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# 6 Nova Scotia Utility and Review Board: Public Passenger Vehicle Safety

## Summary

Public passenger vehicle safety concerns all Nova Scotians. It impacts the well being of passengers being transported as well as other persons and vehicles on the road. The Motor Carrier Division of the Nova Scotia Utility and Review Board regulates carrier compliance with the Motor Carrier Act and other legislation. It administers a public passenger safety program which includes safety inspection of public passenger vehicles and carrier enforcement. We completed a performance audit of this program.

The Division's safety program, with its emphasis on semi-annual inspections, is not sufficient to ensure adequate maintenance of public passenger fleets therefore increasing the risk to passenger safety. Due to the lack of detailed inspection information we were not able to assess to what degree risks have been impacted. The Division reported that at least 60% of vehicles inspected had deficiencies requiring immediate correction. Our testing of inspection reports reflected similar results. We are concerned with the nature and number of potentially serious deficiencies found. We acknowledge the Division's inspections are conducted on time and to provincial standards. However, we believe a greater emphasis by the Division on carrier maintenance and driver compliance would increase the overall fitness of the carrier fleet and reduce safety risk.

The Division's enforcement processes to ensure compliance with motor vehicle safety legislation are inadequate and require improvement. These deficiencies increase the risks to passenger safety, however we were not able to assess to what degree risks have been impacted. The Division has no written enforcement criteria or guidelines for inspectors to determine appropriate responses to safety violations. We noted a number of instances where inconsistencies in enforcement may have occurred. An effective enforcement program is an important control in ensuring that public passenger vehicles are operating safely and to required standards.

Division management need relevant, timely and accurate information to help ensure that public passenger vehicles are safe. The Division does not have adequate information systems. This limits the Division's ability to analyze and identify carrier and vehicle safety deficiency trends and monitor enforcement activities. The Division relies on staff professional judgment and experience as well as manual monitoring processes. These methods provide limited information to assess the effectiveness of the safety program and to report on performance.



# 6 Nova Scotia Utility and Review Board: Public Passenger Vehicle Safety

## Background

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6.1 The Nova Scotia Utility and Review Board (Board) is an independent tribunal responsible for regulating a number of entities and economic activities. Those responsibilities include the regulation of all public passenger carriers within the province and interprovincial carriers operating to or from Nova Scotia. Carriers are defined to include commercial bus companies, school bus operations, and vans with a capacity of nine or more passengers (excluding the driver). The Board’s mandate includes licensing carriers and approving fares, routes, stops, and equipment for use. The Board also licenses carriers who operate a commercial van as a public passenger vehicle with a seating capacity of eight passengers or less, excluding the driver. The Board’s requirements for those types of vehicles are safety based and do not include fares, routes or other economic considerations.

6.2 The Board’s March 2008 business plan identified the following strategic goal “to maintain a safe and economically strong motor carrier fleet to meet the needs of the travelling public”. The Board expects to accomplish this goal by maintaining an effective safety inspection and enforcement program. The Motor Carrier Division of the Board administers motor carrier licenses and the safety inspection and enforcement program for all public passenger carriers regulated by the Board. In addition, inspections are performed on certain vehicles which do not carry passengers for profit, such as those operated by facilities licensed by the Department of Community Services.

6.3 Enforcing the safety of public passenger vehicles is shared among several authorities whose respective responsibilities are set out in the following table.

Exhibit 6.1 - Authorities and Responsibilities

Authorities	Legislation	Responsibilities
Nova Scotia Utility and Review Board	Motor Carrier Act, Motor Vehicle Act, Motor Vehicle Transportation Act Canada	<ul style="list-style-type: none"> <li>licensing public passenger carriers</li> <li>enforcing safety standards and provisions of the Acts and associated Regulations</li> </ul>
Service Nova Scotia and Municipal Relations	Motor Vehicle Act	<ul style="list-style-type: none"> <li>enforcing driver licensing provisions of the Act and Regulations</li> <li>safety risk rating of commercial carriers (see paragraph 6.5)</li> </ul>



Authorities	Legislation	Responsibilities
Transport Canada	Motor Vehicle Safety Act	<ul style="list-style-type: none"> <li>developing and maintaining safety standards for motor vehicles and investigating serious accidents</li> </ul>
Police Agencies	Motor Vehicle Act, Motor Carrier Act	<ul style="list-style-type: none"> <li>enforcing compliance with road safety provisions of the Acts and investigating accidents</li> </ul>

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6.4 The Motor Carrier Division indicated there are 293 carriers subject to safety inspections and approximately 2,621 public passenger vehicles operating in the Province. The Division employs 11 inspectors and one senior inspector throughout the province, managed from head office in Halifax.

