



Analysis of the *Canada Transport Act* Review:
The implications for UCTE
June 6, 2016

Summary:

Enclosed is an analysis of the document *Pathways: Connecting Canada's Transportation System to the World* (the report). This document was the result of the federal Minister of Transport launching a review of the *Canada Transportation Act* (the Act) in June 2014 which was tabled before parliament on February 25, 2016. The review committee had submissions or consultations with approximately 500 organizations of which only 2 were from labour (Teamsters and Unifor).

In reading the document, one quickly realizes that every segment of UCTE's membership is impacted by this review. Of interest to note are that the report recommendations include:

- an emphasis for amalgamation and privatization across many sectors including airports;
- that the Canadian Transportation Agency be given broader powers; and
- that the status of the Canadian Coast Guard be changed and it given further powers.

Similar to the report, this analysis is divided by transportation mode. Also attached as Appendix A is a table listing the different sections of the report that impact UCTE as well as comments for consideration or discussion. It is recommended that the National Executive members familiarize themselves with these sections as well as Volume II Appendices K and L of the Report.

Respectfully submitted,

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Marine

The CTA Review recommendations with regards to marine transportation has some things UCTE needs to support and others that we need to amend or contradict. Regardless, there are several supporting documents that were referenced in the report that UCTE needs to have a better understanding of.

Pilotage Authorities

Canada's Pilotage Authorities are internationally respected for operating, maintaining, and administering a safe pilotage service within their respective geographic regions. While safety is clearly a priority, stakeholders have raised concerns about cost and the requirements for pilots to be so frequently on duty. Canada's pilotage regimes are based on risk assessments; however, these are slow to take into account new risk profiles, technologies or alternative arrangements. Improved communications and information technology also undercut the arguments for maintaining four distinct Crown corporations to oversee pilotage in different geographic regions of the country. (page 223)

For these reasons, the Review supports the immediate and short-term improvements that will result from integrating the four pilotage authorities into one national pilotage board, while maintaining the sound regional stewardship of day-to-day pilotage operations... . Objectives should include aligning pilotage practices and procedures across the regions and into the North (page 233)

*There are no authorities for pilotage in the Arctic, as there are in the South. Concerns have been expressed about the lack of marine ice pilots with adequate experience in Canadian Arctic shipping...
In Canada the requirement is 30 days, as set out in the Arctic Ice Regime Shipping System. (page 60)*

This clearly restructures how the pilotage authorities are organized. There are four pilotage authorities: Atlantic, Laurentian, Great Lakes and Pacific. UCTE represents 3 out of 4 of these organizations. The implications of amalgamation into one entity for UCTE means that we are at risk of losing 3 units since Pacific Pilotage is unionized with the Guild. This would be a problem with the Canadian Labour Congress' thought of successor rights.

The CTA review also highlights the need for a Northern Pilotage Authority which would also be included in the proposed new structure and this would require a change of the *Pilotage Act*.

...as technological advances such as electronic charting, GPS and Automatic Identification Systems (AIS), and other innovations (shorebased pilotage, tracking etc. The Review heard during consultations, both in Canada and internationally, that pilotage was expensive and unnecessary in certain waters, such as a large part of Lake Superior. (Page 232)

, stakeholders have raised concerns about cost and the requirements for pilots to be so frequently on duty (page 223)

The Review recommends that the Government of Canada:

- a. immediately integrate the four pilotage authorities within one National Pilotage Board to enable a strategic and holistic approach to pilotage for better alignment and harmonization in the way regions contract for and provide services;*
- b. complete a full assessment of the governance framework for marine navigation services within three years;*
- c. formally review compulsory pilotage areas, circumstances, and processes every three to five years minimum, in consultation with users and the international pilotage community, taking into account new technologies and best practices and including a re-assessment of navigational safety risks. (page 233)*

The review also is suggesting that some of the work of our members, particularly upon the Great Lakes, would be replaced by technology. The recommendation is highlighting various ways of cutting. Note the speed of which the recommendation is requesting action (i.e. Immediate amalgamation of authorities and a three-year timeline to complete assessment of marine navigation services).

Pilotage fees are subject to a cumbersome and lengthy regulatory process, as they are published in the Canada Gazette for public consultation. The approval process takes so long that market conditions can change in the interim, and there is no easy way to modify the charge without repeating the whole process. (page 225)

The recommendation is looking at conducting fast changes that would circumvent regulation.

Port Authorities

Since heavy subsidies are not an option, the better strategy is to emulate those jurisdictions whose marine infrastructure and services pay for themselves. Such an approach would allow limited government intervention and promote greater use of short sea shipping to maximize capacity and thereby reduce congestion and emissions.

The Review recommends that the Government of Canada maintain a user-pay approach to ensure continued financing for infrastructure and operational needs, while also taking steps to improve cost competitiveness with comparable jurisdictions by:

- a. establishing a uniform and timely process for publicly filing rate and charge increases for all federally-mandated marine services (pilotage, towing, dredging, port charges, etc.); and,*
- b. authorizing the Canadian Transportation Agency to review all marine fees on a regular basis in terms of their reasonableness and cost competitiveness, as well as in response to complaints. ...*

- 4. The Review also recommends that the Government of Canada work with the provinces to further improve cost competitiveness by ensuring that payments in lieu of municipal taxes required of individual port authorities are no greater than for comparable industries.*

(page 226)

The report recommends that Transport Canada go towards a user-pay system for Port Authorities.

Given these pressures and trade growth over the longer term, there is a need to change the governance structure of ports. (Page 227)

The report recommends changing of governance structure. This might be an opportunity for labour to be part of the board structure.

That means it must make some hard choices and inject private sector discipline into the process. (page 228)

This obviously suggests the possibility of a cut in services if there was the application of a private sector model. There is a connection between the pilotage authorities, CCG and port fees. The report highlights the need to manage fees for end users.

3. *The Review recommends that the Government of Canada strengthen the viability, accountability, and competitiveness of marine ports in Canada by:*
 - a. *examining the feasibility and viability of adopting a share-capital structure for Canada Port Authorities, including receiving proposals from institutional investors or private equity investors, accompanied by legislation to enshrine the economic development and trade mandate of ports and to protect the public and national interests; (page 228)*

This reiterates the change to structure of Ports.

The Canadian Coast Guard

The entire subsection entitled Canadian Coast Guard of the Marine chapter of the report should be read (pages 230-234). Recommendations contain several details that have huge implications for our members including:

1. The report highlights the CCG's decreasing role in icebreaking while vessel traffic in the the North is increasing. (page 60)

As a civilian body, the Canadian Coast Guard cannot provide enforcement of international and national laws and regulations pertaining to the sea, the environment, and sovereignty; even though its presence on the water puts it in a position to observe breaches, this role is reserved for the Royal Canadian Mounted Police (RCMP) (page 215)

Canada is unusual in having a civilian coast guard. In other northern jurisdictions, such as Denmark, Greenland, Norway, Iceland, Finland, and Russia, and in the United States, the coast guard is a military or security organization. As a civilian body, the Canadian Coast Guard does not have the authority to enforce international and national laws and regulations pertaining to the sea, the environment, and sovereignty without RCMP officers present, even though Canadian Coast Guard vessels and staff may be the best placed to respond to critical events and detect illegal activity. This has resulted in an inefficient enforcement regime. Canada has also been slow to use maritime transport to promote development and strengthen sovereignty. Canada must ensure that it meets the challenges of increased maritime traffic in the Arctic, the St. Lawrence, the Great Lakes, the Seaway, the Pacific and the Atlantic. Because of existing

governance arrangements and inadequate funding, the Canadian Coast Guard is not currently well equipped to do so. (page 220)

2. The report puts into question whether or not CCG should remain a civilian body. UCTE has a policy paper on the arming of the coast guard. This report however goes much further. The Union needs to review the arming of the coast guard position document in light of this recommendation and share it with the Emmerson commission.

