

Commercial Vehicle Safety and Enforcement Program

Follow-up on VFM Section 3.05, *2008 Annual Report*

Background

The Road User Safety Division of the Ministry of Transportation (Ministry) focuses on improving safety and security for Ontario road users. Its activities include the regulation of commercial vehicles operating in the province and enforcement of safety standards. Owners of commercial vehicle businesses (known as operators) in Ontario are required to register with the Ministry. In the 2009/10 fiscal year, the Ministry spent more than \$106 million on road-user safety activities.

Under the commercial vehicle enforcement program, which we audited in 2008, the Ministry maintains a number of roadside stations along Ontario highways to enable staff to conduct both risk-based and random inspections of commercial vehicles. In 2009/10, the Ministry maintained 36 fixed and about 70 temporary roadside inspection stations (the same as in 2007/08). The Ministry also works to ensure that commercial vehicles are safety-certified annually by licensed mechanics and maintains a rating system for monitoring operator safety performance.

In our *2008 Annual Report*, we noted that initiatives undertaken by the Ministry over the past decade had contributed to a reduction from past levels in both the rate of fatalities involving commercial vehicles and the rate of collisions per 1,000 kilometres driven by commercial vehicle operators. However, because we found that 9.2% of all collisions in Ontario still involved a commercial vehicle, we recommended that the Ministry increase its efforts aimed at identifying high-risk operators and strengthen both its commercial vehicle enforcement activities and its oversight of private-sector motor vehicle inspection stations. In our *2008 Annual Report*, our more significant observations included the following:

- We acknowledged a number of ministry safety initiatives targeting commercial vehicles and drivers. These included limits on operating hours for drivers, legislated reductions to commercial vehicle speeds, impounding of vehicles with critical defects, and implementation of a new system for rating operator safety.
- Although the Ministry relied on the Commercial Vehicle Operator's Registration (CVOR) system to track operator safety records, some 20,600 operators that had been involved in collisions, convicted, or pulled over for

roadside inspections did not have the required CVOR certificate and the Ministry had initiated little follow-up action. The Ministry also did not know the number of operators currently on the road because there was no requirement for CVOR certificates to be periodically renewed.

- The number of roadside inspections conducted by the Ministry had dropped by 34% since 2003/04 to approximately 99,000 annually. In 2007, only three out of every 1,000 commercial vehicles were subject to such inspections.
- A disproportionate percentage (65%) of roadside inspections were conducted between 6:00 a.m. and 2:00 p.m. Although 21% of commercial vehicle trips occurred at night, only 8% of inspections were conducted at night.
- Enforcement officers averaged only one to two roadside inspections per day. We also noted that inspections were not being done consistently across Ontario, and standards for issuing safety certifications to commercial vehicles were outdated.
- More than 140 bus terminal inspections were overdue, with some terminals not having been inspected for more than four years. In fact, 76 terminals had never been inspected, including four with more than 100 buses each.
- Inspectors often could not retrieve operator safety records from the CVOR system quickly enough to use them in deciding which vehicles warranted a full inspection.
- Data on 18,000 United States collisions or roadside inspections involving Ontario operators had not been included in Ontario operator records as required by the federal *Motor Vehicle Transport Act*.
- Ministry interventions against high-risk operators had been declining since 2003, and the most serious interventions, such as suspension or revocation of an operator's CVOR certificate, dropped by 40%. As well, two-thirds

of 740 operator facility audits, which ministry policy requires for higher-risk operators, were cancelled by ministry staff.

- Meeting the goals of the Canadian national road safety plan would represent a challenge. Although the number of fatal collisions involving commercial vehicles had been gradually dropping, and the serious injury rate had declined by 9.7% over a four-year period, both were still well short of the 20% reduction by 2010 called for under the plan.

We made a number of recommendations for improvement and received commitments from the Ministry that it would take action to address our concerns.

