and what we do under the customs self-assessment program. It announced about a month ago that it was going to consult with industry on how this might work. We welcome that announcement and we'd certainly participate in those discussions.

Mr. Matthew Wilson: David's worried that we could have a debate, which wouldn't be appropriate here, on the merits of this type of program.

Our position on that type of process is this. The Canadian and U. S. governments started a process and they haven't finished it. Before diverting resources into creating another new option and changing the boundaries again, how about we get the ones that were put in place working and we'll move forward on those; then we'll look at everything else. But to change the game at this early stage is difficult to do when the processes haven't even been set in place on one side, the ones they've already announced, and they're still working on that.

David and I are going to have that debate another day, I'm sure, so we won't drag it into here.

The Acting Chair (Mr. Deepak Obhrai): Thank you.

I would like to thank our guests for coming and giving us a very good perspective. Thank you very much, each and every one of you.

Mr. Paquette, yes, next Tuesday you will get—

[Translation]

Mr. Pierre Paquette: I would simply like confirmation of that. In our party, there are several members of Parliament who have clothing and textile plants in their ridings and who would like to attend the meeting.

[English]

The Acting Chair (Mr. Deepak Obhrai): Yes, they will be coming next Tuesday.

[Translation]

The Clerk of the Committee: All members of Parliament are free to attend the meeting. No MP will be excluded. However, that does not mean that they will be allowed to ask questions.

[English]

The Acting Chair (Mr. Deepak Obhrai): The meeting is adjourned.

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