3. Placing CCG within Transport Canada

The report states that CCG is better aligned under Transport Canada's mandate. The commission recommends that the CCG be given "service agency status" under the Minister of Transport portfolio.

4. Ancilliary services

The report recommends (Recommendation 5 b ii) that industry provide and be responsible for certain services. This is a clear indication of contracting out of bargaining unit work.

5. Expansion of CCG mandate

The report recommends that CCG is uniquely positioned to take over all marine oversight including hydrographic and pilotage services. (Page 233)

6. Dredging in the North

The review recommendation of federal funds for dredging of the MacKenzie River would help our CCG Hay River and NTCL members. (Page 266)

Summary

The report highlights the reduced need for pilotage authorities in some sectors, use private sector discipline in Ports and reduced fees for CCG. The possible implication would be that this is on the back of members.

The Canadian Transportation Agency

The Emmerson review is wanting to change the mandate of the CTA including its legislation. The report further identifies the need for more resources and the lack of relevant information for it to fulfill its mandate. The review also recommends the delegation of new authorities including the power to review all marine fees on a regular basis “in terms of their reasonableness and cost competitiveness as well as in response to complaints.” (page 226). This would therefore have implications for all canal users.

The review further recommends that

4. The Review recommends that the Canadian Transportation Agency be given exclusive jurisdiction over disability-related cases in the federal transportation network, including the ability to award compensation for pain and suffering, up to a prescribed limit.
5. The Review recommends that the Canadian Transportation Agency be given the authority to address systemic issues, including the authority to investigate accessibility matters on its own motion and issue general orders.

This directly speaks to the work of our cabin safety technical inspectors.

Aviation

The Emerson report highlights the “one-size fits all” approach of the regulations. It identifies that smaller airports have different operating realities. Although speaking specifically about smaller airports in the North (see page 62), it is recommending that regulations need to be flexible with regards to these realities which would apply to all airports regardless of location. UCTE is already starting to see this with the changes to CARS with regards to winter maintenance.

The proposed Regulations would also provide a compliance option to airports that service only CARs Subpart 703 air operators. These airports will be able to choose to comply with the full set of proposed Regulations or to consult annually with air operators on winter maintenance operations. They will then determine the level of service that they will offer and provide this information for publication in the Canada Flight Supplement. (From correspondence re winter maintenance June 3, 2016).

Another area of concern where UCTE is seeing this is also with regards to the need for flexibility around airport firefighting. It would appear that the report justifies Transport Canada's actions to be concerned about the economic viability.

iii. requiring airline expertise on the boards of directors of airport operators (current airline employees would not be eligible);

In support of the Canadian Labour Congress actions, UCTE would recommend an amendment to this recommendation that would include labour have a seat on all airport boards.

Changes to the Airports Act

The phasing out of airport rents and increasing the access to capital funding for smaller airports would actually benefit UCTE members. (page 192)

The option to not extend leases of 20 years are negatively impacting the ability of airport authorities to secure bonds which is the reason we are getting the push for privatization of airports across Canada (e.g. Montreal Airport). The current model is unsustainable and would create an impossible bargaining situation for UCTE when trying to negotiate collective agreements with airports who are close to the end of their leases. It should be noted that at the end of airport leases, according to the legislation, the airports then revert back to government which would create an interesting situation. (page 193)

Although on page 193, the review specifies smaller airports are not able to access federal infrastructure funding, this is not correct as it is the mid-size airports that cannot access the Capital Assistance Program (CAP). The difference between regional and federally-regulated airports is the access to provincial funding which is not available to the federally-regulated ones. Concern for UCTE under the level playing field is that this could put some of our airports under the auspices of CUPE. (pages 193-194).

Furthermore, the review recommends that there be increased funding for the CAP program for small airports. UCTE should be recommending that mid-size airports have access to these funds also. At some of our airports, over 50% revenue is currently going towards items that would be otherwise covered by CAP. The implication is that with access to these funds, airports would be in a better financial position when it comes time to negotiate new collective agreements.

Page 195 should be examined in depth. It speaks to Privatization options. While this has been done in many countries, Vantage Group, which is part of Vancouver Airport lost 2 contracts in the United Kingdom because of expenses over revenue. This model does not appear to work.

Transport Canada

In this section, there appeared to be a few contradictions within the recommendations.

Transport Canada's control over regulation and policies leaves too little room for the Canadian Air Transport Security Authority to adjust its operations and procedures; (page 201)

Of concern with this recommendation, the work of our technical inspectors for safety and security could be negatively impacted by giving this work to CATSA.

The Review recommends that the Government of Canada overhaul the regulatory, financing, and delivery models for airport security, to maximize performance and service while delivering the highest standards of security and good value for money, by: a. establishing greater alignment and coordination between the regulatory and operational functions of aviation security. This could be achieved by replacing the Canadian Air Transport Security Authority with the creation of a single integrated aviation security agency with responsibility for both regulatory oversight and operations; (page 202)

It appears that the recommendation wants to have one single agency to be responsible for both regulatory oversight and operations. This again would take work away from Transport Canada employees.

The 2012 Aerospace Review recommended that the government implement a full cost-recovery model for aircraft safety certification (page 204)

The above quote recommends a change on who would be responsible for costs. The question is would the work of our civil aviation technical inspectors become revenue neutral if the end-users are now responsible to pay for their costs.

The Review recommends that the Government of Canada commit to strengthening its reputation as a world leader in aviation regulation and certification, in support of the findings of the 2012 Aerospace Review, by:

- a. investing in the necessary resources and systems to ensure that Canadian certification continues to be a globally recognized and sought-after seal of approval;*
- b. implementing full cost recovery for certification, with world-leading service standards (e.g. response times);*
- c. investing in the resources and expertise needed to properly assess risks and impacts when formulating new regulations and standards in Canada and at the International Civil Aviation Organization; regulations and standards should reflect an understanding of the differences between each aviation segment, including business aviation and small northern and remote operators, as well as large commercial carriers;*
- d. working with industry and international partners to ensure that domestic and international regulatory frameworks and standards are tailored as much as possible to the needs and risks in each aviation segment;*
- e. working with industry and international partners to develop protocols and technologies to strengthen protections of public safety, security, and privacy from inappropriate use of unmanned aerial vehicles, and to enforce violations, without unduly restricting the development of innovative and beneficial uses of this technology in Canada.*

On page 205 of the report, the recommendation speaks to an increased role for industry when establishing regulations and standards with regards to safety and security in aviation.

