



Canadian
Transportation
Agency

Office
des transports
du Canada

CANADIAN TRANSPORTATION AGENCY

2003-2004
Estimates

A Report on Plans and Priorities

Approved

Hon. David M. Collenette, P.C., M.P.
Minister of Transport

Canada

Table of Contents

Messages	1
Chairman’s Message	1
Management Representation	2
Raison d’être	3
Planning Overview	5
Agency Plans and Priorities by Strategic Outcome	7
Strategic Outcome	7
Organization	13
Strategic Outcome and Business Line	13
Accountability	14
Agency Planned Spending	15
Annex	17
Table 1: Net Cost of Program for 2003-2004	17
Other Information	19

Messages

Chairman's Message

It is my pleasure to present the Report on Plans and Priorities of the Canadian Transportation Agency (the Agency). In 2003-2004, the Agency will continue to carry out its mandate under the *Canada Transportation Act* and other legislation, to act as a fair and transparent regulator and to make sound quasi-judicial decisions on a wide range of economic matters involving federally regulated air, rail and marine transportation.

The Agency will provide its assessment of the operation of the *Canada Transportation Act* and respond to the future legislative changes that will be implemented as a result of the Minister's strategic transportation blueprint initiative.

Eliminating undue obstacles to the mobility of Canadians with disabilities will continue to be a significant activity under the Agency's mandate. As the Canadian society ages, it is becoming increasingly important that transportation systems be accessible.

An important role of the Agency is to assist suppliers and users of the Canadian transportation system in resolving disputes and issues efficiently. Although in most cases this role is exercised through adjudication and regulation, the Agency's provision of mediation and other informal dispute resolution services allows problems to be resolved, whenever possible, before they reach the stage of formal dispute thereby reducing any negative impact on the functioning of the transportation system. Communication and education to help parties understand their rights and obligations will still be an important aspect of the Agency's activity.

In 2002-2003, the Agency developed and started to implement its action plan under the Modern Comptrollership initiative. I am confident that, as the Agency continues to implement this plan in the years to come, and adjust as necessary, it will further improve the way it delivers its program and services to Canadians.

I believe that the Agency is well positioned to continue to carry out the government's transportation policies, provide its expertise and services and adapt to any future changes. Agency Members and our dedicated team of professionals are committed to ensuring that we continue to play an active role in achieving an efficient and accessible transportation system for Canadians.

Marian L. Robson

Management Representation

Report on Plans and Priorities 2003-2004

I submit, for tabling in Parliament, the 2003-2004 Report on Plans and Priorities for the
Canadian Transportation Agency.

This document has been prepared based on the reporting principles and disclosure requirements contained in the *Guide to the preparation of the 2003-2004 Report on Plans and Priorities*.

- It accurately portrays the organisation's plans and priorities.
- The planned spending information in this document is consistent with the directions provided in the Minister of Finance's Budget and by Treasury Board Secretariat.
- Is comprehensive and accurate.
- Is based on sound underlying departmental information and management systems.

The reporting structure on which this document is based has been approved by Treasury Board Ministers and is the basis for accountability for the results achieved with the resources and authorities provided.

Joan MacDonald
Director General, Corporate Management

February 7, 2003

Raison d'être

In its administration of federal transportation legislation and government policies, the Canadian Transportation Agency helps achieve, for the benefit of Canadians, a federal transportation system that is efficient and accessible.

The Agency is an independent, quasi-judicial, administrative tribunal that makes decisions on a wide range of matters affecting Canadian transportation. It licenses rail and air carriers, and has the authority to resolve some transportation rate, service and other complaints in the rail, air and marine modes and to make regulations when necessary. It also has the authority to remove undue obstacles to the mobility of persons with disabilities who use the federally regulated transportation network. In addition, the Agency implements transportation policy as established by Parliament in the *Canada Transportation Act*, and is the aeronautical authority for Canada on matters related to the economic regulation of air carriers.

The Agency is one of many players involved in transportation and maintains close ties with its various co-delivery partners.

Canadian Transportation Agency Partners	
Bilateral air agreements	<ul style="list-style-type: none">• Department of Foreign Affairs and International Trade• Transport Canada• Statistics Canada
Coasting trade exemptions	<ul style="list-style-type: none">• Canada Customs and Revenue Agency• Transport Canada
Air regulation	<ul style="list-style-type: none">• Transport Canada• Civil Aviation Tribunal of Canada• Royal Canadian Mounted Police• Department of Foreign Affairs and International Trade• Department of Justice Canada
Rail regulation	<ul style="list-style-type: none">• Transport Canada• Canadian Environmental Assessment Agency• Transportation Safety Board of Canada• Province of Ontario• Natural Resources Canada
Accessible transportation	<ul style="list-style-type: none">• Canadian Human Rights Commission• Transport Canada• Human Resources Development Canada• Canadian Standards Association

Planning Overview

Below are the main factors that will influence the delivery of the Agency's programs during the planning period:

The legislative review by the Minister of Transport

In April 2001, the Minister of Transport launched the development of a long-term transportation policy framework (the "Transportation Blueprint") to develop a federal strategy that responds to the major challenges that will face Canada's transportation sector over the next decade and beyond. As part of this new policy framework, changes to the *Canada Transportation Act* are expected. The Agency will prepare for these and implement them during the planning period.