6.5 Service Nova Scotia and Municipal Relations (SNSMR) is responsible for motor vehicle registration and issuing driver licenses. The Department also carries out assessments of the safety performance of commercial carriers, including trucks and buses, through a safety rating process. This process includes tracking highway accidents and convictions against a carrier or its drivers, such as vehicle maintenance or hours of work violations, as part of operations audits to determine the carrier’s level of compliance with all applicable safety standards. We did not include the responsibilities carried out by SNSMR in the scope of our audit. Certain of these responsibilities will be examined in an upcoming audit.

### Audit Objectives and Scope

6.6 In August 2008 we completed a performance audit at the Motor Carrier Division of the Nova Scotia Utility and Review Board for the period from 2006 to 2008 inclusive. The audit was conducted in accordance with Section 8 of the Auditor General Act and auditing standards established by the Canadian Institute of Chartered Accountants; and included such tests and procedures we considered necessary in the circumstances.

6.7 The objectives for this assignment were to determine whether the Division’s:

- information systems and processes to manage public passenger vehicle safety responsibilities are adequate;
- inspection and enforcement processes are adequate to ensure compliance with public passenger vehicle safety legislation and policies; and
- systems and processes to address complaints from the public concerning public passenger vehicle safety are adequate.



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- 6.8 Generally accepted criteria consistent with the objectives of the audit do not exist. Audit criteria were developed specifically for the engagement using both internal and external sources. Criteria were discussed with and accepted as appropriate by management of the Division.
  - 6.9 Our audit focused on the Motor Carrier Division's processes and procedures concerning public passenger vehicle safety. It did not include the Division's responsibilities for the administration of motor carrier licenses.
  - 6.10 We conducted audit fieldwork at the Division from April to August 2008. We interviewed management and staff; examined policies, files and other documentation deemed to be relevant; reviewed systems; and tested certain processes and procedures.

## Significant Audit Observations

### Management Information and Reporting

- 6.11 *Conclusions and summary of observations* – We assessed the adequacy of the Division's information systems and processes to manage its public passenger vehicle safety responsibilities. We concluded the Division's information systems and processes are not adequate. Information systems do not provide relevant, timely and accurate information regarding the extent and completeness of inspection and enforcement activities carried out by staff. Management needs information that is relevant, accurate and readily available to make informed decisions and assess and report on performance.
- 6.12 *Management processes* – Inspectors communicate and meet with the senior inspector, scheduling coordinator and the Division director. The director and senior inspector oversee the activities of inspection staff through frequent discussions, communication, and meetings to keep up to date on their activities and issues. The scheduling coordinator uses reports prepared by the inspectors to monitor work activity.
- 6.13 *Management information systems* – The Division's licensing and inspection computer system was developed in the early 1990's. It is a DOS-based system designed primarily for registration and licensing purposes with some capture of inspection information. The system does not record detailed information on inspection results, such as the types of deficiencies found, only whether the vehicle passed or failed the inspection. It also does not provide inspection histories for the vehicles. A limited number of standard reports on license applications, approvals and inspections can be generated from the system.



