

The Road to Better Trade: Reducing Interprovincial Trade Barriers in Trucking

Issue:

Improved interprovincial trade could result in significant growth opportunities for Alberta business. These improvements can be achieved by removing barriers such as those which add costs and delays to transport trucking. The Government of Alberta should work to harmonize its regulations, standards, and infrastructure with other provinces to remove these barriers. The Government of Canada should work to support and coordinate this harmonization process across all federal partners.

Background:

Reducing interprovincial trade barriers presents a significant opportunity for economic growth in Alberta and Canada as a whole. Eliminating these barriers could lead to a 3.2% annual increase in Alberta's GDP⁶⁷. Furthermore, interprovincial trade barriers add between 8% and 14.5% to the price of goods and services in Canada, increasing business costs and limiting growth potential⁶⁸.

One particularly important interprovincial trade barrier is the misalignment of various standards, regulations, and infrastructure related to transport trucking. The commercial trucking industry is a crucial component of the provincial and national supply chain, with 90% of Canada's 72.9 million freight shipments being carried by trucks⁶⁹. Albertans and consumers across Canada rely heavily on freight transportation to provide them with daily necessities. In fact, 52% of Alberta's Gross Domestic Product is delivered via trucking⁷⁰.

Regulatory Harmonization

Each province in Canada maintains jurisdictional authority both over highway infrastructure and the regulatory framework governing trucking including driver standards, vehicle requirements. This result of this federal system is a patchwork of regulations, navigating which creates additional costs for shippers. While some efforts have been made to harmonize these standards⁷¹, they have not reflected a coordinated effort to align all areas of trucking governance between all provinces.

The Canadian Trucking Alliance (CTA) has identified specific areas where regulatory alignment would have the most impact⁷². The Government of Alberta should work with other provincial governments to align and harmonize:

- standards for driver training,
- permit conditions and licenses for long combination vehicle programs and for

⁶⁷ Deloitte LLP. (November, 2021) *The case for liberalizing interprovincial trade in Canada*.

⁶⁸ Globerman, Steven. (November 1, 2024). *The Growing Imperative to Create a More Integrated Internal Economy in Canada*. The Frase Institute

⁶⁹ Statistics Canada. (2017). *Commodity flows by mode in Canada: Canadian Freight Analysis Framework, 2017*.

⁷⁰ Groves, Jude. "We need more commercial drivers to keep Canada moving." *Edmonton Journal*, October 28, 2021

⁷¹ Task Force on Vehicle Weights and Dimensions Policy. "Harmonization of Special Permit Conditions for Long Combination Vehicles (LCV). <https://comt.ca/english/programs/trucking/Western.htm>

⁷² Canadian Trucking Alliance

oversize/overweight equipment,

- minimum clearance requirements for construction zones,
- regulatory definitions such as for “sunrise” and “sunset”,
- and spring weight restrictions and road bans.

Regarding special permit applications such as for oversize/overweight equipment shipments, a unified electronic permitting system would allow shippers to obtain appropriate permits faster and allow provincial authorities in different provinces to coordinate and regulate these types of shipments more easily. Such a system could allow applicants to obtain permits from the appropriate province but would be centralized in a single application.

Trucking Infrastructure

Other challenges relate to differences between provinces in infrastructure.

The CTA has noted that throughout Canada, segments of the National Highway System (NHS) lack rest stops at recommended intervals (approximately every 80 km to 160 km). As drivers have hour-of-service obligations limiting their driving time each day, a lack of access to rest stops results in drivers having to stop earlier than optimal to ensure they have safe and legal places to park their trucks. In Alberta, an example of inadequate highway segment on the NHS is on Highway 35 between Peace River and High Level (295 km without a rest area) and Highway 40 between Grande Prairie and Grande Cache (190 km without a rest area).

Currently variations in bridge heights throughout the country create uncertainty for long-haul shipping routes, setting and adhering to a national minimum standard for new bridge construction nationwide would improve operational predictability and lower administrative costs of finding routes which navigate the variations in bridge heights.

The Alberta Chambers of Commerce recommends the Government of Alberta:

1. Lead collaborative efforts with other provinces and territories in consultation with industry to harmonize regulations, standards, and infrastructure while urging the federal government to support and coordinate national alignment initiatives.

The Alberta Chambers of Commerce recommends the Government of Canada:

1. Promote the creation of harmonized trucking standards and regulations between provinces and territories by facilitating regulatory discussions between all provincial/territorial governments in Canada;
2. Develop a national electronic permitting system for oversize/overweight equipment in partnership with provincial governments to create a single application for all provincial permits; and,
3. Establish a national standard for minimum heights for new bridge construction.