

England and Canada: Comparison of Models in Government Business

Introduction

The government of England has considered supporting the automotive sector by having “buy now” signals in its budget, according to the House of Commons Transport Committee (2007). The government has argued for improved access to finance and credit as well as a scrap-page incentive scheme. According to Dierikx, (2004), the plan for removing the first-year tax rate on new cars is also provided by the government. In addition, the government of England has increased the annual investment allowance for entrepreneurships, which encourages spending more money on trucks, buses, coaches and construction equipment. The government has taken steps in introducing a scrap-page incentive scheme that will help sale vehicle as part of its compliance with the budget. The scrap-page schemes mentioned above would encourage the replacement of old inefficient vehicles and domestic appliances with the current efficient models.

Transport Industry in England

The above-mentioned decision concerning the new equipment, offered by the government, will bring forward consumer spending as well as business costs and help to reduce carbon emissions considerably. The government of England is providing enough support for the transport industry, utilizing an auto assistance program. With the help of the department of energy and climate change, the government of England has put great efforts in reducing the greenhouse gas emissions, which has brought versatile results, for instance switches during electricity productions from utilizing coal to using natural gas as a source of energy (Bostrom & Klintman, 2008). The measures mentioned above help in lowering the consumption of fossil fuel in road transport and by various industries. The

government has also encouraged the development of environmental labeling on the grounds that labeling of the environment is a faster and a more efficient way to change the corporate policy on environmental issues than the enactment of government regulations and legislation (Transportation Research Board, 1991).

The House of Commons Transport Committee (2007) advocated that the environmental labeling would change the business behavior, which, in its turn, would improve the sustainability of manufacturing processes and product lines. Taking into consideration that the government works closely with enterprises to offer a better understanding of what an environmental label is and ensure that the given environmental label is used in the proper way (Johnson, 1915). The government has also supported the clarity, simplicity and consistency required in labeling. The government is providing real support to businesses through the department for business, enterprise and regulatory reform. This department is providing large amounts of loans to the transport industry to help the businesses develop.

The port industry has an essential contribution to make in the economy of England, which is also important for improving the commercial activity as well as social welfare (Dierikx, 2004). According to what the government thinks, the ports sector functions can be reinforced by the market. It must be marked as well that the English government is committed to funding the port sector, since it is dependent on the wider transport infrastructure that cannot be funded exclusively by the private sector. However, issues connected with port development are subjected to cumbersome planning procedures, which cause serious delays and makes the government waste expenditure. The government has not given enough attention and initiatives to address the safety issues in the hazardous industries until the year 2003, when the parliament increased its capacity, thus, helping the industry reach a

tremendous progress. The transport department in England approved the offered development scheme at London Gateway, Bathside Bay near Harwich and Felixstowe South. Since the new policy was approved, the government has sold a number of port companies (Dierikx, 2004), which means that the current approach of the government offered for the ports industry is nothing but a market failure.

According to US General Accounting Office (1989) data, the port industry has faced a number of enduring historical problems over the past 20 years. However, several changes have been made in this industry, which has led to domestic port traffic decline over a period of time, while foreign traffic remained the largest component. For example, foreign traffic in England, two thirds of which was with Europe and Mediterranean, has risen from 244 million tones in 1970 to 420 million in 2004. Consequently, in the same period there was a rise in foreign traffic share from 66% to 73%.

There are problems experienced in the carriage of Modern container ships that can carry up to 10,000 TEU. Hence, the number of ports is limited and larger vessels are unable to dock. For example, in the UK, 95% container ships weighing up to 20,000 tones or more are utilized for goods transportation in Felixstowe, Southampton and Medway (Kuzmyak, 2008). In England, the government has taken measures to deal with problems that arise in the transport industry, using location models that will help to determine the location of businesses. Various factors have to be considered when utilizing the given models, namely, the accessibility to motorway, accessibility to workforce, room for expansion, as well as a number of other essential factors. The government of England considers locating businesses in areas where resources are near the transport system as the most winning strategy at

present because of the raw materials mobility necessitated by efficient transport system.

According to ALPNAP (2008), it is important for the government to ensure that industries are near power supply for efficiency. However, for more efficiency, there is the need for locating the above-mentioned industries along transport routes, since it is easy and cheap to transport the necessary goods and raw materials over the entire country with the national Grid power. For example, industries may use hydroelectric power that provides cheap energy, such as the Aluminium production in Canada (Wilson, Nuzzolo & Verlag, 2009). Hence, power availability is enough to locate an industry in the most convenient way. In addition, there should be a combination of transport for more efficiency.

Transportation in England is made more efficient by the government. This is made possible by the use of containers. Today, it does not really matter where the industry is located because transport is available for transport costs. Transport availability goes hand in hand with power, market availability, labor supply, capital as well as Government policy for efficient running of industries. England government uses industrial location models to determine where industries should be located. These options include the Weber model, which is a classical location pattern, where an industrialist looks for the area that gives the highest profit, behavioral models, and Structuralist models (Ison & Rye, 2008).

