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The Honourable Roger Gallaway

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• (1540)

[English]

The Chair (Hon. Roger Gallaway (Sarnia—Lambton, Lib.)): This is a meeting of the transport committee to consider regulations that are being implemented by Transport Canada with respect to the small vessel monitoring and inspection program. It's pursuant to a motion that was passed a number of weeks ago.

We have here from the Department of Transport some familiar faces, Mr. Forster, Mr. McDonald, and Mr. Santos-Pedro. I know you have a brief opening statement.

I expect some others will wander into the room. As I mentioned to you, question period went late and I think routine proceedings is just ending.

So if you want to, please proceed, Mr. Forster.

Mr. John Forster (Associate Assistant Deputy Minister, Safety and Security Group, Department of Transport): Thank you, Mr. Chairman.

It's a pleasure to be here this afternoon to talk to you about small vessel safety. I just have a few brief opening remarks, and then we're here to answer any questions you have.

I'd like to introduce Gerard McDonald, our director general of marine safety, and Victor Santos-Pedro, our director of design, equipment, and boating safety.

In 2003 there was a transfer of certain functions from the Department of Fisheries and Oceans to Transport Canada. With that, all of the marine safety applications were brought under one department, including the responsibility for the safety of pleasure craft and commercial vessels.

Every year in Canada lives are lost in small vessel accidents, and while the numbers are likely underreported, there are on average 150 pleasure craft-related fatalities in Canada. According to the Transportation Safety Board, 30 to 40 lives are lost on commercial vessels each year, the majority of which are smaller vessels. This doesn't include the number of incidents resulting in property loss and environmental damage, which would be many times higher.

Currently there are no requirements for operators of smaller commercial vessels to have operator training and certification.

We have a program in place for small pleasure craft; that's the boat you would have at your cottage. This program was started in 1999 and provides education, training, and safety awareness to boat operators to reduce, in turn, the number of fatalities and incidents.

The training requirements for pleasure boat operators are being phased in over a ten-year period. By taking a course, operators will be better prepared when they go out on the water. The pleasure craft operator card is good for life, and to date over one million Canadians have received their card.

But for smaller commercial vessels there is a gap, and Transport Canada is addressing this issue in two ways. The first is marine emergency duties training, or MED, which is designed to enhance basic safety awareness of all the crew. Every crew member of a commercial vessel that's fitted with a motor is required to obtain this training before the crew member has completed six months on the vessel. The training is tailored to the size of the vessel and to the risks encountered. So, for example, on small fishing and small passenger vessels the training is less onerous than the training required for the crew of a large, ocean-going vessel.

The second part is operator proficiency. We have been consulting with the community on proposed training requirements for the smaller commercial vessels, which, as I mentioned, have no requirements for any kind of training for operator proficiency. We've not yet proposed regulations. We've not yet officially published them. We're not in the *Canada Gazette* process. We're really out doing consultations with the community before we begin to draft the regulations as to what a reasonable approach would be.

The result will be operator training and competency requirements for small commercial vessel operators that will likely be a step higher than those for pleasure craft, for your cottage boat or a larger vessel. Based on the consultations we've had so far, we're making adjustments to this program before we write the regulations. For example, we're looking at combining the emergency duties training with the operator proficiency training into one course over one day to make it easier for the small vessel operators.

I want to speak briefly about licences. All pleasure craft over 10 horsepower in Canada—again, that's your cottage boat—must be licensed, and the licences are issued free of charge. In 2002 we amended the regulations to require all commercial vessels to be licensed, regardless of size—of horsepower—and we introduced a licence fee. A commercial vessel licence costs \$50 and it's good for five years; therefore, it's about \$10 a year.

Again, based on discussions with the community and the small vessel operators, we're trying to come up with a licence for a group. If an outfitter has several boats, he will be allowed to have one licence in order to reduce the cost of licensing.

• (1545)

Another issue for small vessel safety is radios. Accident investigations by the Transportation Safety Board and others have recommended that commercial vehicles need to be able to communicate in the event of an emergency. Recently again, consultations were held, and we again have been hearing and we have modified our proposal to make sure to give an exemption for the smaller operators, so that small vessels that carry six or fewer passengers and operate within two miles of shore on inland lakes and rivers, for example, would not have to meet this requirement.

So our strategy in dealing with small vessels is—as I mentioned, we have the large and the pleasure craft and in between the small vessels—that we want to develop a program that's multi-faceted. We want to develop one that's flexible, because every vessel and location provides a unique set of risks and incidents. But accidents can be prevented, or the severity of them reduced, by a safety culture that embraces prevention, training, sound vessels, and effective safety equipment.