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- 6.14 Administration staff prints monthly reports on inspections due and sends them to the inspectors. Inspectors do not have access to the system. They maintain a manual card system which provides a brief inspection history of the vehicles and helps them to schedule their inspections. Inspectors schedule their time to complete the inspections and document the results on manual inspection forms. Administration staff enters summary level inspection results into the system from the completed forms.
  - 6.15 Inspectors prepare a separate daily report noting information such as the number of inspections conducted and the number of vehicles removed from service. Inspectors summarize the statistics on monthly reports and management summarizes the monthly reports for quarterly reporting to the Board, and published annual reports. These manual tasks are time consuming, subject to error, and could be done electronically.
  - 6.16 Management and inspectors rely on their professional expertise and experience to identify trends in inspection results. The information system does not automatically flag operators with poor inspection results and it is not possible to obtain this information as the system maintains only the most recent summary level inspection results. Division staff must collect previous inspection reports and manually tabulate results from the paper forms to prepare an analysis. This lack of information could compromise the Division's ability to monitor for inspection consistency and safety deficiency trends, plan responses to trends, and evaluate the effectiveness of its inspection program.
  - 6.17 The Division does not compile enforcement information for review and analysis. Division staff file completed documents, such as roadside inspection forms, summary offence tickets and violation reports (warnings) in separate binders. Summary information from these documents is not prepared. Given the limited system capabilities and manual data collection processes, management's ability to monitor enforcement activities for consistency and trends, and evaluate the effectiveness of its enforcement efforts, is constrained. Analysis of enforcement data on a regular and timely basis would detect inconsistencies in enforcement of legislation. Inconsistencies in enforcement could increase the overall risk to public passenger vehicle safety.
  - 6.18 Management initiated a process in 2005 to acquire a new information system but encountered a number of difficulties. A new system has yet to be implemented.

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#### Recommendation 6.1

The Division should assess its operational information needs for inspection and enforcement activities and make the implementation of a new management information system a priority.



- 6.19 *Reporting* – Carriers are not required to report public passenger vehicle accidents to the Division. The Division may not be aware of accidents caused by mechanical failure or driver error which may warrant further investigation by the Division. The Division has not set out a specific process for inspectors to record accidents which they are aware of or investigate. We found limited accident-related documentation in our examination of carrier files and inspectors’ daily reports. We believe risk to the public passenger fleet may be further reduced by collecting and analyzing accident information in a more formal way.
- 6.20 In its annual business plan and accountability report, the Nova Scotia Utility and Review Board uses the number of preventable public passenger vehicle accidents caused by mechanical failure as a measure of the success of its safety program. The Board reported there were no accidents caused by preventable mechanical failure in 2006-07. Division management was unable to provide documentation to support this report. Such important statements by the Board should be verifiable and supported.

**Recommendation 6.2**

The Division should establish a process to identify, track and analyze public passenger vehicle accidents and take corrective action where required.

- 6.21 The Board’s business plan also includes statistics on inspections, roadside checks and investigations. We noted the Division gathers these statistics but does not provide analysis, such as the safety inspection deficiency rate, or indicate their significance. Undertaking such analysis would give the Division better information to determine the effectiveness of its activities and provide more meaningful public reporting.

**Recommendation 6.3**

The Division should develop a comprehensive process for documenting and reporting on its performance which includes measures of the effectiveness of its activities.

**Compliance With Legislation**

- 6.22 *Conclusions and summary of observations* – We assessed whether the Division’s inspection processes are adequate to ensure compliance with public passenger vehicle safety legislation and policies. We concluded inspections alone are not sufficient to ensure compliance. We are concerned with the number and nature of potentially serious deficiencies identified during safety inspections. Ongoing maintenance of the vehicles is critical to ensure they continue to meet required safety standards. We acknowledge the Division’s inspections are conducted on time and to provincial standards



but the deficiencies found suggest a greater emphasis by the Division on carriers' day to day maintenance is required to increase the overall fitness of the carrier fleet and reduce safety risk. We also believe enforcement activities related to driver compliance should be enhanced.

6.23 *Vehicle maintenance* – Detailed safety inspections are an important control to help ensure that public passenger vehicles meet required provincial standards necessary to transport passengers. Inspection is a means to verify the operational and safety fitness of a vehicle on the day it is inspected. It does not guarantee a vehicle will remain safe through to the next inspection. Operators are expected to maintain an adequate preventative maintenance program, outside of the Division's inspections, to help ensure that a vehicle will meet safety standards between inspections.

6.24 The Division does not usually perform surprise inspections on carrier vehicles. Semi-annual inspections are scheduled in advance, providing carriers an opportunity to identify and correct deficiencies before a vehicle is inspected. Over the last three years, the Division reported it performs approximately 4,900 inspections a year, with 3,100 vehicles kept out of service on initial inspection (63%). We are concerned with the continued high deficiency rate. We believe the Division's safety program could be enhanced by targeting apparent weaknesses in carrier maintenance systems. This should improve overall fitness of the carrier fleet and further reduce safety risk.

