

February 26, 2025.

The Honourable Anita Anand

Minister of Transport and Internal Trade

tc.ministeroftransport-ministredestransports.tc@tc.gc.ca

**Subject: Urgent Need for Enhanced Enforcement in the Trucking Industry**

Dear Ministers,

We are writing on behalf of [CIFFA Corp](#), which represents over 14,000 member employees of freight forwarders, customs brokers, freight brokers, drayage truckers, and warehousing firms across Canada. Our association's members manage approximately 80% of the country's import and export trade.

We commend the Honourable Anita Anand, Minister of Transport and Internal Trade, and the Council of Ministers Responsible for Transportation and Highway Safety for their recent meeting on February 22, which prioritized improving infrastructure and addressing internal trade barriers.

A key initiative announced at this meeting—a full-scale investigation and action plan by the Canadian Council of Motor Transport Administrators—is to address challenges related to issuing Safety Fitness Certificates for commercial trucking operations. This is a crucial step in combatting unsafe carriers that threaten highway safety and contribute to the unchecked expansion of the underground economy. The consequences of inaction include responsible fleets being driven out of business or relocating operations south of the border.

However this step is not enough, and we urge federal and provincial transportation ministries, along with the Canada Revenue Agency (CRA) and Employment and Social Development Canada (ESDC – Labour Program) to increase enforcement measures to address the growing presence of the underground economy in the trucking industry.

Shipping companies are increasingly concerned that non-compliant carriers are distorting competition, jeopardizing highway safety, and undermining responsible businesses.

CIFFA stands with the Canadian Trucking Alliance and Canada's provincial trucking associations in calling for urgent action against unsafe trucking operations, which are often linked to illegal practices such as forced labour and immigration fraud. As an association also representing dray carriers and freight brokers, we have repeatedly heard concerns within our internal committees about the risks posed by these unlawful practices.

A key issue in these discussions is the Driver Inc. model—a tax evasion scheme that misclassifies truck drivers who would otherwise be considered employees. This allows carriers to avoid payroll taxes, including Employment Insurance (EI) and Canada Pension Plan (CPP) contributions, as well as WSIB premiums. At the same time, misclassified drivers may claim tax breaks they are not entitled to or, in

some cases, fail to file taxes entirely. Conservative estimates suggest that the Driver Inc. scheme costs the federal government over \$1 billion annually in lost tax revenue.

Companies engaging in labour misclassification and other non-compliance schemes frequently commit additional illegal acts to cut costs and boost profits. These include wage theft, gross violations of labour laws, tax evasion, and fraudulent insurance practices. Many also ignore trucking safety regulations and training requirements, increasing the risk of collisions and creating dangerous road conditions.


We urge immediate and sustained enforcement efforts to address this issue and protect the integrity of Canada's trucking industry.

Best Regards,



Bruce Rodgers

Executive Director, CIFFA



Julia Kuzeljevich

Director, Policy and Regulatory Affairs, CIFFA

CC:

The Hon. Steven MacKinnon, Minister of Employment, Social Development and Labour

[Steven.MacKinnon@parl.gc.ca](mailto:Steven.MacKinnon@parl.gc.ca)

The Honourable Marie-Claude Bibeau, Minister of National Revenue

[marie-claude.bibeau@parl.gc.ca](mailto:marie-claude.bibeau@parl.gc.ca)

The [Hon. Prabmeet Sarkaria](#), Minister of Transportation, Ontario,

[minister.mto@ontario.ca](mailto:minister.mto@ontario.ca)