The role of our organization, Transport Canada, is to protect life, health, property, and the environment. Our mandate and our responsibility related to safety clearly includes safety of pleasure craft on one end, small fishing vessels and outfitters, all the way up to large ocean-going vessels. For us, marine safety is terribly important. We have an extensive regulatory scheme and program for large vessels. As I mentioned, at the other end we have training, licence, and public education programs for pleasure boats. Now we're working and putting in place a sound program for small commercial vessels.

I think most people would agree that if I come and hire you to transport me in a boat, even if it's a small one, there's an expectation of a certain level and standard of safety. We are consulting actively on this. We're making changes and we're consulting before we sit down to draft the regulations. Once we enter into the regulatory process, we'll be consulting again. We want a program that's reasonable, we want one that's efficient, but we also want one that is safe.

We very much look forward to the questions and any comments you have for us today. With that, Mr. Chairman, I'll turn it back to you.

The Chair: Okay, thank you.

I think we'll start with Mr. Scheer.

Mr. Andrew Scheer (Regina—Qu'Appelle, CPC): Thank you very much for coming today to explain the proposed regulations regarding small pleasure craft.

When I think about a regulation regime that's going to really require a lot of either on-site inspections or logistical problems in getting all these boats inspected and licensed and registered and going through some of the papers—you're going to have decals on canoes and anything that would be hired for transporting passengers.... I'm thinking about especially northern Saskatchewan,

where there's a long history of outfitters and first nations guides who take people on excursions. I can see how it's going to have a definite impact.

Can you explain some of the process in this? Are these guides and outfitters going to have to bring their boats in to be examined? Are you going to send field staff out? I'm reading some reports saying that in order to get some of these licences they'll have to travel to either Vancouver or Halifax, when they've been already doing it for generations. Can you speak to that a little bit?

• (1550)

Mr. Gerard McDonald (Director General, Marine Safety, Department of Transport): There are a few questions there.

First of all, right now licensing can be done at a distance with our small commercial vessel licensing system. You can license all your vessels online and with the use of phones, so that isn't overly onerous to the owners.

With respect to the provision of any courses we might require for operator proficiency requirements, we would envisage using a wide range of course providers to offer this training to individuals. That could be organizations such as the Red Cross, the Canadian Coast Guard Auxiliary, and others. It could be any industry associations interested in giving this training to operators. We're open to any range of organizations offering this type of service.

I'm not sure if that addressed all your issues. Was there anything I missed?

On the inspections, right now we have four small commercial vessels. We have an inspection regime that relies largely on self-inspection by the operator. We provide them with checklists of things they should be looking at to verify that their vessels are safe. Certainly over a larger vessel we will inspect more regularly; when they are over 15 tonnes, we'll start inspecting them ourselves.

On vessels under that size, we would perform a first inspection. We are actually revising our policy now with respect to even smaller vessels, those under eight metres; we would propose that they be self-inspected by the owner. We would, of course, reserve the right to audit the owner at any time to make sure they meet safety requirements, but I should note that the safety requirements we're proposing for vessels under eight metres are fairly minimal—i.e., you should have a life jacket, a buoyant rope, oars, and a bailer. Those are essentially the safety provisions we're talking about.

Mr. Andrew Scheer: Do any of those safety provisions already exist in Transport Canada regulations?

Mr. Gerard McDonald: Yes.

Mr. Andrew Scheer: If there's already a law requiring a life jacket per person, why is there a need for this expansion of the program? If it's existing regulation, they've had to follow it anyway; they've been doing it for generations. Now there's going to be an added bureaucratic layer. What is the need for that?

Mr. Gerard McDonald: The only expansion we're talking about is essentially with respect to the operator proficiency aspect of the vessel operators.

Mr. Andrew Scheer: They will have to get that decal, right?

Mr. Gerard McDonald: No. The decal we have proposed is something we use as an inspection incentive to encourage people to have their vessels inspected if they want to be inspected by us. Then we'll give them a decal saying they've been inspected by Transport Canada. They can show it to their fare-paying passengers to show their vessel has been inspected and to give them a reasonable degree of comfort when taking that vessel.

Mr. Andrew Scheer: So it's not a requirement, then?

Mr. Gerard McDonald: It's not a regulatory requirement, no.

Mr. Andrew Scheer: I see. Okay.

But the operator proficiency part will be a requirement?

Mr. Gerard McDonald: Yes. We're looking at that because we feel there's a definite gap in the regulations right now. As Mr. Forster was mentioning, if you own a boat at your cottage, you are by law required to have an operator competency card. However, if you own a boat, the same type of boat, and you're taking fare-paying passengers—i.e., you're a commercial operation—right now there is no requirement for you to have any type of training or qualification. We think that gap in the regulation should be addressed.

• (1555)

Mr. Andrew Scheer: So you're addressing it by imposing on commercial craft the same restrictions that exist on private pleasure craft?