Status of Recommendations

On the basis of information provided by the Ministry, we concluded that it had made some progress on all of our recommendations, with significant progress being made on a number of them. Some system improvements, including the capability to better measure and report on the effectiveness of the Commercial Vehicle Safety and Enforcement Program, will require several more years to implement fully. The status of action taken on each of our recommendations was as follows.

REGISTRATION OF COMMERCIAL VEHICLE OPERATORS

Recommendation 1

To help ensure that all commercial vehicle operators are registered and that they have provided all required information about their operations, the Ministry of Transportation should:

- *consider revising the registration requirements to ensure that all operators are required to regularly renew their Commercial Vehicle Operator's Registration (CVOR) certificate and update their operating information;*

- *work with the Private Issuing Network to connect the CVOR registration process with commercial vehicle registrations to highlight operators without a CVOR certificate; and*
- *follow up on all unregistered operators to ensure that they are properly registered within a reasonable time.*

Status

In Ontario, operators register for one Commercial Vehicle Operator's Registration (CVOR) for their business and register each of their commercial vehicles separately through the province's Private Issuing Network (PIN) offices, the same offices that register all other Ontario drivers and vehicles.

In our *2008 Annual Report*, we noted some 20,600 commercial vehicle operators who had been involved in on-road events, such as collisions, convictions, or roadside inspections, but were not registered with the Ministry. We also noted some 1,600 cases where owners of commercial vehicles had registered their commercial vehicles with PIN offices without having the required CVOR certificate for their business. Further, we noted that because Ontario, unlike several other provinces, had no registration renewal process, it was difficult to know with any degree of precision how many operators were in business in the province and how large and how active these businesses were.

At the time of our follow-up, the Ministry informed us that it had taken several steps to address the above concerns and respond to our recommendations. Perhaps the most significant was the implementation of a new CVOR renewal process, begun in 2008 and, according to the Ministry, on track for full implementation by December 2010. Starting December 1, 2008, all CVORs were to be assigned an expiry date. Since that date, all new operators have been required to first pay a \$250 fee to register with the Ministry, and then to annually update the Ministry on their business operations and pay an annual \$50 renewal fee to maintain their registration. The Ministry told us that existing operators with non-expiring CVORs were being

converted to the expiry system over a two-year period. The Ministry expects that the new system will significantly improve the accuracy of the Ministry's database of carrier information, enhance its ability to monitor the on-road safety performance of operators, and allow it to take more timely action against those carriers that do not meet its safety standards.

With regard to our concern about operators without CVOR certificates being able to successfully register their commercial vehicles at PIN offices, the Ministry informed us that it had been working with the PIN offices to minimize such omissions. It had distributed memoranda, posters, and brochures to the PIN offices to heighten the awareness of both PIN staff and operators on its registration requirements. The Ministry told us that further improvements were planned as part of a Road User Safety Modernization Project, due for completion in December 2013.

The Ministry informed us that, in response to our recommendation regarding following up on unregistered operators, in addition to implementing the new CVOR renewal process and working to ensure that PIN staff advise applicants of CVOR requirements when registering their commercial vehicles, it had completed two projects in which CVOR applications were sent out to unregistered operators. The first such project targeted operators with vehicles with a registered gross weight of over 4,500 kilograms. Under this project, 1,574 applications were sent out and 678 carriers (43%) responded. Eventually, 580 of these carriers properly registered and obtained a valid CVOR. The second project dealt with operators who had previous convictions on their carrier records and did not currently hold CVOR certificates. In this project, 1,094 applications were mailed out and 280 (26%) responded. Of these, 218 were required to, and did obtain, CVORs. Another 701 of the unregistered operators identified were found to be associated with existing CVOR certificate holders.

ROADSIDE INSPECTIONS

Co-ordination of Inspection Resources

Recommendation 2

To ensure that best use is made of roadside inspection resources, the Ministry of Transportation should:

- develop benchmark targets for the number of roadside inspections to be performed;
- conduct regular risk assessments to determine the best times for the stations to be open to minimize gaps in vehicle roadside inspections, and allocate inspectors accordingly; and
- monitor actual inspections and results so that systemic inconsistencies are identified for follow-up.