6.25 We examined 220 inspection reports from 2006 to 2008 and found 63% of the vehicles inspected had deficiencies which required immediate correction, with an average of 2.6 deficiencies per inspection. From our sample, we identified 574 deficiencies resulting in 138 vehicles remaining out of service until repairs were made. Of the reports we examined, 55 were for the same vehicle during two consecutive inspections. We found 16 cases (29%) where similar types of deficiencies were noted in both inspections, including things such as lights and reflectors, tires, and brakes. Our testing results are summarized in the following exhibits.

Exhibit 6.2 - Summary Testing Results

Type of Vehicle	Number of Inspections by Vehicle Type	Number/ Percentage of Inspections with Deficiencies	Total Number of Deficiencies	Average Number of Deficiencies per Inspection
Coach	48	35 (73%)	156	3.3
School Bus	112	70 (63%)	274	2.5
Van	38	18 (47%)	66	1.7
Other	22	15 (68%)	78	3.6
Total	220	138 (63%)	574	2.6



Exhibit 6.3 - Detailed Testing Results

Type of Deficiency (Number of Occurrences)	Percentage of Total Deficiencies	Type of Vehicle			
		Coach	School Bus	Van	Other
Tires (25)	4%	4	12	5	4
Brakes (83)	14%	24	35	15	9
Steering (42)	7%	13	13	6	10
Suspension (29)	5%	9	12	2	6
Power Train e.g. exhaust, engine, clutch (88)	15%	29	45	4	10
Instruments/Equipment (55)	10%	12	26	13	4
Lamps (49)	9%	16	19	4	10
Electrical System (15)	3%	4	8	1	2
Body, e.g. wipers, doors, mirrors (150)	26%	35	86	10	19
Other (38)	7%	10	18	6	4
<b>Total (574)</b>	<b>100%</b>	<b>156</b>	<b>274</b>	<b>66</b>	<b>78</b>

6.26 Management indicated not all of the deficiencies we noted would result in a vehicle being kept off the road if the inspection had been performed during a roadside inspection (see paragraph 6.36). Scheduled inspections are done in a garage or shop which allows the inspector to examine all parts, including underneath and inside the vehicle. This is not the case for a roadside inspection. Some of these deficiencies may not represent an imminent safety hazard (vehicle is unsafe to drive) but mean an item is out of tolerance with standards (will not likely continue to meet the standard over the next six months). Nevertheless, the Division requires these deficiencies to be addressed before the vehicle can go back into service. We were not able to determine the specific percentage of deficiencies in our test population related to hazardous and out of tolerance conditions. The Division does not collect data on the severity of the deficiencies detected. We believe it would be useful to analyze information on severity of deficiencies to aid in detecting and addressing safety issues.

6.27 The Division and Service Nova Scotia and Municipal Relations (SNSMR) share responsibility for monitoring and ensuring carriers have adequate preventative maintenance systems. SNSMR administers a carrier safety rating program which includes an assessment of carrier preventative maintenance programs. Division management indicated information related to program results is not shared between SNSMR and the Division. This information could be useful in alerting the Division to potential problem areas in a carrier's preventative maintenance program which may require specific action by the Division. Given the inspection deficiency



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rates noted, we are concerned there could be a gap in monitoring between the two entities resulting in little, if any, overview of carrier maintenance systems. We believe coordination between the two entities could improve overall effectiveness.