Mr. Gerard McDonald: We want to look at what we require on pleasure craft, see where we might want to enhance that—because of the duty of care a commercial operator should have for his passengers—and come up with something that addresses the gap. Yes.

Mr. John Forster: It will probably be somewhere in between. It's not going to be as onerous as for large vessels, but it would be somewhat more rigorous than just what I need for my cottage to run my outboard boat, because you are taking responsibility for people in your vessel who are paying you to go there.

Mr. Andrew Scheer: How am I doing for time?

The Chair: Very good. You have another two minutes.

Mr. Andrew Scheer: What I'm trying to figure out here is this. There are already existing regulations in Transport Canada requiring safety equipment—life jackets and things like that—and I'm thinking specifically of the industries in Saskatchewan that have people who have been doing this for generations and who could probably teach the courses on some of these proficiency things. It's part of their heritage; it's part of what they're doing. There's a remoteness factor. It's not easy for them to go and attend courses.

Do you have any mechanism to allow for that? There is a big difference between a guy who is going to take people on a tour of Niagara Falls and a guy who, a few times a summer for some extra money, takes people on fishing charters, or literally goes in a canoe and takes people on wilderness trips.

Mr. Gerard McDonald: We agree with you. I think we will be looking in the regulation at how we might look at existing qualifications—whether we introduce some sort of challenge exam type of concept to the regulations for someone to be able to demonstrate their proficiency to us, which would allow us to accept whatever qualifications they might have. These are all issues we'll be dealing with over the course of the consultations as we're considering the regulations.

Mr. Andrew Scheer: So before these go into effect you will go out and talk to these sorts of communities and talk with people who

Mr. Gerard McDonald: We're currently in the process of doing that, yes.

Mr. John Forster: Just to describe the process, when you do a regulation, you publish it in the *Canada Gazette*; then you're required by law to do 60 days of consultation. And then you change it, you publish it again, and you do another round of consultations.

We're not even at the stage where we've written the regulation, so we're pre-consulting to find out what's going to be reasonable, what's doable, what works, but what fixes what we perceive as a gap to improve safety. Then, even once we've done all that and we actually draft it, we'll go through the legal regulatory process, where we'll consult again.

This kind of feedback is helpful to us as we draft this.

The Chair: Madame St-Hilaire? No? *Rien*?

Bev.

Mrs. Bev Desjarlais (Churchill, NDP): In regard to the proficiency certification, how do you see it proceeding as far as ensuring that someone has proficiency is concerned? Do you see an inspector going in to each place, or how do you see it?

Mr. Gerard McDonald: We don't have a large inspectorate, so we can't be all across the country. We have a number of agreements worked out with local enforcement agencies, so when you have local enforcement agencies on the water, such as the OPP in Ontario, or the RCMP, or what have you, if they are inspecting a boat or pulling over a boat they would ask the operator to see their proficiency card or their operator's certificate.

Mrs. Bev Desjarlais: But who would okay them to get that proficiency card? Who's going to give the okay?

Mr. Gerard McDonald: We still have to work through the details of it. With the current pleasure craft operator proficiency card, we have a number of service providers who offer that service for us. They're all across the country. There are about 85 different organizations that offer the courses to individuals and then issue the cards to those individuals.

Mrs. Bev Desjarlais: What's the cost of the proficiency course?

Mr. Gerard McDonald: It depends from course to course. I think it's about \$30 to \$60—

Mr. Victor Santos-Pedro (Director, Design, Equipment and Boating Safety, Department of Transport): It would be \$40 to \$60.

•(1600)

Mr. Gerard McDonald:—depending on the course provider.

Mrs. Bev Desjarlais: Given that you have 85 across the country, and I know we have a rather large country, and knowing that I have 70-some communities in my riding, if you have 85 organizations for the whole of the country, how do you see having enough inspectors to check out all the different people Mr. Scheer was mentioning?

Mr. Gerard McDonald: Whether we'll be able to check them all out one by one will obviously be difficult for us. Our objective is to try to make sure they get the necessary training when they operate the—

Mrs. Bev Desjarlais: How do they get it, if there are not that many people around in all these different areas?

Mr. Gerard McDonald: Well, obviously, you still have—

Mrs. Bev Desjarlais: Let's take Lac Brochet, Manitoba: it has no road access; you can only go out by air; the guides who are working.... Heck, if I fly into some communities, I then have to boat across to get to the other community. I'm assuming you would consider the person boating me across would have to be licensed—good luck, by the way.

How do you see that individual getting the okay?

Mr. Gerard McDonald: There are a number of ways we can look at it. Obviously, online is one way to—

An hon. member: Oh, oh!

Mr. Gerard McDonald: I understand that; there are restrictions there.