Status

In our 2008 Annual Report, we noted that the number of roadside inspections had dropped over the previous four years, with 34% fewer inspections conducted in 2007/08 than in 2003/04, and that inspection results often differed considerably among district offices. We further noted that the Ministry had no detailed standards establishing performance expectations for its inspectors, or a resource allocation strategy to target areas of greatest risk and ensure that systemic gaps in inspection coverage were avoided.

The Ministry informed us that, in response to these concerns and our recommendations, it had hired 50 new enforcement officers and was hiring additional supervisors to ensure that more roadside inspections take place at key locations along major corridors. Ministry officials also informed us that they had put in place new performance standards for enforcement officers, and had studied the variances in inspection results that we had noted across districts and taken steps to improve consistency. The Ministry has also completed a strategic plan to optimize the use of its enforcement resources. Under the strategic plan, the 36 truck inspection stations were evaluated and ranked to reflect their strategic value to the enforcement program. The ranking took into consideration such factors as

whether they were located at ports of entry to the province, whether they were on major commercial trade routes, whether the station stood alone or supplemented a station at an earlier point along the same route, and whether the location contributed to traffic congestion problems. Based on this work, the Ministry has decommissioned three of its stations and will continue to review the entire network of truck inspection stations, establishing a multi-year capital program to revitalize the remaining sites.

Bus Inspections

Recommendation 3

To provide adequate assurance that bus operators are keeping their vehicles mechanically safe, the Ministry of Transportation should:

- complete the backlog of overdue inspections at bus terminals with a focus on the large or higher-risk operators; and
- conduct a data-quality review of its recent Bus Information Tracking System to determine why there are errors in its system reports.

Status

In our 2008 Annual Report, we noted that more than 140 bus terminal inspections were overdue, some by more than four years, and that 76 bus terminals had never been inspected. The Ministry informed us that, in response to these observations and our recommendations, it had addressed the backlog by conducting more than 2,000 bus inspections since 2008 and by developing a risk-based approach for planning inspections that included such factors as age of the buses, size of the fleet, and past safety performance. Officers had been provided guidance as to how many buses to inspect at each facility, based on the number of buses an operator had and the number of terminals out of which they operated. The approach also required that, where an operator maintains both older (more than five years in operation) and newer buses, 60% of the buses inspected should be older ones. The

Ministry also informed us that the system problems that caused reporting errors in the Bus Information Tracking System had been corrected.

Vehicles with Defects

Recommendation 4

To ensure that non-compliant carriers are dealt with on a timely basis and unsafe vehicles are promptly removed from the road, the Ministry of Transportation should:

- *provide guidance on how impoundments of vehicles with serious defects are to be handled for those truck inspection facilities with no impoundment area available;*
- *investigate the reasons for the significant variances in vehicle impoundments across the province to ensure that operators are treated consistently; and*
- *establish guidelines for verifying that the repairs relating to less serious defects noted during roadside inspections have been made.*

Status

Ontario is the only North American jurisdiction with a commercial vehicle impoundment program. Although this is commendable, in our *2008 Annual Report*, we noted that the impoundment program needed improvement because its impoundment facilities for holding unsafe vehicles were inadequate. Only 15 of the truck inspection stations had impoundment facilities. At the other stations, rather than impounding the vehicle, the operator is required to repair the out-of-service defect or have the vehicle towed away. We also noted more than 200 impoundments that had never been entered into the system and were thus not included in the respective operators' safety records.

The Ministry informed us that it had dealt with the 200 missing impoundment records and had implemented electronic impoundment and vehicle inspection documents to minimize similar omissions in future. It also informed us it had provided enforcement officers with clear direction regarding

the issuance of and follow-up on defect repair verification notices, had assessed the variances we found in vehicle impoundment procedures, and worked to promote and improve enforcement consistency across district offices.