- 6.28 *Vehicle drivers* – We noted the Division has limited monitoring activities related specifically to public passenger vehicle drivers. The Division has a well established inspection process but it mainly involves the mechanical fitness and safety of the vehicle. While detection of mechanical deficiencies is an important component of vehicle safety, driver behavior plays a very important role in accident prevention. Driver error is often cited as a factor in reported accidents.
- 6.29 When inspectors are not involved with semi-annual inspections they are expected to perform roadside inspections and other enforcement activities. Management indicated that, due to required semi-annual inspections and available resources, roadside inspections and other enforcement activities are limited and may be deferred in order to complete required inspections. We determined most of the roadside inspections (87%) from August 2007 to July 2008 were carried out during 4 months of the year; there were 8 months where very few, if any, were done.
- 6.30 We examined roadside inspection forms and other enforcement information for the period from August 2007 to July 2008. Although we did not attempt to verify the completeness of these records, we noted 231 roadside inspections were performed and 51 summary offence tickets (SOT's) issued. 26 of the tickets were issued during roadside inspections. Our analysis of the 51 tickets showed that 65% of the offences cited related to driver violations. The violations concerned failure to properly complete hours of work logs (16 SOT's), failure to perform pre-trip inspections (14 SOT's), and wrong class, suspended or no license (3 SOT's). The Motor Carrier Act and Regulations indicate the Division has some responsibility for driver compliance, as do other government departments and agencies under other legislation. We believe the Division's effectiveness would be enhanced by directing additional resources to this activity given roadside inspections are their primary means for enforcing safety regulations related to public passenger vehicle drivers.
- 6.31 *Effectiveness of safety program* – Based on our findings, we believe the Division needs to strategically evaluate its safety program to determine if its resources are allocated in the optimal way to maximize effectiveness. A formal risk assessment, facilitated by a qualified third party, would help identify and rank significant operational risks relative to the accomplishment of the Division's objectives. The process would lead to a program designed to effectively and efficiently control the risks identified, including meaningful and measurable performance measures to help assess the Division's ongoing effectiveness in delivering its safety program.



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#### Recommendation 6.4

The Division should carry out a formal, facilitated risk assessment of its operations. An action plan to address recommendations from the assessment should be developed and carried out.

6.32 *Semi-annual inspections* – The Division is required by legislation to inspect all operating public passenger vehicles at least twice a year to ensure vehicles are mechanically safe to operate and meet safety standards. Our testing indicated that the Division is meeting its inspection targets. Inspectors use a standard form to document their inspection results. The form provides a comprehensive list of items that require examination. The inspection manual provided to inspectors details items to be examined and criteria for determining whether they meet safety standards. The manual was developed through the Canadian Council of Motor Transport Administrators (CCMTA). We found the Division’s inspection policies and procedures reflect current legislative requirements, which include CCMTA inspection standards.

6.33 We noted a weakness in the inspection process which could result in inaccurate ratings and, consequently, increase the risk of approving a public passenger vehicle for use which does not meet minimum braking standards. Inspectors perform tests of brakes using a specially designed brake meter that registers the vehicle’s braking efficiency. Vehicles not achieving a 65% efficiency rating, as required by legislation, are placed out of service until the necessary repairs are made. Although the manufacturer of the brake meters recommends the meters be recalibrated at least every two years to ensure readings are accurate, the Division does not follow this recommendation.

6.34 We requested information on maintenance and recalibration of the Division’s 14 brake meters. We were informed that such records are not maintained. We reviewed invoices for work completed on the meters and noted seven meters had been repaired or recalibrated from one to three times over the period from 1997 to 2007. There was no evidence the remaining seven brake meters had been serviced. It is possible the Division’s meters are giving inaccurate test results. If the braking efficiency is not adequate, a vehicle could fail to stop on time in an emergency situation.

#### Recommendation 6.5

The Division should establish regularly scheduled maintenance and recalibration of its brake meters, in accordance with the recommendations of the brake meter manufacturer.



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## Enforcement

- 6.35 *Conclusions and summary of observations* – We assessed whether the Division’s enforcement processes are adequate to ensure compliance with public passenger vehicle safety legislation. We concluded enforcement processes are inadequate and need improvement. The Division has no formal, written enforcement criteria or guidelines and does not maintain enforcement information in a manner to allow comprehensive review. We examined evidence where enforcement activities were carried out, and noted a number of instances where inconsistencies may have occurred or we were uncertain whether appropriate enforcement actions were taken. An effective enforcement program is an important control in ensuring that public passenger vehicles are operated safely and to required standards.
- 6.36 *Enforcement processes* – We investigated the framework for enforcement of the Acts and Regulations and determined the authority, roles and responsibilities for enforcement are clearly documented. Roadside inspections are a key part of the Division’s enforcement activities. These inspections focus on imminent vehicle safety deficiencies and include driver hours of operation and license requirements. Enforcing safety compliance can involve non-punitive measures, such as persuasion and education, and punitive measures, such as warnings, summary offense tickets, and hearings before the Board. Inspectors use their judgment to determine the appropriate course of action; the senior inspector and director are available for consultation as required.
- 6.37 The Division has no written criteria and guidelines for determining appropriate responses when an inspector encounters safety violations; decisions are determined based on the experience and professional judgment of the inspector. Inspectors are licensed mechanics with experience that qualifies them to inspect vehicles. They receive some orientation and training in enforcement through on-the-job activities and other training courses. The Division does not have a specific orientation and training program to assist inspectors to develop the necessary skills and consistent approach to enforcement. The Division relies on the experience of its existing staff to assist in this area. Established enforcement criteria and guidelines would help ensure a fair, consistent and timely enforcement program by outlining appropriate responses and enforcement options when violations are detected. Reliance on professional judgment alone may result in inconsistent enforcement of legislation and standards which may increase the risk to public passenger safety.
- 6.38 *Enforcement activity testing* – We examined the Division’s enforcement documents for the period from August 2007 to July 2008. Although we did not attempt to verify the completeness of these records, we noted a number