Other documents or items referenced in the report that require review:

- Northern Marine Transportation Corridors Initiative
- *Pilotage Act*
- *A Review of Canada's Ship-source Oil Spill Preparedness and Response Regime – Setting the Course for the Future*
- Service Agency status for CCG – how does it differ from Special Operating Agency
- The Commodity Supply Chain Table
- National Airports Policy
- 2012 Aerospace Review

Appendix A:
Summary table of review recommendations

Marine

Quote	Page	Action/concern/comment
<p>The Commissioner also found that the Canadian Coast Guard's icebreaking presence is decreasing, while vessel traffic is increasing. The Canadian Coast Guard, Transport Canada, and the Canadian Hydrographic Service are currently advancing the Northern Marine Transportation Corridors Initiative to enhance marine navigation safety and as a guide for future Arctic investments</p>	60	<ul style="list-style-type: none"> - Need to look up NMTCI - Put into policy?
<p>There are no authorities for pilotage in the Arctic, as there are in the South. Concerns have been expressed about the lack of marine ice pilots with adequate experience in Canadian Arctic shipping... In Canada the requirement is 30 days, as set out in the Arctic Ice Regime Shipping System.</p>	60	<ul style="list-style-type: none"> - Need to learn about Arctic Ice Regime shipping system - opportunity for UCTE?
<p>The Canadian Coast Guard was transferred from the portfolio of the Minister of Transport to the Department of Fisheries and Oceans in the mid-1990s, where it has been designated a Special Operating Agency since 2005. As a civilian body, the Canadian Coast Guard cannot provide enforcement of international and national laws and regulations pertaining to the sea, the environment, and sovereignty; even though its presence on the water puts it in a position to observe breaches, this role is reserved for the Royal Canadian Mounted Police (RCMP).</p>	215	<p>Questions whether or not CCG should be a civilian body</p>
<p>The Canadian Coast Guard As noted above, the Canadian Coast Guard is responsible for the safe and efficient movement of ships in Canadian coastal and inland waters. Canada is unusual in having a civilian coast guard. In other northern jurisdictions, such as Denmark, Greenland, Norway, Iceland, Finland, and Russia, and in the United States, the coast guard is a military or security organization. As a civilian body, the Canadian Coast Guard does not have the authority to enforce international and national laws and regulations pertaining to the sea, the environment, and sovereignty without RCMP officers present, even though Canadian Coast Guard vessels and staff may be the best placed to respond to critical events and detect illegal activity. This has resulted in an inefficient enforcement regime. Canada has also been slow to use maritime transport to promote development and strengthen sovereignty. Canada must ensure that it meets the challenges of increased maritime traffic in the Arctic, the St. Lawrence, the Great Lakes, the Seaway, the Pacific and the Atlantic. Because of</p>	220	

<p>existing governance arrangements and inadequate funding, the Canadian Coast Guard is not currently well equipped to do so.</p>		
<p>Tables showing age, depreciation and unplanned maintenance days of CCG fleet</p>	<p>221</p>	
<p>As noted above and as depicted in Figures 1, 2 and 3, the Canadian Coast Guard fleet is aging, which has implications for maintenance as well as procurement. Given that 29 percent of the large vessels are more than 35 years old and close to 60 percent of small vessels are older than the design life of 20 years, it is not surprising that the number of major systems repairs required is increasing, vessel days are decreasing, and the number of ships out of service is increasing over time. The decrease in 2009 was as a result of money dedicated for repairs paid by the Economic Action Plan. Indeed, for such a critical piece of transportation infrastructure, the Canadian Coast Guard is not receiving the political attention, or the administrative and financial resources it requires. In 2014, the Commissioner of the Environment and Sustainable Development found that the Canadian Coast Guard's icebreaking presence in the Arctic is decreasing, while vessel traffic is increasing.²⁶ In response, the Canadian Coast Guard, Transport Canada, and the Canadian Hydrographic Service are currently advancing the Northern Marine Transportation Corridors Initiative to support responsible marine development, enhance marine navigation safety, and guide future Arctic investments.²⁷</p> <p>In addition, the 2015 Report of the <i>Independent Review of the M/V Marathassa Fuel Oil Spill Environmental Response Operation</i> found that the Canadian Coast Guard lacked adequate staff to respond in any part of its region at any time.²⁸ Not only is it understaffed, but its fleet is one of the oldest in the world and urgently requires renewal (individual ships average nearly 34 years of age).²⁹ Without such renewal it will have to pull ships from service, further reducing reliability. However, under the National Shipbuilding and Procurement Strategy, which requires the Canadian Coast Guard to purchase ships from Canadian shipyards, it can only replace one ship a year, at most. At that rate, the median age of the fleet will not decrease. Other strategies, such as outsourcing or leasing, are not part of the strategy</p>	<p>222</p>	<p>Need to read <i>A Review of Canada's Ship-source Oil Spill Preparedness and Response Regime – Setting the Course for the Future</i></p>

<p>and thus cannot be deployed to meet short-term requirements.</p> <p>On October 30, 2015, the eight Arctic Council states signed an agreement to establish the Arctic Coast Guard Forum (ACGF). This agreement builds on an earlier agreement that established areas of responsibility for search and rescue operations in the Arctic.³⁰ However, as noted by Paul Pryce of the NATO Association of Canada, the Canadian Coast Guard “will have a weakened position in the context of the ACGF simply due to the lack of vessels it is currently operating in the Arctic.”³¹</p> <p>The first report of the Tanker Safety Expert Panel, from November 2013, <i>A Review of Canada’s Ship-source Oil Spill Preparedness and Response Regime—Setting the Course for the Future</i>, noted that developments in oil spill preparedness and response in other jurisdictions were not being adequately reflected in the Canadian regime. The Tanker Safety Expert Panel also reported that the Canadian oil spill regime was in a weakened state overall.³²</p>		
<p>The April 2014 Tanker Safety Expert Panel Phase II Report noted that “change is taking place in the Arctic, both in terms of the extent of multi-year sea ice, as well as economic development. In addition, the Canadian Coast Guard has a more important role to play in the Arctic with respect to ship-source spill preparedness and response than it does south of 60°. Due to the continuously evolving situation in the Arctic, the Government must regularly review and adjust its Arctic spill preparedness and response requirements and capabilities over the longer term.”³⁶ The Tanker Safety Panel expressed concern that Canadian Coast Guard capabilities have been declining and that this has affected its ability to keep up with the current modest increases in shipping and tourism and a lengthening shipping season. In light of the longer season, it is important to recognize that, for the Canadian Coast Guard to adequately fulfill its role, it will need to be physically present in the Arctic for the duration of the active shipping season. As Canada’s eyes and ears on the ocean in the North, it needs to start planning now for the increased demands on its services in the future.</p> <p>Marine transportation will continue to be a critical link connecting Canadian consumers to markets around the world and Canada’s ports and marine sector will continue to be a significant contributor to Canada’s GDP. The Canadian Coast Guard’s fleet has been aging; the result of this over time has</p>	223	

<p>been to increase its operating costs while compromising services and capabilities. In order not to hold back economic activity, essential services must be provided for the South and the North. But the government must act to ensure that that this economic enabler is positioned to help the economy grow while maintaining safety and security.</p>		
<p>PILOTAGE AUTHORITIES:</p> <p>Canada's Pilotage Authorities are internationally respected for operating, maintaining, and administering a safe pilotage service within their respective geographic regions. While safety is clearly a priority, stakeholders have raised concerns about cost and the requirements for pilots to be so frequently on duty. Canada's pilotage regimes are based on risk assessments; however, these are slow to take into account new risk profiles, technologies or alternative arrangements. Improved communications and information technology also undercut the arguments for maintaining four distinct Crown corporations to oversee pilotage in different geographic regions of the country.</p>	223	<p>suggestions for cutting</p>
<p>Without an adequately resourced Coast Guard, there could be impediments to commercial shipping, and Canada may not be able to meet its objectives in our territorial waters. The overall efficiency of the system will be affected; for example, the lack of icebreaking services will limit use of waterways. Canada will be unable to develop short sea shipping and Arctic routes that could optimize freight capacity, open new economic development opportunities, and mitigate congestion and emissions. Equally worrisome is that Canada's credibility and influence on the international front is at risk.</p>	225	<p>Positive comments on the need for investment in CCG</p>
<p>In marine transport, there are many user fees. Pilotage, berthage, wharfage, icebreaking, navigation, dredging, terminal, and towing are all activities that entail a separate fee structure and, in some cases, a related dispute resolution mechanism. Pilotage fees are subject to a cumbersome and lengthy regulatory process, as they are published in the Canada Gazette for public consultation. The approval process takes so long that market conditions can change in the interim, and there is no easy way to modify the charge without repeating the whole process. While consultation occurs along the way, the process can be viewed as neither responsive nor efficient. On the other hand, port and Seaway charges are part of a different regime: they are filed publicly and users can challenge them through a complaints mechanism at the Canadian Transportation Agency. However, terminal and</p>	225	<p>User fees argument</p>