If you go to any boat shows now, wherever they are, you'll find people offering the operator proficiency card, although I realize that in those areas there aren't many boat shows.

Mrs. Bev Desjarlais: I'm holding back chuckling here.

Mr. Gerard McDonald: Well, fair enough.

Mrs. Bev Desjarlais: There's a boat show in Winnipeg, but that's it. In the rest of the province, where most of the boating is done—which Mr. Scheer was talking about, the guiding—they don't have access. This became an issue with the other licence. That's why I see a problem here.

Now, my understanding is too that some of the provinces have some certification processes in place already, a sort of authorization or safety approval for commercial operators or courses the provinces approve.

Mr. Gerard McDonald: Did you say Quebec has some?

Mrs. Bev Desjarlais: I understood there were some in Manitoba.

Mr. Gerard McDonald: That's news to me.

Mrs. Bev Desjarlais: One of the questions before was, why couldn't they get together and have just one approved to authorize people to operate—

Mr. Gerard McDonald: We wouldn't have any objection to something like that if there was something being offered provincially. I suspect that if they're offering it provincially, they are suffering the same problems we are as to how you reach the

people. If there's a better way for us to reach the people, we're certainly interested in doing that.

Mrs. Bev Desjarlais: As we're talking about reaching the people, could you tell me where you're holding your consultations? Please don't tell me it's over the Internet.

Mr. Gerard McDonald: No, our consultations are not being held over the Internet. We have regional Canadian marine advisory council meetings we hold in each region. The location varies in the various regions, but they're held twice a year across the country in our five regions. All our regulatory changes are discussed through those councils, and then also there's a national consultation session here in Ottawa held twice a year.

Mrs. Bev Desjarlais: Are you having any consultations with first nations individuals?

Mr. Gerard McDonald: We have in Manitoba gone out specifically for small vessel consultations. I'd have to get you the exact places and times. I know we did one in Gimli last year. We did one in the past couple of weeks further up north, but the name of the actual location—

Mrs. Bev Desjarlais: I'd be interested to know, because Gimli wouldn't be considered part of that northern area.

Mr. Gerard McDonald: No, I wasn't saying that; I said there was one somewhere else. I can get that information for you, though.

Mrs. Bev Desjarlais: Thank you.

The Chair: Mr. Karygiannis.

Hon. Jim Karygiannis (Scarborough—Agincourt, Lib.): Thank you, gentlemen.

It's important that we as individuals and custodians for the people of Canada should take into consideration that should an accident happen.... Say you fly into the bush and then somebody takes you across, a first nations person or somebody else who has a boat. If something like that happened, the first finger we'd point would be to turn around and say, you did not license them; you did not provide for them; you didn't look after it; and you have not had a program where they can learn.

It brings me back to the old thing where you have people hitchhiking along the road and getting picked up or people who get into a cab. In the big cities as well as in the small cities, if you drive a cab, there's some sort of a licence you have to get; there's some training you have to go through, and you have to have insurance when you're delivering the public.

So in due care and due diligence, the question I have to ask you—there are a number of them—is, to license these people, be they first nations, be they guides or anyone else, if they cannot go on the Internet or go to boat shows, have you considered dealing with them through correspondence courses? A lot of people upgrade their education through correspondence. Has the department looked at correspondence courses in order to license these individuals?

•(1605)

Mr. Gerard McDonald: Specifically, no, but that's not something we'd rule out. Obviously, we haven't developed the course yet, and we will be looking to service providers to provide it, so that would certainly be something within the realm of the possible.

Hon. Jim Karygiannis: Will you also be requesting that before he's licensed to operate this boat to ferry these people across, the individual who is for hire—the ferryman or whatever you want to call him—also carry some sort of insurance?

Mr. Gerard McDonald: The Marine Liability Act was recently passed by Parliament. They are developing regulations under that specific act that will include a requirement for insurance on smaller vessels.

Hon. Jim Karygiannis: At the end of the day, I think what we're trying to do here, regardless of grandstanding and saying...the first nations, and all that stuff.... I think we're trying to bring in a regime that is equal among everybody. Should somebody be carrying a passenger on that boat, carrying other people, that person is responsible. The person knows how to do it, has the first aid, has the capability to operate the boat, is licensed to carry the boat, and has the necessary insurance. This is like any taxicab operator in downtown Toronto, Yellowknife, or the back country—as long as you're not carrying yourself and you're carrying somebody else, you have to carry that responsibility. Is this what I'm hearing?

Mr. Gerard McDonald: Essentially, yes.

Hon. Jim Karygiannis: You will consider, when you're doing education certification, that some sort of correspondence course.... I understand that if there are more than ten people, you will fly in and have somebody go in and certify them?