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of instances where inconsistencies in enforcement may have occurred or we were uncertain whether appropriate enforcement actions were taken.

- Warnings or summary offence tickets were not issued for 30% of the roadside inspections where deficiencies were noted. Warnings or tickets were issued for similar deficiencies noted in other reports.
- The percentage of reports with written infractions, for inspectors completing 20 or more roadside inspections, ranged from 4% to 40%.
- Eight tickets were issued for vehicles with faulty tires and three for improperly licensed vehicles. Three tickets were issued to drivers without a license, the required class of license or a suspended license. Although tickets were issued, for 12 of the 14 incidents the inspection reports did not note the inspector's action to address the potential safety issue. In two cases the inspector noted the vehicle was escorted off the road for tire replacement. We could not determine if any action was taken in the remaining 12 cases.

#### Recommendation 6.6

The Division should establish formal enforcement criteria and guidelines to assist inspectors in their enforcement activities. Procedures should be established to ensure the criteria are followed.

### Complaints

6.39 *Conclusions and summary of observations* – We assessed whether systems and processes for handling complaints from the public concerning public passenger vehicle safety are adequate. We concluded the Division does not have adequate systems to track and monitor complaints concerning vehicle safety. The Division does not use a logging system to record complaints nor does it fully document activity in investigating a complaint and its resolution. Complaints are potentially a significant source of information on activities that may impact public passenger safety. It is important that the Division record complaints received and address them in an appropriate and timely manner, including investigation where warranted.

6.40 *Tracking system* – Division staff receive complaints through e-mail, telephone calls and discussions with carriers but do not capture them in a central logging system. Management relies on its recall of events and documentation that exists in e-mails, inspectors' daily reports and carrier files to present a complete record of complaints against a motor carrier. The Division does not maintain sufficient documentation to enable us to determine if all complaints are captured and responded to in an appropriate and timely manner. A complete record of complaints can provide the Division with information about a carrier and the opportunity to analyze patterns and



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trends to identify potential problems. Without an adequate logging and tracking system the Division may not address public complaints in a timely and appropriate manner. Public passenger safety could be compromised if a complaint of a serious safety matter against a carrier was not properly investigated.

**Recommendation 6.7**

The Division should establish a formal complaint tracking and monitoring system.

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## Response: Nova Scotia Utility and Review Board

Thank you for providing this opportunity to respond to your report concerning a review of the Motor Carrier (Public Passenger) Division. Generally, we accept the recommendations made. Before we provide specific comments on recommendations we wish to provide some additional context.

### Introduction

We understand the Nova Scotia Motor Carrier Inspection Program to be a more extensive and independent program than found in any other province in Canada. This is the only inspection program in Canada, we are aware of, where 100% of the vehicles are inspected by Government inspectors each and every year. While clearly some documentation is lacking, the nature and type of the inspection itself is comprehensive and thorough. Nova Scotia is also the only jurisdiction that currently uses brake meters on all vehicles to measure braking efficiency.

A focus of the Auditor General's report is monitoring of commercial vehicle drivers by the Division. It is the Board's view that the Division's role, as a matter of legislation and policy, has been to focus on mechanical fitness of vehicles and not on driver activities. The Auditor General appears to assume a mandate with respect to driver enforcement that, under legislation and policy, the Division does not have. As pointed out in the report, responsibility for public passenger safety is shared between several agencies. We acknowledge that a review of alignment of roles and responsibilities may be worthwhile. The Division will consult with those other authorities to clarify the nature and extent of its role.