Roadside Inspection Capture System

Recommendation 5

To ensure that enforcement officers can use the recently improved information technology system to identify high-risk operators that might warrant a more thorough roadside inspection, the Ministry of Transportation should:

- *improve network bandwidth at the roadside inspection stations;*
- *encourage districts that issue paper inspection reports to input them electronically in the Roadside Data Capture system;*
- *reassess the decision not to have the system flag all vehicles that were found to have critical defects in previous inspections once 90 days have passed; and*
- *consider establishing a data interface with the court system to transfer provincial offences charges electronically.*

Status

In our *2008 Annual Report*, we noted that, because of bandwidth problems, enforcement officers at roadside inspection stations often had difficulty retrieving operator records from the Ministry's database to identify past problems that might indicate a high-risk vehicle or operator. We also found almost 10,000 paper-based inspection reports had been sent in to the Enforcement Branch and were backlogged for entry into the system, even though officers could enter these reports electronically themselves from the district offices. We also noted that a built-in system check designed to flag vehicles that had critical defects in their previous inspections was automatically turned off after 90 days, and that the system for issuing electronic provincial offence tickets under the *Highway Traffic*

Act could be better integrated with the Ministry of the Attorney General's court information system.

The Ministry informed us that, in response to these observations and our recommendations, it had upgraded network bandwidth at all truck inspection stations, thereby improving system performance. In addition, the Ministry reported that upgraded hardware had been installed in all enforcement vehicles to increase the speed of data transmission to and from ministry headquarters. The Ministry said it had also trained district enforcement staff in entering inspection reports electronically and utilized additional resources to eliminate the backlog of inspection reports. Training in the Roadside Data Capture system had also been provided to additional head office staff to ensure that future paper-based reports could be entered into the system in a timely manner. We were also informed that the Ministry had put processes in place to improve the way the Roadside Data Capture system functioned to flag vehicles that had previously had critical defects. Administrative processes for tracking defect repairs have also been implemented. With respect to integration with the court system, the Ministry informed us that it had continued to enhance its system's capability for generating electronic offence notices. This capability is now in place for all types of charges, thus eliminating a possible source of error when manually prepared tickets must be re-keyed into the system. However, it was still not possible for these electronic files to be used to update the Ministry of the Attorney General's court information system.

INTERVENTION ACTIVITIES

Accuracy of Safety Rating, Out-of-province Events, and Red Light Cameras

Recommendation 6

To help ensure the integrity of the Commercial Vehicle Operator's Registration system and to enhance the reliability of the operator's safety rating, the Ministry of Transportation should:

- *consider what sanctions might be effective for operators that do not provide all required information, including their fleet size and kilometric data;*
- *implement procedures to ensure that all carrier collisions and convictions are promptly and accurately recorded in operator records;*
- *reconsider the decision not to use collision and roadside inspection violation data from the United States in its risk assessments; and*
- *consider requiring that a tractor licence plate also be displayed on the back of trailers so that the operator can be more easily identified.*

Status

In our 2008 Annual Report, we noted that almost 74,000 registered operators—40% of the total number—did not have safety ratings, either because they had not been involved in any reported incidents or failed inspections, or possibly because they were no longer in business. We also found that some 3,200 operators had not registered all their vehicles, another 1,150 had not reported their fleet size, and more than 100,000 operators had not reported their kilometres travelled within Canada. We further noted that a two-year violation tracking period used by the Ministry to gauge whether enforcement intervention was needed was often shortened unintentionally because of delays in entering collision and conviction data and because the collision date was used as the starting point for the two-year period instead of the conviction date. We raised concerns that the Ministry was not updating operator data with collision and inspection data from the United States. We also noted that, although there were approximately 3,500 commercial vehicle convictions under the Ministry's red-light camera initiative, operators' safety ratings were not affected by such incidents because it was often difficult to identify the driver of the vehicle.

The Ministry informed us that, in response to these observations and our recommendations, all of our recommendations had been addressed and, with the exception of our recommendation to con-

sider having tractor licence plates displayed on the back of trailers, all of them had been implemented or were in the process of being implemented, with full implementation expected to be completed by September 2011. Specifically, the Ministry told us that our recommendation to consider what sanctions might be effective for operators that do not provide all required information had been addressed through the new annual registration renewal process described earlier.