Mr. Gerard McDonald: Again, we'd probably be looking to service providers to provide that sort of offering. If they belonged to some association or were all part of a community, and they wanted to organize something to get the proficiency course, we could certainly point them in the right direction—a service provider who could offer that for them.

Hon. Jim Karygiannis: If an accident were to happen that involved an unlicensed individual, an individual who doesn't know how to handle a boat and all that stuff, where would the responsibility lie?

Mr. Gerard McDonald: Where would the responsibility lie?

Hon. Jim Karygiannis: I'm acting as a first nations individual. I fly into the bush and say I want to get across—I, my wife, and two of my children. I go across, and there's an accident. It capsizes, and I'm hurt, I'm dead. A couple of my family members drown. Who points the finger at whom?

Mr. Gerard McDonald: It would be the operator who is responsible for ensuring he has the necessary training, licensing, and what have you, just as with your vehicle.

Hon. Jim Karygiannis: At the end of the day, it is the due diligence that was not done, by the department or anybody else, to provide the operator with the service that is needed and the know-how to operate the boat to make sure that I and my family get across safely. The need to know is very paramount, the need to know how to operate the boat.

Mr. Gerard McDonald: Yes.

Hon. Jim Karygiannis: Thank you.

The Chair: There are three minutes left, Mr. Scarpaleggia.

Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.): That's all I will need, at the most.

I'm just trying to refresh myself on the jurisdictional questions when it comes to navigable waters. I know that constitutionally it's federal, but it's not that clear, I think.

Mr. Gerard McDonald: It's quite clear.

Mr. Francis Scarpaleggia: I'm saying there's some delegation of enforcement in Quebec...?

Mr. Gerard McDonald: Well, yes, we can delegate enforcement, but by the strict letter of the law, anything that floats on the water is our responsibility.

Mr. Francis Scarpaleggia: There's delegation in Quebec?

Mr. Gerard McDonald: We have enforcement agreements with a number of enforcement agencies across the country—they'll enforce our laws on our behalf—but in terms of ultimate responsibility, if they were charged with anything, they'd be charged under the Canada Shipping Act.

Mr. Francis Scarpaleggia: Okay, thanks.

•(1610)

The Chair: Next is Mr. Gouk.

Mr. Jim Gouk (British Columbia Southern Interior, CPC): I just have one question. It's kind of a retro question. I've probably been in violation of the act myself. I live on water. Every individual who has a pleasure craft of 10 horsepower or more has to have a—

Mr. Gerard McDonald: It's being phased in over a ten-year period. This regulation was brought in in 1999, I believe. Right now, if you were born after 1983, you have to have an operator proficiency card—or if you're operating a personal watercraft, I believe—and if you were born before that date, you will have to have an operator proficiency card by 2009.

Mr. Jim Gouk: How long does it take to get one of these?

Mr. Gerard McDonald: If you're knowledgeable in the boating requirements, it is just the time it takes to sit an exam and pass it.

Mr. Jim Gouk: In a small community, would there be a place, or would you have to go to a larger centre to take that?

Mr. Gerard McDonald: As I said, a number of organizations do offer the card. You can get it online and usually at any boat show taking place across the country. As well, there are specific course offerings. Organizations like the Power Squadron, or what have you, will offer courses for the operator proficiency card.

Mr. Jim Gouk: I'm sure throughout the country, but particularly in one of my regions, in the Okanagan, we have all kinds of tourist locations. We have house boats and personal watercraft and any number of other types of boats.

If somebody who lives a million miles from the water and doesn't own a boat goes on a special holiday and wants to rent a boat, do they have to have an operator's licence?

Mr. Gerard McDonald: Yes, they should, if they're going to operate the vessel and if, as I said, with the current requirements, they were born after 1983, and again in 2009—

Mr. Jim Gouk: They may be going there for one holiday and that's it. So they're going to have to study this and go to wherever the course is and pass a course and wait on their licence to come before they're—

Mr. Gerard McDonald: An operator proficiency card, yes. It's just as if you were going on a holiday and wanted to drive a rental car.

Mr. Jim Gouk: Well, we have a different regime, of course, for cars, period, so one expects that.

It's interesting. Okay. That's all I wanted.

The Chair: Mr. Scheer.

Mr. Andrew Scheer: There was something Mr. Karygiannis was saying, that it be a sort of reversal. If I send in and voluntarily comply with some of the regulations and put my decal on my canoe, and Transport Canada has a logo saying this boat is approved, and then there's an accident, maybe there's a liability question: Transport Canada is essentially vouching for this vessel or vouching that the operator is qualified. If a lot of it is voluntary, if a lot of it is through the mail, are there any concerns, if Mr. Karygiannis were the victim of some misfortune, that he might come back and hold Transport Canada liable in some—

The Chair: Not in the afterlife.