Many of the Auditor General's comments concern lack of complete record keeping. While the Board agrees with these comments, it is important that they be considered in an appropriate and fair context. The Board, in 2005, embarked on obtaining a new information system. A reputable software company was engaged to do that work. That company has since defaulted under the contract to the point where, on the advice of counsel and the Provincial Government IT staff, the contract is being terminated and re-tendered. While this does not excuse documentation problems, the Board was, in good faith and well ahead of the Auditor General's audit, attempting to resolve these problems. They will be resolved. The Division's primary focus has always been to ensure that public passenger vehicles operating in Nova Scotia meet all inspection safety standards. The Division's Director, inspectors and support staff clearly understood this activity to be their highest priority and their technical skills, work and resources are targeted to meet this objective. Due in part to their efforts, since 1984 no serious motor carrier accidents involving loss of life have occurred in Nova Scotia and the Board is viewed by other jurisdictions as a leader in ensuring that public passenger vehicles meet current safety standards.

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## Responses to Recommendations

### *Recommendation 6.1*

*The Division should assess its operational informational needs for inspection and enforcement activities and make the implementation of a new management information system a priority.*

We accept the recommendation. As noted above this has already been identified as a priority and our intent is to see this project through to completion.

### *Recommendation 6.2*

*The Division should establish a process to identify, track, and analyze public passenger vehicle accidents and take corrective action where required.*

We accept the recommendation. The current informal collection process will be formalized and the Board will seek to make accident reporting by carriers mandatory. Documentation and analysis of accident investigations will be formalized. The Division will continue to take corrective action whenever safety issues are identified.

### *Recommendation 6.3*

*The Division should develop a comprehensive process for documenting and reporting on its performance which includes measures of the effectiveness of its activities.*

We accept the recommendation. Some of the specific points made in the report will be addressed as part of the redevelopment of the information system. Documentation and analysis not covered in that project will be separately addressed and improved.

### *Recommendation 6.4*

*The Division should carry out a formal, facilitated risk assessment of its operations. An action plan to address recommendations from the assessment should be developed and carried out.*

We accept the recommendation and will undertake the following activities:

1. Arrange for a formal, facilitated risk assessment. In determining the scope of the assessment, particularly as a portion of it would relate to driver compliance, we will include consultation with SNSMR (Service Nova Scotia and Municipal Relations) and other potentially affected departments to ensure the roles and responsibilities of others are properly considered and appropriate jurisdictions are respected.
2. In conjunction with redevelopment of the information system noted above,

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introduce collection of information on severity of inspection defaults and analysis thereof.

Based on results of information collected on safety deficiencies the Division will determine what changes in enforcement and inspection are possible in order to improve carrier maintenance systems.

*Recommendation 6.5*

*The Division should establish regularly scheduled maintenance and recalibration of its brake meters, in accordance with the recommendations of the brake meter manufacturer.*

Based on initial discussions with your staff the Division has already taken steps to have the brake meter calibration checked and adjusted if needed. For future, the brake meters will be regularly returned for recalibration in accordance with the manufacturer's recommendations. The current practice of relying on informal comparison of meters will cease.

*Recommendation 6.6*

*The Division should establish formal enforcement criteria and guidelines to assist inspectors in their enforcement activities. Procedures should be established to ensure the criteria are followed.*

We accept the recommendation. Formal enforcement criteria and guidelines will be developed and implemented.

*Recommendation 6.7*

*The Division should establish a formal complaint tracking and monitoring system.*

We accept the recommendation. A more formal complaint tracking system is now being developed and implemented.

**Other Matters**

In addition to the recommendations made there were supporting observations we would like to specifically address. They are as follows:

1. Concerning compliance with legislation, you have observed that you believe enforcement activities related to driver compliance should be enhanced. While the Division generally agrees with the concept of better driver enforcement it is concerned that focussing on such activities is in fact outside of its current mandate. As this is considered to be a matter of broader policy the Board will seek additional guidance from Government.
2. Concerning compliance with legislation it was noted that there could be



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better cooperation between SNSMR and the Motor Carrier Division. We accept this observation and will seek to do so.

### Conclusion

We would like to take this opportunity to thank the Auditor General staff for a thorough review of the operations of the Motor Carrier Division. We appreciate any recommendations and observations which will assist in improving the safety of the public passenger vehicle fleet.

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