With respect to our recommendation to implement procedures to ensure that all carrier collisions and convictions are recorded promptly and accurately in operator records, the Ministry informed us that it had implemented new procedures along with system improvements to ensure that all relevant conviction and collision data is entered and that delays are minimized. However, the Ministry informed us that after studying the matter, it will continue to use the date of the offence rather than the date of conviction for violation tracking periods. Ministry officials told us this was consistent both with other Canadian jurisdictions and with the federal National Safety Code standard on this issue.

With respect to our recommendation to reconsider the decision not to use collision and roadside inspection violation data from the United States in its risk assessments, the Ministry informed us that it had reconsidered this and planned to include event data for Ontario carriers operating in the United States commencing in September 2011. However, we were told this implementation remained contingent on negotiations with the Ministry's U.S. counterparts.

Regarding our recommendation to consider requiring that a tractor licence plate also be displayed on the back of trailers so that the operator can be more easily identified, the Ministry informed us that a survey on this issue was conducted through the Canadian Council of Motor Transport Administrators, and Ministry officials concluded that display of tractor plates on trailers was not feasible for Ontario.

High-risk Operators, Facility Audits, Leased Vehicles, and New-entrant Program

Recommendation 7

To ensure that appropriate and timely action is taken on higher-risk operators, the Ministry of Transportation should:

- *improve the review process involved in determining when sanctions should be imposed;*
- *conduct all facility audits on a timely basis and ensure that decisions to dismiss facility audits are appropriately approved;*
- *review the responsibilities of leasing companies and lessees to ensure that incidents involving them are handled in the same way as incidents involving operators that own their vehicles; and*
- *consider an education and monitoring program for new operators similar to what is required in the United States.*

Status

In our *2008 Annual Report*, we noted that the number of enforcement interventions, such as warning letters, interviews with operators, or requiring that operators present a safety improvement plan, had been declining, as had the use of sanctions, such as seizures of assets or revocations of licences. We also noted that facility audits at operators' premises were not being completed on a timely basis and that required facility audits were often cancelled. We also raised concerns about the failure to address the issue of operators under leasing arrangements who had high violation rates, and about the lack of a program to address the high risks associated with new operators.

The Ministry informed us that all of our recommendations in these areas had been implemented, with full completion of the implementation process targeted for December 2010. Specifically, the Ministry informed us that it had taken steps to ensure that sanctions were initiated earlier against higher-risk operators and had completed all overdue facility audits through redeployment of resources and streamlined processes. The Ministry further informed us that it had provided guidance to staff

not to override recommended interventions without strong justification and a full explanation and that it had communicated with leasing companies, providing them with information reminding them of their CVOR responsibilities. Lastly, the Ministry informed us that it had developed and posted a request for proposal for the development of a new entrant education and evaluation program to ensure that new truck and bus operators understand and meet their responsibilities. Including new government-wide security clearance procedures, the work is expected to be completed by March 31, 2011.

MOTOR VEHICLE INSPECTION STATIONS

Recommendation 8

To ensure that the required regular safety certifications by private-sector licensed mechanics are reliable in determining whether commercial vehicles are mechanically safe, the Ministry of Transportation should:

- *update its safety inspection standards to address current technology such as air brakes, anti-lock brakes, and airbags;*
- *enhance the functionality of its Motor Vehicle Inspection Station system so it provides management and inspectors with useful risk-based information;*
- *strengthen inventory and monitoring controls to identify whether an excessive number of safety standard certificates are being issued to private-sector inspection stations or mechanics certifying an abnormally high number of vehicles;*
- *work with the Ministry of Training, Colleges and Universities to establish a process for exchanging information on problem mechanics or those with revoked licences;*
- *ensure that mechanics registered at multiple stations are actually inspecting the vehicles they certify; and*
- *given that some states have significantly less rigorous standards than Ontario does, develop guidelines for validating inspection certificates issued south of the border.*

Status

In our *2008 Annual Report*, we noted that both the commercial vehicle inspection standards and the Ministry's inspection information system were outdated. We further commented on the lack of an inspection process for motor vehicle inspection stations and noted there was little oversight of mechanics conducting inspections at these stations. We also noted certain inventory control concerns over both motor vehicle safety certificates and out-of-province safety inspection certificates.

