

Is Canada Losing Ground In The Autonomous Vehicle Industry?

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Autonomous Vehicles (AVs) have the potential to change every sector of our economy but is Canada late to the party? Since then, despite some minor advancements progressing towards self-driving cars becoming the new norm, no new regulations have been put into place.

The Province of Ontario was the first province to allow on-road testing of AVs. Under this pilot program, seven groups were approved for on-road testing: Uber, the University of Waterloo, the Erwin Hymer Group, QNX, Continental, X-matik Inc., and Magna.² Despite this, Canada has been criticized as being “dead last” in the self-driving industry because it has yet to pass legislation to manage the technology.³ Perhaps the real concern is that Ontario’s pilot project, which was launched over a year ago,⁴ will not be successful if the anticipated regulations are too stringent to encourage the development of this rapidly evolving technology. Earlier this year, Transportation Minister Marc Garneau summed up this challenge by saying “it’s to try to ensure safety when autonomous vehicles arrive, but at the same time not to bury the developers in regulations.”⁵

When compared to other jurisdictions (such as the UK or Michigan), Ontario appears to be progressing at a slower rate. For example, Michigan passed self-driving laws that allow companies to test autonomous cars *without* a driver or a steering wheel. In Ann Arbor, Michigan, Dominos Pizza has started testing people-free pizza delivery. This would not be allowed in Canada under the existing *Motor Vehicle Safety Act*. As another example, the UK put \$164 million towards research, development and testing of AVs in just 2015 alone.

While Canada may not be as far down the road as other jurisdictions, it is certainly not the last. By virtue of the fact that Ontario has any self-driving regulations at all and has initiated a pilot project, it is ahead of a majority of other jurisdictions. It is anticipated that Transport Canada will have a position regarding policy issued some time in 2017, which will provide a framework regarding regulation and give auto makers, tech companies and investors the necessary guidance.

Despite the potential profits and benefits that accompany the AV industry, one thing is clear – the development of this technology cannot, and should not, be rushed. System and ethical wrinkles that require ironing out still remain - and when lives are at stake, sorting these issues out outweighs any potential benefit that could be gained by prematurely rolling out the technology. Our product liability team is keeping a close watch on any advancements made in the AV industry and will report to provide you with regular updates.

² [/https://www.thestar.com/news/gta/2017/08/22/ubers-self-driving-cars-hit-toronto-streets-today-in-manual-mode.html](https://www.thestar.com/news/gta/2017/08/22/ubers-self-driving-cars-hit-toronto-streets-today-in-manual-mode.html)

³ <http://business.financialpost.com/transportation/car-wars-canada-is-dead-last-in-the-potentially-huge-self-driving-industry>

⁴ <http://www.mto.gov.on.ca/english/vehicles/automated-vehicles.shtml>

⁵ <http://www.metronews.ca/news/ottawa/2017/07/05/gameau-pledges-funding-for-autonomous-vehicle-rule-update.html>

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