



## Canada Needs a National Strategy for Connected and Automated Vehicles

By 2035, connected and automated vehicles (CAVs) could revolutionize life in all parts of Canada. Imagine autonomous trucks safely delivering goods through winter storms on the Trans-Canada Highway, self-driving shuttles keeping seniors connected in remote communities, and smart delivery vehicles efficiently moving goods in our urban centres. These vehicles could enhance safety, expand access to essential services, and strengthen our economy.

But this promising future isn't guaranteed. We urge Canada's next government—whichever party wins the election—to adopt an ambitious national CAV strategy.

Canada is more than capable of bringing it about. Our universities are producing world-class research and highly-skilled graduates that are developing these technologies. Our private-sector companies have achieved notable successes in automated vehicles and systems, particularly in robotics and oil-sands applications. We've built test and demonstration sites across the country. Ontario is leading the provinces in creating frameworks for testing cars, light trucks, and tractor trailers on public roads.

But despite these pockets of excellence, we lack the coordinated national strategy needed to fully capture these opportunities and create synergies. Recognizing the need to bring these strengths together, leaders from academia, industry, and the public sector formed the **Canadian Automated Vehicle Initiative (CAVI)** in early 2024. This new coalition aims to help Canada take full advantage of the opportunities ahead.

Other nations certainly see those opportunities and are moving to seize them. While Canada dithers, the UK has created a government-industry partnership to champion their connected-and-automated mobility ecosystem; developed a deployment plan through 2035; and has legislated a clear legal framework for self-driving systems and their operators. Australia and New Zealand have created a joint centre to bring together government and industry stakeholders to accelerate CAV deployment. Germany is developing a national strategy to establish the world's largest operating area for autonomous vehicles by 2028, focusing on public transportation and goods delivery.

Of course the country that matters most to Canada is our biggest trading partner, the United States. With thousands of trucks and cars crossing our border daily, and our auto industries deeply connected, we must pay special attention to U.S. developments while developing our own approach.

The U.S. is moving quickly on CAV policy: half of U.S. states have already enacted or are developing CAV legislation. A federal framework legalizing fully self-driving vehicles

is reported to be a priority. And with Elon Musk—backer of Tesla's self-driving CyberCab—now a key advisor to the incoming Trump administration, major changes to U.S. transportation policy are imminent.

If Canada wants to be relevant in this global ecosystem and have a say in how CAVs operate across North America, we need to act now.

Transport Canada is the logical focal point for national CAV leadership. We believe it must develop a federal framework and minimum standards for CAVs. While alignment with U.S. regulations is crucial given our integrated economies and extensive cross-border traffic, Canada has unique expertise to contribute, particularly in cold-weather operations, remote connectivity, and resource-sector applications. Consistency at a national level is essential, rather than separate provincial and territorial frameworks. We can only influence continental standards if we're at the table with our own clear vision and strategy.

CAVI is stepping up to fill this leadership gap. Its January 2025 White Paper will provide government, industry, and academia with a comprehensive road map forward. The recommendations will include a stronger, more proactive federal role, including a national plan and framework for deployment. The briefing books for the next Prime Minister and key Cabinet Ministers must include a section on a national CAV strategy.

The next six months are critical for Canada's CAV future: Transport Canada must act in 2025 to keep pace with global and U.S. developments. We believe that the action should be to develop a robust national CAV strategy, not only to align with Canada's existing priorities but also create new opportunities for road safety, innovation and economic growth. With immediate, coordinated action, we can transform our isolated pockets of excellence into global leadership in safe, efficient, and accessible automated transportation. Or we can do nothing, and let opportunity pass the country by, as we so often do. This time, let's make the right choice.

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