<p>towing fees are not part of this regime and cannot be contested.</p> <p>This patchwork of approaches in respect of user fees is unwieldy, unresponsive to users, and inefficient. A common dispute mechanism with common criteria and established grounds for appeal would work better and be fairer to the parties.</p>		
<p>“The Canadian marine transportation system is very expensive. Seaway tolls, compulsory pilotage (for Canadian vessels in the St. Lawrence) and Canadian Coast Guard recovery charges are among the many charges that affect the competitiveness of the St. Lawrence Seaway route. . . . Costs for unnecessary services should be eliminated.” — <i>Algoma Central Corporation Submission to the CTA Review April 14, 2015</i></p>		<p>Elimination of some fees</p>
<p>Since heavy subsidies are not an option, the better strategy is to emulate those jurisdictions whose marine infrastructure and services pay for themselves. Such an approach would allow limited government intervention and promote greater use of short sea shipping to maximize capacity and thereby reduce congestion and emissions.</p> <p>The Review recommends that the Government of Canada maintain a user-pay approach to ensure continued financing for infrastructure and operational needs, while also taking steps to improve cost competitiveness with comparable jurisdictions by: a. establishing a uniform and timely process for publicly filing rate and charge increases for all federally-mandated marine services (pilotage, towing, dredging, port charges, etc.); and, b. authorizing the Canadian Transportation Agency to review all marine fees on a regular basis in terms of their reasonableness and cost competitiveness, as well as in response to complaints.</p> <p>4. The Review also recommends that the Government of Canada work with the provinces to further improve cost competitiveness by ensuring that payments in lieu of municipal taxes required of individual port authorities are no greater than for comparable industries.</p>	<p>226</p>	<p>Highlights the need to work with provinces and port authorities; downloading of services</p>
<p>Given these pressures and trade growth over the longer term, there is a need to change the governance structure of ports.</p>	<p>227</p>	<p>Change in port governance</p>

<p>The Canada Port Authorities have all played a role in economic development and international trade, some to a greater degree than others. The model has worked well, but with the post-Panamax vessels, the widening of the Suez Canal, collaboration between United States ports, the advent of Mexican port capacity, the raising of the Bayonne Bridge," and other game-changers, Canada needs to go to the next level and position itself for the longer term. That means it must make some hard choices and inject private sector discipline into the process.</p>	228	Suggestion to cut services at ports?
<p>3. The Review recommends that the Government of Canada strengthen the viability, accountability, and competitiveness of marine ports in Canada by:</p> <p>a. examining the feasibility and viability of adopting a share-capital structure for Canada Port Authorities, including receiving proposals from institutional investors or private equity investors, accompanied by legislation to enshrine the economic development and trade mandate of ports and to protect the public and national interests;</p> <p>b. encouraging regional amalgamation of Port Authorities guided by common-user and other principles embodied in the <i>Canada Marine Act</i>;</p> <p>c. introducing light-touch regulation⁴² covering fees, charges, common use of the facilities, and unfair competition by the port against its tenants to protect users;</p> <p>d. conferring oversight and enforcement of the measures in (c) on the Canadian Transportation Agency.</p>	228	Changes to oversight body of ports to CTA including privatization
CCG:	230-232	<ul style="list-style-type: none"> - Highlights insufficient resource allocation - Suggests moving CCG to TC - Allowing CCG to conduct revenue collection - Suggests ancillary services be conducted by industry such as vessel traffic services (MCTS = Unifor) - Enhance CCG mandate -
<p>PILOTAGE:</p> <p>Modernization of Pilotage⁴⁵</p>	232	<ul style="list-style-type: none"> - Reducing pilotage services in some areas

<p>There is no question of the need for pilotage in bad weather, in and around ports, through locks, other challenging navigational channels, and for extra safety with respect to guiding specialized vessels such as tankers, as well as foreign vessels and crews new to Canadian waterways. The <i>Pilotage Act</i>, which establishes four separate pilotage authorities, should be modernized to take into account new vessel and navigational capabilities to reflect circumstances where risk is reduced, as well as technological advances such as electronic charting, GPS and Automatic Identification Systems (AIS), and other innovations (shorebased pilotage, tracking etc.). The Review heard during consultations, both in Canada and internationally, that pilotage was expensive and unnecessary in certain waters, such as a large part of Lake Superior.</p>		
<p>For these reasons, the Review supports the immediate and short-term improvements that will result from integrating the four pilotage authorities into one national pilotage board, while maintaining the sound regional stewardship of day-to-day pilotage operations. With representatives from across Canada, it can be a strong modernizing force for creating pilotage services for the future. Objectives should include aligning pilotage practices and procedures across the regions and into the North without unduly affecting the local and regional operations that have kept our waterways safe. The Review envisages that, over time, this body will harmonize the way regions contract for and provide services and will ensure greater efficiency in service delivery. One single authority that can manage the convergence of technologies and streamline processes and procedures will produce the best selection of user-supported services at the right cost. Further, as Canada looks at its emerging pilotage and ice management needs across the North, it will be important to have a national direction as well as common, streamlined processes and procedures.</p> <p>The Canadian Coast Guard is a national institution that already has established operations in each of the regions in question, and complementary capabilities in the know-how and equipment required to deliver marine services. And, similar to pilotage authorities and ship owners, it is required to recruit, train, and retain skilled seafarers. Anchored in its mission to support safe and efficient marine navigation throughout Canada, it is uniquely positioned to oversee all marine services, including pilotage and hydrographic services.</p>	233	<ul style="list-style-type: none"> - Amalgamation of all pilotage authorities under one body. Notes that CCG is in the position to oversee all marine services including pilotage.
		<ul style="list-style-type: none"> - Calling for re-assessment within 3 years of pilotage authorities. UCTE needs to

<p>The Review recommends that the Government of Canada:</p> <ul style="list-style-type: none"> a. immediately integrate the four pilotage authorities within one National Pilotage Board to enable a strategic and holistic approach to pilotage for better alignment and harmonization in the way regions contract for and provide services; b. complete a full assessment of the governance framework for marine navigation services within three years; c. formally review compulsory pilotage areas, circumstances, and processes every three to five years minimum, in consultation with users and the international pilotage community, taking into account new technologies and best practices and including a re-assessment of navigational safety risks. 		<p>make sure its involved in this one.</p>
<p>5. The Review recommends that the Government of Canada reform and strengthen the Canadian Coast Guard delivery model to ensure it has the mandate, equipment, operations, and sustainable funding to support marine commerce and enforce safety, security, and sovereignty, by:</p> <ul style="list-style-type: none"> a. situating the Canadian Coast Guard to the portfolio with which it is most closely aligned, such as the Minister of Transport, with service agency status; b. augmenting and clarifying its mandate by: <ul style="list-style-type: none"> i. giving it clear oversight and enforcement responsibilities for safety, security, and environmental protection in Canadian waters to improve efficiency and cost-effective delivery of these services; ii. focusing on key activities such as search and rescue, environmental response, icebreaking, pilotage, navigation aids, and charting services, among others, with revenue collection where appropriate, and allowing industry to provide and be responsible for ancillary services, such as vessel traffic services; iii. conducting a review of the roles of the Canadian Coast Guard in the Arctic (including its policy and enforcement roles) to ensure they are adequate to meet future challenges and harmonize with the roles of the Royal Canadian Navy and the RCMP; c. increasing funding for the Canadian Coast Guard and: <ul style="list-style-type: none"> i. providing a clear plan for accelerated fleet renewal and services, including the purchase of a minimum of one polar and two heavy icebreakers, and provision of associated operating costs; ii. providing the Canadian Coast Guard with flexibility in the application of the National Shipbuilding and Procurement Strategy so that, until fleet renewal is achieved, it has some discretion in leasing and procurement of foreign vessels to augment capacity; 	<p>281</p>	<ul style="list-style-type: none"> - Enforcement/security going to coast guard. Does that equal arming? - Seeking revenue collection -