Mr. Gerard McDonald: The legal advice we get is that we're not exposed in that fashion. Obviously, when we inspect a vessel, we inspect it one day out of the year or one day out of every five years. We can't ensure that every vessel meets all the safety requirements all the time. That is the responsibility of the owner, and that's been backed up in law.

Mr. Andrew Scheer: Do you have any stats available for what the cost is projected to be? We've had some experience in unexpected cost overruns in other licensing regimes. You're phasing in operator requirements for anyone who operates a vehicle; you're bringing in some of these registrations for these small vessels, and inspections and things like that. Have you any idea what the price tag is going to be?

Mr. Gerard McDonald: In terms of a one-day training session, right now it can be between \$200 and \$350 for a one-day training session. Again, we haven't fully defined what the course requirements are and how they'll be offered, so there are a lot of variables in there that make it difficult for us to go any further as to what the costs are.

Mr. Andrew Scheer: In terms of what it's going to cost Transport Canada to have this registration system to set up licences, there's a history of a lot of unexpected costs when different government departments set some of these things up. Do you have any sort of forecasting about what Transport Canada is going to have to spend to do this?

Mr. Gerard McDonald: We don't expect to be getting any additional funds from the government to set up or run this program. So however we design it, we're going to have to make sure we can do it within our current reference levels.

Mr. Andrew Scheer: So it's going to be on a cost-recovery basis?

Mr. Gerard McDonald: There will be some cost recovery, obviously, for the course, but not to hire any extra civil servants to.... As I said, we'd be looking to service providers mostly to manage and operate the provision of whatever training would be required, and that would not necessitate our being involved, other than to approve their courses and make sure they're teaching what they should be.

• (1615)

Mr. John Forster: Just to follow up on that, you will have to pay for the course, but you have to do that now if you're a pleasure boater and want to get your card. If I want to get a driver's licence, I have to go and pay for a driver's ed course, etc. But that won't be to us; that'll be to service providers that offer the course.

We're not going to be charging other than the licence fee that is there, which is \$50 over five years, or \$10 a year. We're not going to be charging huge fees. We're not going to be hiring 3,000 inspectors to run all over the bush checking out boats; we're going to manage it with what we've got. Is it a perfect solution? No. But we don't want to hire 3,000 inspectors to run all over checking people's cards and boats and decals. You wouldn't want us to do it, and we don't want to do it.

At the same time, we feel there is a gap. We need to do something. If you are going to operate a business taking people in your boat for money, we should at least try to put in place a kind of minimum regime that makes sure you're competent and trained and qualified to take the lives of people into your hands and into your boat. We're trying to find something that is reasonable that responds to this, but we're not trying to build some onerous thing, either for them or for us, because if we can't do it, they can't do it.

Mr. Andrew Scheer: Even though there are existing safety regulations?

Mr. John Forster: There are no regulations right now for the operator who's going to take 10 people in his boat and charge them money to do it to be trained, competent, or whatever. There's nothing. I could do it. I don't know how to run a boat. I could go out tomorrow, charge everyone in this room ten...“Here. I'll take you across the river. I'll charge you all \$50.” There's nothing there that says I have to have any training, any knowledge, or know anything about boats. I can just do it.

We're just trying to find something that works, that's reasonable, but that ensures that if I'm hiring you to take me somewhere in a boat, there's a reasonable level of comfort that at least you have some minimal knowledge and training to do it.

Mr. Andrew Scheer: As I said, you can understand that if someone is going to take you on a boat tour of Niagara Falls, you'd want to make sure, if they're operating a large boat or taking lots of passengers, that they'd do it. But for the existing industries that are out there, especially in remote parts of Canada, that have been doing this—it's part of their heritage, it's part of what they do—it seems to me there are existing regulations on the safety of the vessel. There's a “you can't do this unless government says you can do it” type of attitude about some of these things that have already been going on.

Mr. John Forster: I don't think our attitude is you can't do it unless we say you can do it. We're trying to say we think you should have at least a minimal.... And I think the points you raised today, certainly about remote and rural areas and first nations, are really good points, and we're going to have to really think hard about how it's going to work in those situations.

That's why we're out consulting now. We didn't put out a regulation and go through the process, because it's not easy. We don't have a perfect solution. I think the points you guys have raised today are really helpful and is stuff we're going to have to really think about—how it's going to work up there.

The Chair: Let's understand this is not a consultation today.

Ms. Desjarlais.

Mrs. Bev Desjarlais: I just want to say I fully understand the need to improve safety. As someone who recognizes that a number of those killed in boating accidents are first nations or aboriginal people, there is not a real educational process out there about the ensuring of wearing life jackets—those kinds of things.

