

Capitalize On Borders, Think-Tank Study Says

Canada needs to process goods, people in timely, efficient manner

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OTTAWA - Canada cannot serve as a North American gateway for Asian and European goods if the Canada-U.S. border does not process goods and people in a timely and efficient way, says a report released yesterday from the Conference Board of Canada.

"The development of a transportation network that is competitive requires that policy makers see beyond infrastructure to include strategies to deal with these border effects," the board said in its 12-page report about Canada's gateway advantage.

The report, written by Dalhousie University business professor Mary Brooks, looks at Canada's geographic position within North America and the trade potential it carries -- given it is closest to Shanghai, China's top port, and Antwerp, one of Europe's top shipping destinations. Yet, Canada is not taking advantage, it said.

The Ottawa-based think-tank said if Canada is to capitalize on its geographic location governments and business have to grapple with: - The need to rip down interprovincial trade barriers and reach "regulatory" convergence with its NAFTA partners, the United States and Mexico, in terms of rules governing transportation. "There are no common hours of service standards for truck drivers within NAFTA. The lack of co-ordination of industry regulation makes the myriad of rules imposed by states and provinces a headache for the industry within Canada, and with Canada's NAFTA partners;" - Developing a plan to reduce the paperwork required before exports and imports can pass through the border; - Rethinking the policy governing ports --in particular limits placed on port authorities in terms of raising funds. Canadian ports have to be financially self-sufficient, whereas ports in other countries benefit from infrastructure financing provided by governments; and - The need to boost investments in human resources in the transportation sector -- whether it is finding new truck drivers or improving managers' skills sets. "At this time, there is no sign of a provincial education strategy or federal scholarship dollars to deal with these crises."

The board applauded Ottawa's recent focus on creating so-called "gateways," on the Pacific and Atlantic coasts. But more needs to be done, by governments and the companies that ship their goods.

"This opportunity must be acted upon before U.S. ports invest and become the continental gateways that Canada could easily provide," the report said.

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