The Weber model assumes that there is a uniform transport system, culture, climate, and economic and political situation. The Weber model also presupposes that materials are not distributed evenly across the plain, while the size and location of the markets is fixed. Another idea that the Weber model is based on is that the transport costs are influenced by the function of mass and distance. However, the

Weber's model is subjected to certain criticism, because it no longer relates to the current demands for improvement in the transport system. Its assumptions have some misconceptions and transport costs may vary. The model though seeks cheap labor and the agglomeration may arise in hi-Tec industries (House of Commons Transport Committee, 2007).

Behavioral models are also used to determine the location of an enterprise in connection with the social and cultural factors as well as economic factors. The behavioral model is the least expensive; however, it can be rather time-consuming, since people's behavior may vary. For example, some people would like to get maximum profit, while others are interested in having a good standard of living or gaining psychological comfort. The use of structuralism models can be applied where location is intertwined with the underlying structures of society (House of Commons Transportation Committee, 2007).

Transport Industry in Canada

In the Canadian government, with the help of the military industry, as one of the numerous governmental structures, Norman Thuswaldner, the project manager for Canada area developed a business model for the director of Flight Safety's (DFS) (Thuswaldner, 2010), observed the peculiarities of the transport industry in Canada. Referring to the New Flight Safety Management System as the initial management model, the research was composed of a variety of case studies intertwined together with conceptual information model that represents the reengineered approach of the directorate. The researcher had an approach that could track and monitor the safety hazards of the flight and occurrence of flight safety (Heimerl & Holzmann, 1982).

With the help of the research conducted by Thuswaldner, a logical model was developed for function design and business process scheme. The logical model

offered by Thuswaldner was designed to ensure that inspection and the Transport Dangerous Goods Directorate follow the compliance of the system, as Howitt & Altshuler (1992). explain Intended to combine the two systems that existed in the systems of the Directorate and improve them, the model offered by Thuswaldner comprised the inspection information system and the automated Emergency response Assistance plan system (Heimerl & Holzmann, 1982).

Another model that will be used for the data administrative support of transport in Canada's information systems is the so-called ERW model. According to Blaze (2002), the ERW, used for reversing engineer existing systems as well data representations and standards that are connected with Air navigation, is another possible solution for the transport industry coordination in Canada. The outcome logical models were used to develop a baseline Air traffic management data model, which proves that the given model can be utilized in a number of modern projects concerning the transportation system in Canada.

Thompson (1997) advocated that the Canadian government has separated the operations of infrastructure. The privatization of rail transports in Britain and North America and creating private freight railways has led to the use of three distinct railway business models, which brought certain clarity into the railway structure of the countries (Thompson, 1997). The Canadian government has taken steps to fund the rail projects. Different business models have been used around the world to promote railway activity; at present, it is evident that people do not object to the use of the models. The models mentioned above serve the purpose of understanding the differences that occur between the theories concerning the railroad transportation and economic consequences that come up after using a particular model.

A business model is used to understand the application of the ways in which economic rules and policies are implemented in the sphere of the railway transportation. The railway business model also presupposes the regulation of freight services (Khan, 1991). Rail regulation is a requirement that can be used to give guidance to the parties involved into the railroad business. Railway services are implemented taking account of fundamental costs, the relations between costs and changes in traffic and the characteristics of speed, axle load and other measurable railroad parameters.

The worldwide expansion of the Internet has led to dramatic changes in the global market that is founded on electronic commerce. E-commerce has been said to have an impact on all industry sectors by redefining business model. The government of Canada has been committed to foster this growth its economy and has allowed the businesses to make electronic transactions. The Canadian government has also ensured the protection of personal information stored digitally. The Canadian government is also working together with the Canadian Trucking Alliance to commission the aforementioned E-Commerce, which is an example of how the federal government works in partnership with the private sector to foster Canada's economic vitality. In the trucking industry, buying and selling the trucking services can be done with electronic means (Turnbull, 2007).

Conclusion

In delivering better services to the citizens, the government of Canada seems to be more responsible in executing the services of the E-Commerce in all Canadian business activities. It is evident that it is more profitable for the government to encourage the country's enterprises to operate with the help of electronic means. Meanwhile, the Weber's model used by England to determine the best location of a

business is criticized for certain drawbacks. To be more precise, the latter does not address the current conditions for the transport system improvement. Since the English system of transportation is greatly dependent on the transportation costs, it cannot be denied that the English model has considerable drawbacks when compared to the Canadian one. In contrast to the English mode, which presupposes behavioral approach, the Canadian means to improving the current transportation system are worth implementation.

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