I can tell you.... The reason I kind of chuckle is I just know what it is going to be like to try to put this into place, and I'll make a point of giving you a couple of names. If you can convince those individuals that this can work and get their okay, then I say you can make it; if you can't convince them, you're doomed.

I also have a concern about the \$200 to \$350. That's big money to a lot of individuals. That's more costly than the gun registry program. It's more costly than any driver training program I've ever heard of. It is a huge amount.

Now I want to get back to something that is so near and dear to my heart, as someone who's lived through the Marine Liability Act, and someone who was around when the *Lady Duck* went down and a couple of people were killed, and as someone who was here when a boat—and I regret that I can't think of the name of the boat, where a couple of young students from Ontario were killed in.... It was the *True North II*; I think it was in Georgian Bay.

The reality was, there was no liability insurance required, and the Liberal government refused to put into legislation the need for liability insurance at that time. We had the Insurance Brokers Association of Canada before us. They said this would not be an excessively costly thing. The reality was, if liability insurance had been required, those operators would have had to act safely or they would not have been able to operate without insurance, the same way you cannot operate an aircraft, the same way you cannot get a mortgage on your house. And the government refused to put it in there.

So my question is whether that is in legislation now, in case I missed it somewhere along the way.

It's in the legislation?

• (1620)

Mr. Gerard McDonald: In the Marine Liability Act, yes, and the

Mrs. Bev Desjarlais: It now includes the liability for operators of these boats? Do they have to have insurance?

Mr. Gerard McDonald: —the regulations. The act is in place—

Mrs. Bev Desjarlais: It's not within the legislation; it's in the regulations?

Mr. Gerard McDonald: Yes, and the regulations.... That's not my area of responsibility, but I believe the regulations are soon to be published, if they have not already been published in part I of the *Canada Gazette*.

Mrs. Bev Desjarlais: Okay, but it's not in place to this point then?

Mr. Gerard McDonald: No.

Mrs. Bev Desjarlais: So this didn't just swim by me somewhere and I missed it. I would have been shocked if it had. I obviously thought it was important enough that it should have been in the legislation, but at least if it's going to be in the regulations....

You're mentioning that it's going to be in the regulations for the craft we're talking about today. Is it going to be in the regulations for those same operators, those who operate the *True North II* or the *Lady Duck*?

Mr. Gerard McDonald: Most definitely, yes.

Mrs. Bev Desjarlais: Okay. Thank you.

The Chair: Are there any other questions?

From your opening statement with respect to small commercial vessels, can you give me figures for the number of fatalities in the last year that you have data available for?

Mr. John Forster: In my statement, my notes indicate that for pleasure craft, like cottage boats, there are roughly 150 a year. For commercial vessels, it's 30 to 40, and probably between two-thirds and three-quarters of those would have been for smaller commercial vessels, including fishing vessels.

The Chair: We've heard Ms. Desjarlais refer to the incident on the Ottawa River and the one on Georgian Bay. Those vessels were licensed, were they not, and inspected under ship safety?

Mr. Gerard McDonald: Which vessels?

Mr. John Forster: The *True North II* and the *Lady Duck*.

Mr. Gerard McDonald: I'm not sure if there was an inspection requirement for the *True North II*.

Was there?

Mr. Victor Santos-Pedro: Yes.

Mr. Gerard McDonald: Yes, there was.

For the *Lady Duck*, there was actually not an inspection requirement, but because it had a previous accident, we had inspected it on a number of occasions.

The Chair: Is it correct that the Transport Canada marine safety division is being sued with respect to the Georgian Bay incident?

Mr. Gerard McDonald: The *True North II*?

The Chair: Yes.

Mr. Gerard McDonald: There were civil suits brought against Transport Canada, but I don't believe any of those are outstanding.

The Chair: Do you remember how many people died in that sinking off Flowerpot Island?

Mr. Gerard McDonald: Two children.

The Chair: So the parameters that we're talking about for small commercial vessels are somewhere in the neighbourhood of 30 to 40 incidents a year?

Mr. Gerard McDonald: As far as we know, yes.

The Chair: What you're doing then is bringing in your regime to affect a very broad cross-section of operators—and I'm not quite certain what a small commercial vessel is. So we're talking about somewhere in the neighbourhood of three dozen people who, unfortunately, are probably drowning a year. Do you think this is going to limit those incidents?

• (1625)

Mr. Gerard McDonald: It's our hope. Certainly, we feel that by educating the operators in safety, there's a higher probability they'll know how to react in dangerous situations.

The Chair: Mr. McDonald, you just said it's your hope, and then you talked about probabilities. Can you tell me where we've had such a regime at some point, and what effect it's had? We would like to think you're not passing regulation based on hope.

Mr. Gerard McDonald: Sorry, I didn't understand the question.