<p>iii. ensuring that the Canadian Coast Guard has the resources to meet an enhanced mandate, and to satisfy current and future needs in respect of crisis response, fleet operations, increased traffic in all regions, interoperability with our maritime neighbours, and technology-based solutions. With regard to the latter, it requires funds to be able to invest in innovative technologies, such as satellite-based navigation.</p>		
<p>Pilotage authorities</p> <p>6. The Review recommends that the Government of Canada:</p> <ul style="list-style-type: none"> a. immediately integrate the four pilotage authorities within one National Pilotage Board to enable a strategic and holistic approach to pilotage for better alignment and harmonization in the way regions contract for and provide services; b. complete a full assessment of the governance framework for marine navigation services within three years; c. formally review compulsory pilotage areas, circumstances, and processes every three to five years minimum, in consultation with users and the international pilotage community, taking into account new technologies and best practices and including a re-assessment of navigational safety risks. 		-

Air

Quote	Page	Action/concern/comment
<p>In general, aviation regulations apply equally across the country. For example, smaller and remote airports, such as the Erik Nielsen Whitehorse International Airport, have to comply with the same requirements as large airports, such as the Toronto Pearson International Airport, regardless of their difference in size. This one-size-fits-all approach may not be appropriate or realistic for the smaller airports of the North because the risks that the regulations seek to address are different in the North, as are the operating realities.²⁴</p>	62	One size fits all? Change to CARS and TP312 to make them fit
<p>1. In order to strengthen the safety of the Canadian rail network, the Review recommends that Transport Canada work with the Canadian freight and passenger railway industry within the next year to determine the steps required to harmonize the deployment of safety technologies in Canada with those in the United States</p>	141	Following US rail standards?
<p>The Review recommends that the Government of Canada act for the benefit of consumers to reform the user-pay policy for air transport and improve its cost competitiveness in relation to comparable jurisdictions, while ensuring continued and sustainable financing for infrastructure and operations by: a. linking fees predictably and transparently to the actual provision of services and infrastructure; b. drawing on general government revenues, in addition to user fees, to support objectives that advance the national interest in a secure, accessible system that serves northern and remote regions; c. phasing out airport rent and increasing capital funding available to smaller airports, as one of the airport governance reforms in Chapter 9, Recommendation 3; d. reducing the Air Travellers Security Charge as one of the airport security screening reforms in Chapter 9, Recommendation 8</p>	192	Recommending changes to the Airports Act
National Airports Policy		Need to review it – under the act
<p>Lease requirements are fundamental limitations making the Canadian model financially unsustainable. The option to extend leases for 20 years would</p>	193	Quote from Montreal Airport; Airports are having problems getting bonds due to remaining length of their leases

<p>postpone the problem, but it will inevitably resurface. Sooner or later, the model will have to evolve; otherwise, airports are likely to fall back into the same state of under-funding that led to divestiture in the first place. The Canadian model where government retains ownership is unique in the world; elsewhere the dominant model is full or partial privatization. — <i>Aéroports de Montréal Submission to the CTA Review April 2015</i></p>		
<p>Meanwhile, smaller, federally owned airports are operating at a significant disadvantage, as they cannot access federal infrastructure funding like the larger locally-owned airports outside the National Airports System, and they are subject to taxes. They should be treated on a level playing field with all other regional airports in Canada.</p>	193	Smaller/Mid-size airports would be able to access funding from the province if it were divested from federal regulation
<p>divesting the federal government of smaller federally owned airports¹⁷ in consultation with provinces, municipalities and First Nations, and provide one-time payments for needed safety investments, where appropriate;</p>	194	Same as above
<p>To resolve issues applicable to airports regardless of the ownership/governance model, enacting legislation to implement the following provisions for all Canadian airports with scheduled services: i. establishing a set of principles to guide all airports in Canada when determining fees,¹⁸ and requiring airport operators to grant reasonable access to any licensed airline who requests it; providing the Canadian Transportation Agency oversight and enforcement in both instances;</p> <p>ii. tying airport improvement fees to specific projects with explicit sunset provisions;</p> <p>iii. requiring airline expertise on the boards of directors of airport operators (current airline employees would not be eligible);</p> <p>vi. providing appropriate directive powers to the Minister in the event of extraordinary circumstances (legislation is currently silent on this, unlike for other modes).</p> <p>d. Significantly increasing funding for the <i>Airports Capital Assistance Program</i> to support safer, more efficient, reliable services at regional and local airports. This would require expanding the eligible investments to include lengthening and surfacing runways for modern jet service in northern and remote airports, and investing in more advanced navigation, weather, and landing systems.</p>	194	Same as above

<p>PRIVATIZATION OPTIONS</p> <p>The Review notes that a number of options are available for privatizing the large airports (see Backgrounder in Volume Two, Appendix K). This could include working with airport authorities to facilitate their transformation into for-profit entities and selling them the assets of larger airports. Similar processes were followed in the past with the privatization of Crown corporations like Petro Canada and Air Canada (and overseas, for example with Aéroports de Paris). Or it could be achieved by selling the airports to another private enterprise, as was done with large airports in the United Kingdom in the 1980s. Alternatively, the government could maintain ownership, while fully privatizing the operation of the airport, as was done in Australia.</p> <p>In any case, rather than placing the emphasis on extracting maximum revenue for government from these public assets, the objective of privatization should be to encourage their development and operation as critical drivers of the competitiveness of the Canadian economy.¹⁹ A share-capital approach would provide clearer and more direct accountability and more market-disciplined oversight by the board of directors (who would be answerable to shareholders) than may be the case for the existing community-based boards, which are not distinct from the members of the corporation. With Agency oversight of aeronautical fees and charges, there would also be a check against abuse of market power through excessive charges where there is no realistic alternative.</p>	<p>195</p>	<p>OH SHIT</p>
<p>AIRPORT SCREENING:</p> <ul style="list-style-type: none"> • Transport Canada's control over regulation and policies leaves too little room for the Canadian Air Transport Security Authority to adjust its operations and procedures; 	<p>201</p>	<p>Wants CATSA to have more control</p>
<p>The Review recommends that the Government of Canada overhaul the regulatory, financing, and delivery models for airport security, to maximize performance and service while delivering the highest standards of security and good value for money, by: a. establishing greater alignment and coordination between the regulatory and operational functions of aviation security. This could be achieved by replacing the Canadian Air Transport Security Authority with the creation of a single integrated aviation security agency with responsibility for both regulatory oversight and operations;</p>	<p>202</p>	<p>Recommendation is to conduct an overhaul of TC regulations re airport security; TI community may be negatively impacted if overhaul results in delegations being handed over to CATSA</p>