The Ministry informed us that all of our recommendations had been accepted, implementation was in progress, and this implementation was expected to be complete by December 2013. Specifically, with respect to the modernization of inspection standards, the Ministry informed us that it expected to have updated standards in place by July 2011, for commercial vehicles, with inspection standards for light-duty vehicles to be updated as part of the Ministry's modernization process, scheduled for completion in December 2013. It also informed us it had investigated mechanics identified as being registered at multiple inspection stations, investigated inspection stations that appeared to be issuing excessive numbers of safety standard certificates, and followed up on the missing certificates we noted in our *2008 Annual Report*. A new process had also been established for the issuance and control of certificates. According to the Ministry, certificates would no longer be available for sale from local enforcement offices. Rather, all certificate orders were to be managed and processed by head office staff in St. Catharines.

As well, the Ministry established a motor vehicle inspection station call centre and processes for exchanging information on mechanics with the Ministry of Training, Colleges and Universities. At the time of our follow-up, a memorandum of understanding between the ministries had been drafted and was in the process of being finalized.

The Ministry also informed us that it had started development of new processes to better identify and investigate fraudulent inspection station

activity. The Ministry also said enforcement staff had been provided with guidance on how to treat carriers from those American states that had less rigorous standards than Ontario.

SAFETY EDUCATION

Recommendation 9

Given that an increasing percentage of collisions involve driver behaviour rather than vehicle mechanical defects, the Ministry of Transportation should assess whether some reallocation of resources to an increased focus on driver education and training might be warranted. As well, it should provide information to operators and drivers to assist them in reducing the incidence of the most common problems.

Status

In our 2008 Annual Report, we noted that ministry statistics indicated that driver behaviour was a greater factor than mechanical failures in commercial vehicle collisions. At the time of our follow-up, the Ministry informed us that this would be addressed primarily through the new entrant education and evaluation program discussed earlier. A request for proposals to develop this program had been issued, and this included a commercial vehicle driver component. Including new government-wide security clearance procedures, the work is expected to be completed by March 31, 2011.

ROAD SAFETY MEASUREMENT AND REPORTING

Recommendation 10

The Ministry of Transportation should regularly analyze enforcement and traffic information to help management assess the effectiveness of its roadside inspection and other road safety programs in reducing fatalities and collisions. As well, it should expedite the tabling of the required report on traffic

incident statistics and make this report, as well as other performance measures on its commercial vehicle road safety program, available to the public.

Status

In our 2008 Annual Report, we noted that evaluations of the effectiveness of the commercial vehicle safety program had been sporadic, with the last comprehensive effort in this regard made in 1998, and that the public reporting of road safety data was not being done on a timely basis.

The Ministry informed us that, in response to our observations and recommendations, it had accepted our recommendations and was in the process of implementing them. Some of the planned changes were not to be in place for several years, such as the development of an improved commercial vehicle information system, which would enable trend analysis and evaluations of program effectiveness, with an effectiveness study of the revised CVOR system contemplated for early 2011. Other steps were to be completed earlier. For example, the implementation of the registrant renewal program discussed earlier, to be completed by December 2010, would significantly improve the accuracy of the Ministry's database for analysis and evaluation purposes. With respect to public reporting, the Ministry indicated it shared our concern regarding prompt tabling of required statistical reports and had investigated options for speeding up the process. The Ministry said that a change had been made so that copies of approximately 90,000 collision reports could be automatically forwarded to the Ministry from collision reporting centres, eliminating the need for ministry staff to retype the data from these reports into the system. However, the Ministry informed us that it had not implemented the new process because it was assessing whether a new longer-term strategy would be more cost effective.