The Chair: You've said it's your hope.

Mr. Gerard McDonald: Yes.

The Chair: You're promulgating regulation. Is it based on hope? Is it based on evidence? Is it based on a hunch? Is it based on probabilities? Essentially, what I'm asking you is what is the evidence these regulations you invoke across the country are going to have an effect, or are they just going to annoy a bunch of people in remote parts of this country and indeed in all parts of the country?

Mr. Gerard McDonald: Obviously, I can't give you a definitive answer that if we bring in a regulation it's going to save this many lives.

The Chair: I'm not asking for that. I'm asking if there is a trend. You must have some corroborative evidence that this is going to be the case. I'm asking you where that is.

Mr. Gerard McDonald: Specifically, for this situation, I don't know that I have corroborative evidence, but I think evidence can be obtained showing that education and improving safety awareness do have an effect on the performance of individuals and accident statistics.

The Chair: You said you "think" there's evidence.

Mr. Gerard McDonald: I don't have anything at hand.

The Chair: Do you know whether that was examined, then, or is this all, once again, based on a hope and a thought? Which way are we going here?

Mr. Gerard McDonald: I don't have any specific studies that I can point to that say—

The Chair: I live on the border with Michigan. There are 780,000 pleasure craft rolling up and down the St. Clair River, the Detroit River, and Lake St. Clair. Those are all American pleasure craft. They're not commercial; they're just boats.

Does the U.S. have such a program?

Mr. Gerard McDonald: Yes, in certain states it does.

The Chair: In certain states?

Mr. Gerard McDonald: Yes, I'm not sure specifically which ones.

The Chair: Would your proposed regulatory program...? I'm talking about pleasure craft now. Do you know what the regime is?

I know where I live, the Ontario Power Squadron and people who invest some substantial bucks in boats find it prudent to go and learn how to operate these things. That already exists, and it's existed for 75 years.

Mr. Gerard McDonald: Right.

The Chair: We're talking now about small commercial vessels. Where's the evidence that this is going to work?

Mr. John Forster: I think if you're looking for a specific study, there isn't one. If you're looking at other examples of saying, okay, if you're going to operate a car, if you're going to operate a pleasure boat, if you're going to operate a vehicle, does driver education, driver training, and safety awareness and performance improve? Does it make sure the operator is thinking about safety, that they're aware, that they have the right equipment, etc.? I think it's fairly self-evident that this is going to improve overall safety.

If you want us to provide you with a number, I'm not sure we've done a study that will give you a number that says, okay, we will go from 40 deaths a year down to six. At the moment, for every boat in Canada there is a requirement that the operator of that boat have some minimum level of training, except for a small commercial vehicle. For your pleasure boat, it's for your cottage, the government decided, and you need at least some basic training to get an operator certificate. It's being phased in.

The Chair: The line of questioning is following along small commercial vessels. The indication is that there were three dozen deaths, if I can put it that bluntly. We do know there were deaths involving two small commercial vessels, one in the Ottawa River and one in Georgian Bay, and those were licensed; those were inspected.

Transport Canada, under ship safety—I believe that is the branch that carries these out—is being sued because it's been alleged, in civil suits, that you haven't done your job. I'm trying to understand how this is going to improve ship safety when inspections carried out by your people have not protected people anyway, or the allegation is such.

Mr. John Forster: If you're suggesting that any safety regime would have a 100% success rate, I don't think that's possible. There will always be human error. There will always be accidents. To imply that because there are accidents in civil aviation we might as well hang up the shingle and go home and just let air operators do whatever they want...I don't understand that logic.

The premise is that we have a class of boats that people are using to earn a living, and that's great. We think they should have a one-day course to make sure that at least they have some basic safety knowledge. Do we have a study that says this will result in a 36.3% improvement in safety? I'm sorry, we don't have such a study. To me, there's a logic to it that says we're just ensuring the basic minimum standard is there.

The Chair: I understand that, Mr. Forster.

Members around this table have some knowledge that there are allegations that Transport Canada has failed in its duty to ensure that some of these vessels are safe. Those are only allegations, I'll acknowledge that.

What we're talking about is a large regulatory regime involving a small number of deaths every year. I don't want to be flippant, but

what you're talking about is imposing something that's going to be costly to operators. Let me ask you if you've looked at an alternative. Why not an alternative of a demand for insurance in place by all operators? You wouldn't have to inspect then as rigorously.

• (1630)

Mr. John Forster: We're not talking about inspection here.

The Chair: No, you're talking about a licensing requirement. What is the failure to comply with the licensing requirement then?

Mr. Gerard McDonald: There would be a fine in the act.

The Chair: All right. I think those are all my questions.

Thank you very much, gentlemen.

[Proceedings continue in camera]

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