<p>b. legislating a customer service mandate and regulated performance standards, benchmarked against those in competing international jurisdictions to ensure customer service transparency;</p> <p>c. recognizing that the primacy of national security can cohabit with customer service through the provision of stable and predictable financing for aviation security, from both the Air Travellers Security Charge and general revenues, that meets the needs of growing traffic volumes, along with evolving security risks;</p>		
<p>The Review recommends that the Government of Canada enhance consumer protection for airline passengers by:</p> <p>...</p> <p>providing the Canadian Transportation Agency with the power to undertake investigations on its own motion so that it may report on and resolve systemic issues, as well as general order powers so that rulings may be applied to all carriers;</p>	204	Increasing powers of CTA and recognizing its under-funding
<p>A problem that Northern aviation has struggled with for years is well intentioned regulations that make sense for the major carriers and large airports but have an inordinate impact on smaller and remote airports and carriers. Federal policy and regulation must properly and consistently consider the uniqueness of northern and remote aviation's situation, and not just the industry as an average. — Northern Air Transport Association Submission to the CTA Review December 2014</p>	205	Speaks to discrepancies between large and small airports and as a result, changes to regulations
<p>The European Aviation Safety Agency has recognized that competitors such as China are quickly building their capacity and could emerge in the medium term as world leaders in certification and regulation, unless established jurisdictions continue to develop more streamlined and risk-based processes.³⁷ The 2012 Aerospace Review recommended that the government implement a full cost-recovery model for aircraft safety certification.³⁸ The aviation and aerospace sectors are ready to pay fees for service, if the service standards are clear and consistently met. Smaller businesses, and northern and remote carriers, also play vital economic roles and require careful consideration to ensure the new rules and standards do not adversely affect their operations; one size does not fit all.</p>	204	Means TI work would go to end-user therefore work costs would be revenue neutral since would be transferred to users

<p>The Review recommends that the Government of Canada commit to strengthening its reputation as a world leader in aviation regulation and certification, in support of the findings of the 2012 Aerospace Review, by:</p> <ul style="list-style-type: none"> a. investing in the necessary resources and systems to ensure that Canadian certification continues to be a globally recognized and sought-after seal of approval; b. implementing full cost recovery for certification, with world-leading service standards (e.g. response times); c. investing in the resources and expertise needed to properly assess risks and impacts when formulating new regulations and standards in Canada and at the International Civil Aviation Organization; regulations and standards should reflect an understanding of the differences between each aviation segment, including business aviation and small northern and remote operators, as well as large commercial carriers; d. working with industry and international partners to ensure that domestic and international regulatory frameworks and standards are tailored as much as possible to the needs and risks in each aviation segment; e. working with industry and international partners to develop protocols and technologies to strengthen protections of public safety, security, and privacy from inappropriate use of unmanned aerial vehicles, and to enforce violations, without unduly restricting the development of innovative and beneficial uses of this technology in Canada. 	205	Need to review 2012 Aerospace Review
<p>Chapter 9</p> <p>1. The Review recommends that the Government of Canada act for the benefit of consumers to reform the user-pay policy for air transport and improve its cost competitiveness in relation to comparable jurisdictions, while ensuring continued and sustainable financing for infrastructure and operations by:</p> <ul style="list-style-type: none"> c. phasing out airport rent and increasing capital funding available to smaller airports, as one of the airport governance reforms in Chapter 9, Recommendation 3; <p>3. The Review recommends that the Government of Canada strengthen the viability, accountability, and competitiveness of the National Airports System by:</p> <ul style="list-style-type: none"> a. divesting the federal government of smaller federally owned airports in consultation with provinces, municipalities and First 	276	?: would CTA be responsible to regulate fees?

<p>Nations, and provide one-time payments for needed safety investments, where appropriate;</p> <p>b. moving within three years to a share-capital structure for the larger airports, with equity-based financing from large institutional investors, accompanied by legislation to enshrine the economic development mandate of airports and to protect commercial and national interests (including provisions that are currently spelled out in the airports' leases) by:</p> <p>i. establishing investment thresholds, foreign ownership limits, and tests of public interest and national security to be administered by Industry Canada and the Competition Bureau, under the <i>Investment Canada Act</i> and the <i>Competition Act</i>, similar to the controls in place for air carriers with passenger service proposed in Recommendation 4, below;</p> <p>ii. maintaining protections against insolvency (currently contained in the airport leases), so that, in the event it should occur, all assets belonging to the insolvent airport authority would revert to the Crown without liability;</p> <p>iii. enacting so-called light-touch regulations covering fees and charges to protect users and confer oversight on the Canadian Transportation Agency.</p>		
<p>2. The Review recommends that the Government of Canada work with the provinces to further improve cost competitiveness by:</p> <p>c. allowing all passengers arriving from international destinations to purchase duty free merchandise, as is increasingly the case around the world;</p>	276	<p>Since duty free is #1 or 2 revenue source for airports with CBSA, this is an increase in revenue generation for airports and therefore we should be in favour of this option.</p>
<p>3c. To resolve issues applicable to airports regardless of the ownership/governance model, enacting legislation to implement following provisions for all Canadian airports with scheduled services: i. establishing a set of principles to guide</p>	277	<p>CLC is talking about Labour be on the boards</p>

<p>all airports in Canada when determining fees, and requiring airport operators to grant reasonable access to any licensed airline who requests it; providing the Canadian Transportation Agency oversight and enforcement in both instances;</p> <p>ii. tying airport improvement fees to specific projects with explicit sunset provisions;</p> <p>iii. requiring airline expertise on the boards of directors of airport operators (current airline employees would not be eligible);</p>		
<p>3d. Significantly increasing funding for the <i>Airports Capital Assistance Program</i> to support safer, more efficient, reliable services at regional and local airports. This would require expanding the eligible investments to include lengthening and surfacing runways for modern jet service in northern and remote airports, and investing in more advanced navigation, weather, and landing systems.</p>	277	Small airports gaining access to CAP
<p>8. The Review recommends that the Government of Canada overhaul the regulatory, financing, and delivery models for airport security, to maximize performance and service while delivering the highest standards of security and good value for money, by: a. establishing greater alignment and coordination between the regulatory and operational functions of aviation security. This could be achieved by replacing the Canadian Air Transport Security Authority with the creation of a single integrated aviation security agency with responsibility for both regulatory oversight and operations;</p>	279	As opposed to CATSA being contracted, it appears that it would bring it back in-house to government.

Rail

Quote	Page	Action/concern/comment
There is no requirement that Agency appointed arbitrators be rail experts, and despite their expertise, neither Transport Canada nor the Agency has the means to model the effects of adding incremental traffic to a railway's network—a potential outcome of imposing level-of-service requirements.	116	Question about TC lack of ability therefore Rail would take on responsibility?

Initial review

Canadian Transportation Agency

Quote	Page	Action/concern/comment
<p>Many of the recommendations in this Review have an impact on the Canadian Transportation Agency (the Agency) either directly, through a reliance on the Agency to execute them, or indirectly, as a result of increased responsibilities and workload. In addition, recommendations have been made respecting changes to the National Transportation Policy statement, as set out in section 5 of the <i>Canada Transportation Act</i>, the Agency's enabling legislation.</p>	239	
<p>To be effective, the Agency must be modernized. It must be given the legal mandate and resources necessary to support a transportation system right for a Canadian economy facing unprecedented competition.</p>	239	Change in mandate
<p>The Review also found that the Canadian Transportation Agency does not have the relevant transportation data it requires to effectively execute its regulatory mandate.</p>	244	Lack of ability to do work
<p>the streamlining of the Agency's operations as the industry underwent further deregulation may have actually reduced its ability to counter the imbalance between shippers and consumers and the dominant corporate service providers across the transportation landscape. It also eroded the Agency's ability to ensure timely decisions informed by all relevant evidence.</p> <p>Several stakeholders have urged reform of the operation and functions of the Canadian Transportation Agency and some recommended that the Agency be given an expanded mandate with explicit and well-defined roles spelled out in legislation. The authority to launch independent investigations, to be proactive with access to better knowledge and information on how the transportation system is functioning in "real-time" (a complete picture of the network), would better position the Agency to make timely decisions and tackle system-wide issues. Many have complained the Agency is too constrained in its ability to make meaningful and informed decisions that can advance the over-arching policy goal embedded in the Act—that of creating an effective, efficient, competitive, and safe transportation system in Canada.</p>	244-245	Change in the Act
<p>Nonetheless, the Review is recommending a series of improvements aimed at modernizing the system, along with a</p>	245	Identifies the need for resources for CTA

<p>number of changes designed to clarify and strengthen the Agency's mandate and ensure that it is properly resourced. The intent is to equip the Agency with better tools and the legislative and regulatory capacity to work in the best interests of Canadians as they take on the challenges of the next 20 to 30 years of global change. As it is now, the Agency provides a solid foundation on which to build: it possesses exceptional technical expertise on transportation issues and its arm's-length relationship to government enhances its ability to make impartial, evidence-based decisions.</p>		
<p>The Review believes there would be merit in considering the elaboration of clear criteria to better define the circumstances in which the Minister and the GiC should direct Agency activities, or override Agency decisions, always bearing in mind that they already possess such powers and can exercise them at their discretion...</p> <p>The Chair of the Agency should be able to delegate identified, routine regulatory approvals to Agency staff, who could assume a greater level of accountability...</p> <p>It is imperative that the Agency be appropriately mandated and resourced to keep the transportation system and its important supply chains functioning efficiently, while respecting Transport Canada's primary role in delivering public services and providing policy advice to the Minister of Transport.</p>	246	
<p>Providing the Agency with the authority to act on its own motion and on an <i>ex parte</i> basis, and to address systemic issues and issue general orders will be a significant step toward ensuring the ongoing fluidity of the Canadian transportation supply chain, mitigating uncompetitive behaviours and market failures, and protecting vulnerable travellers. The Agency would execute these new authorities exclusively in the interests of ensuring fairness and to address issues that are clearly systemic across the transportation supply chain; the intent is not to actively monitor and intervene in all possible situations. Operating within its legislated mandate, the Agency would act on its own motion and initiate a review or investigation on issues pertaining to its mandate (service levels, access, fees) only on a reasonable basis. The power to issue <i>ex parte</i> orders would be very rarely exercised, and only in emergency situations where drastic change would occur if there were no intervention.</p>	247	New authorities
	248-249	

The Review recommends that the Government of Canada modernize the mandate of the Canadian Transportation Agency, giving it greater legislative and regulatory authorities by:

a. amending the *Canada Transportation Act* to confer upon the Agency investigative powers, and the authority to act on the Agency's own motion and on an *ex parte* basis, as well as to address issues on a systemic basis and to issue general orders (these new powers would only be executed on reasonable grounds, on issues related to the Agency's mandate); ...

d. establishing the new Integrated Data Platform and Multimodal Data Dashboard within the Agency, in accordance with Chapter 2, Recommendations 1 and 7, and providing the legislative authority to access and obtain relevant and strategic data consistent with its mandate; this new authority would also bestow the responsibility to do research, analyze system-wide trends, provide expert advice to Ministers, and take action where necessary to ensure on-going system fluidity and protect the well-being of Canadians;

e. in accordance with Recommendation 5 in Chapter 8.1: Freight Rail, establishing a specialized rail unit, staffed by Agency experts, to lead and advise on informal dispute resolution issues, including level of service issues, and to provide support, or lead, alternate dispute resolution focussed on level of service complaints; ...

Figure 2 – Recommendations with direct impact on CTA

249-251

282

The Review recommends that the Government of Canada modernize the mandate of the Canadian Transportation Agency, giving it greater legislative and regulatory authorities by: a. amending the *Canada Transportation Act* to confer upon the Agency investigative powers, and the authority to act on the Agency's own motion and on an *ex parte* basis, as well as to address issues on a systemic basis and to issue general orders (these new powers would only be executed on reasonable grounds, on issues pertaining to the Agency's mandate);

b. adding provisions to the *Canada Transportation Act* that better define the power for Ministers and the Governor in Council to direct Agency activities or override Agency decisions, establishing clear criteria for such action;

- c. amending the *Canada Transportation Act* to allow the Chair of the Agency to delegate identified, routine regulatory approvals to Agency staff;
- d. establishing the new Integrated Data Platform and Multimodal Data Dashboard within the Agency, in accordance with Chapter 2, Recommendations 1 and 7, and providing the legislative authority to access and obtain relevant and strategic data consistent with its mandate; this new authority would also bestow the responsibility to do research, analyze system-wide trends, provide expert advice to Ministers, and take action where necessary to ensure on-going system fluidity and protect the well-being of Canadians;
- e. in accordance with Recommendation 5 in Chapter 8.1: Freight Rail, establishing a specialized rail unit, staffed by Agency experts, to lead and advise on informal dispute resolution issues, including level of service issues, and to provide support, or lead, alternate dispute resolution focussed on level of service complaints;
- f. providing the Agency with adequate financial resources and expertise commensurate with its enhanced mandate and legislative authorities.

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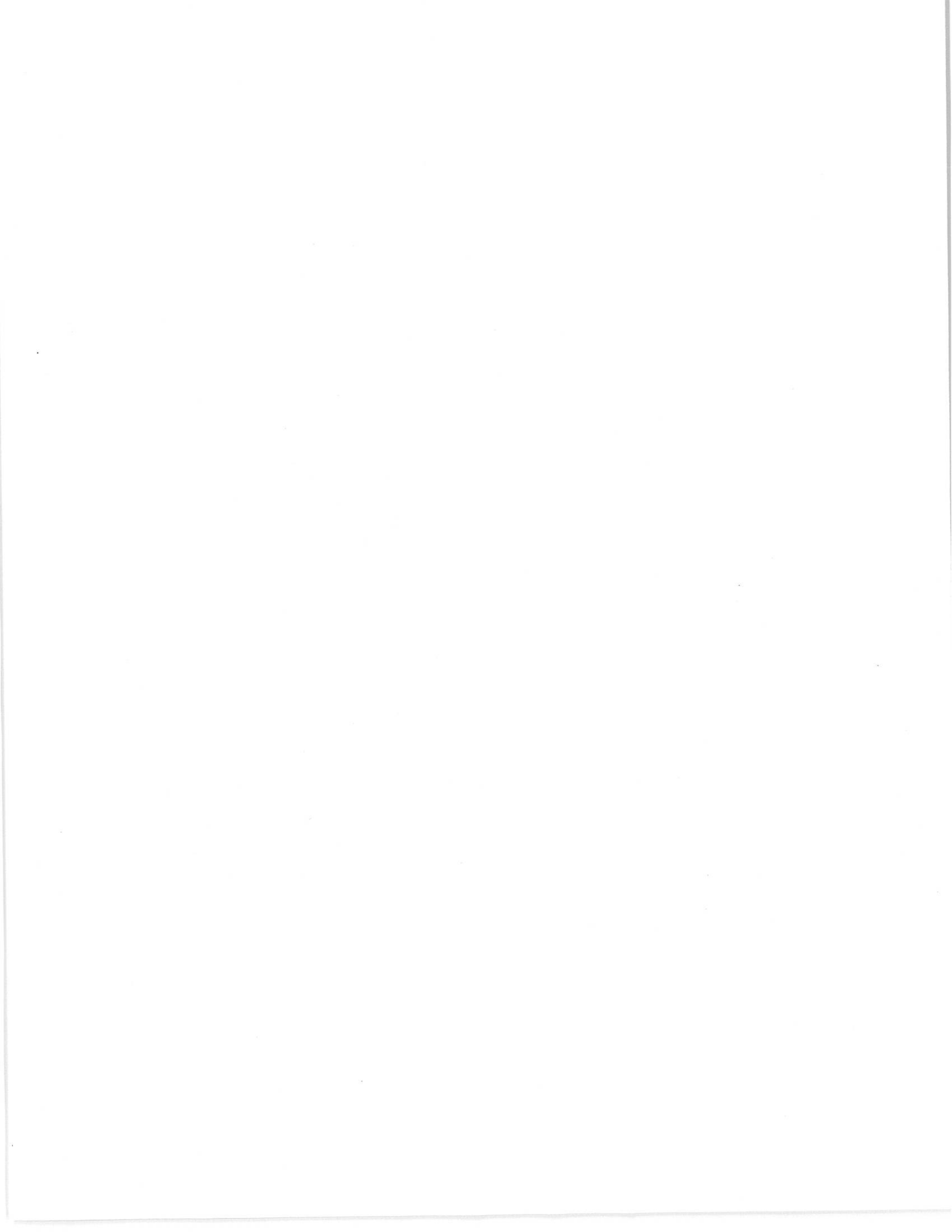
OTHER

<p>RECOMMENDATION 5</p> <p>The Review recommends that Transport Canada incorporate the Commodity Supply Chain Table into the proposed Advisory Committee on Transportation and Logistics, chaired by the Minister of Transport and vice-chaired by the Minister of International Trade. This new Committee should have:</p> <p>a. the mandate to consider and provide advice on all modes of transport, with a view to, among other purposes: i. addressing the systemic issues affecting Canada's transportation network; ii. developing a long-term vision for transportation in Canada; iii. advancing Canada's corridors and critical trade-enabling infrastructure through partnerships with the industry and other levels of government; iv. further integrating Canada's corridors in a North American and international approach.</p> <p>b. membership representative of federal, provincial, and municipal governments, as well as key stakeholders.</p>		
<p>1. The Review recommends that the Government of Canada develop and implement an infrastructure strategy for all modes of transportation in the North by:</p> <p>c. Renewing responsibility for and increasing investment in navigational assistance and sealift infrastructure to facilitate fluid, safe, and environmentally sustainable marine transportation in Canada's North. This renewed commitment would include federal funds to support dredging in Hay River and marine infrastructure (i.e. harbours, docks and landings) on the Mackenzie River, Northwest Territories Arctic coast, and in Nunavut.</p>	266	Impacts CCG Hay River and NTCL?
Chapter 7	269	?: Cabin safety TI's are responsible for flight attendants workers' comp

<ol style="list-style-type: none"> 1. The Review recommends that the Government of Canada amend section 5 of the <i>Canada Transportation Act</i> (the National Transportation Policy) to reflect “access” for all, including persons with disabilities, and to better align with foreign jurisdictions. 2. The Review recommends that the Government of Canada incorporate a definition of disability into the <i>Canada Transportation Act</i> (including reference to the three determinants of disability in the World Health Organization’s <i>International Classification of Functioning, Disability and Health</i> model), to bring clarity to the legislation. 3. The Review recommends that the Government of Canada convert the <i>Codes of Practice for Accessibility</i> to Regulations, and that the <i>Intercity Bus Code</i> be transferred to, and administered by, the Agency. 4. The Review recommends that the Canadian Transportation Agency be given exclusive jurisdiction over disability-related cases in the federal transportation network, including the ability to award compensation for pain and suffering, up to a prescribed limit. 5. The Review recommends that the Canadian Transportation Agency be given the authority to address systemic issues, including the authority to investigate accessibility matters on its own motion and issue general orders. 6. The Review recommends that the Canadian Transportation Agency report every three years on the status of accessibility through the use of a Score Card, which would include an overall assessment of various accessibility elements, noting best practices, status of compliance, the number of complaints, and any highlights or comments. 		<p>therefore would this fall within their jurisdiction as well?</p>
<ol style="list-style-type: none"> 7. Further to the recommendation in Chapter 11: The Canadian Transportation Agency, that the Agency’s mandate be modified and enhanced, so that it enjoys greater legislative and regulatory powers and has access to all relevant data and 		<p>Increasing CTA authority</p>

<p>information to effectively execute its mandate, the Review recommends that:</p> <ul style="list-style-type: none">a. the Canadian Transportation Agency provide guidance (through clearer definitions) and undertake improvements to make the shipper dispute resolution mechanisms in the Act speedier, more efficient and effective, more predictable, and more accessible to all shippers;b. before they proceed to formal dispute resolution, shippers and railways be subject to conciliation or mediation;c. the \$750,000 freight charge limit on the less expensive summary FOA process be changed to \$2 million, to permit all rail shippers and those with non-complex cases to have greater access to the mechanism;d. in an FOA, shippers be given the option at the outset of the arbitration of having the Arbitrator's decision apply for up to three years.		
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**Appendix B:
Overview of CCG Fleet**



	2007 (%)	2012 (%)	2015 (%)
Large Vessels (Design Life 25 to 45 years: average 35)			
Equal to or beyond average mid-life (≥ 18 years)	95	100	80
Equal to or greater than 25 years	55	78	51
More than 35 years	25	25	29
Small Vessels (Design Life 15 to 20 years: average 18)			
Equal to or beyond mid-life (≥ 9 years)	55	70	81
More than 20 years	31	28	59

FIGURE 1 —
AGE OF COAST
GUARD FLEET²³

	2009 (%)	2012 (%)	2015 (%)
Large Vessels			
New condition			8.6
Good condition or only minor repairs required	52.5	2.8	2.9
Major system repairs required	27.5	72.2	85.7
Significant equipment or system refurbishment required	20.0	25.0	2.9
Small Vessels			
New condition			9.5
Good condition or only minor repairs required	81.4	52.4	41.9
Major system repairs required	12.8	41.5	45.9
Significant equipment or system refurbishment required	5.0	6.1	2.7

FIGURE 2 —
REPAIRS OR
REFURBISHMENT
REQUIRED²⁴

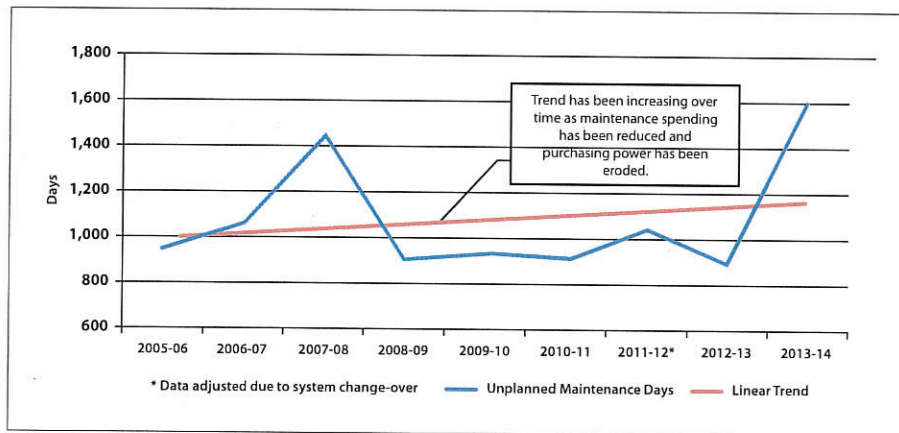


FIGURE 3 —
UNPLANNED
MAINTENANCE DAYS
ON SHIPS (SHIPS OUT
OF SERVICE)²⁵