Government initiatives

The Government of Canada's modern management framework, illustrated in the report *Results for Canadians*, tabled by the President of the Treasury Board in March 2000, gave rise to a number of initiatives, including Modern Comptrollership. As part of its action plan under this initiative, the Agency will implement measures to improve the way it delivers its program and services in the future. These measures will include improving the manner in which funds are allocated to ensure consistent optimal use of resources, developing better performance measures and developing a risk management framework to better integrate the concept of risk management throughout the organisation.

Funding issues

In 2000, the Air Travel Complaints Commissioner's program was introduced, along with other programs to protect the interests of the travelling public following the Canadian airline industry restructuring. Although some temporary funding was available, no funding was secured for 2004-2005 and future years.

Some internal resources were reallocated to this program. However, given the Agency's limited financial resources and legislative requirement to deliver on other mandates, additional funding is essential for the Agency to continue to provide this consumer protection service to Canadians as well as to respond to any additional mandates as a result of legislative changes. Initiatives are being taken to secure this funding.

Agency Plans and Priorities by Strategic Outcome

Strategic Outcome

(Total Planned Spending: \$26.7 million)

To contribute to the attainment of an efficient and accessible Canadian transportation system that serves the needs of shippers, carriers, travellers and other users.

Like other government bodies that are mandated to administer laws, the Agency operates under certain constraints in that its priorities and the actions it can take are in large part dictated by its statutes.

For the planning period, the Agency's priorities continue to be:

- making sound quasi-judicial decisions within statutory time frames and assisting in resolving disputes through mediation and other informal processes;
- protecting the interests of Canadian transportation users and carriers;
- improving the accessibility of the federal transportation system to persons with disabilities; and
- performing its administrative role regarding the revenue cap regulation of Western grain movements by rail.

1. Continue to make sound quasi-judicial decisions within statutory time frames and to assist in resolving disputes through mediation and other informal processes

To this end, the Agency plans to continue to:

- ensure that its Members and staff maintain a high level of expertise in the field of transportation and keep abreast of the constant evolution of the industry and its players;
- apply a decision-making process that is governed by the rules of fairness and the legislation, regulations and legal principles applicable to the case;
- process each complaint and application as quickly as possible and within the 120-day statutory deadline, unless the parties agree to an extension;
- post all its formal decisions and orders on its Web site shortly after they have been issued and provide free electronic subscription services to its decisions; and
- act as mediator and facilitator for earlier resolution of transportation disputes.

For Canadians, this will result in assurance:

- that a competent and independent body — the Agency — specialized in transportation matters can deal fairly, efficiently and in a timely and transparent manner, with their transportation complaints and applications; and
- that services are available to assist them in resolving informally their transportation-related disputes in a manner that is simpler, more rapid and less litigious and costly than the Agency's traditional hearing process.

Performance will be monitored by examining:

- the number of Agency decisions and orders that were appealed to the Federal Court or the Governor in Council and upheld;
- the percentage of cases resolved within the statutory deadline; and
- the comments of parties involved in mediation and informal dispute resolution processes undertaken by the Agency and the level of resolution of the disputes.

2. Continue to protect the interests of Canadian transportation users and carriers

To this end, the Agency plans to continue to:

- review and resolve air travel complaints;
- investigate complaints on air carrier prices on routes within Canada where there is no or limited competition;
- administer the air carrier licensing system, which includes ensuring that carriers hold liability insurance, a valid Canadian aviation document and protection of advance payments with respect to international passenger charter flights;
- administer the rail certificates of fitness program by ensuring that federal railways hold adequate liability insurance;
- determine whether Canadian vessels are available and suitable to operate services that are proposed to be operated for commercial purposes by foreign vessels in Canadian waters;
- administer and participate in negotiating international air agreements and administer the air tariff regime and a regulatory compliance program;
- determine the impact on the environment of rail construction projects.

For Canadians, this will result in assurance:

- that they can obtain assistance to resolve air travel complaints with air carriers;
- that air and rail carriers that are licensed to operate in Canada meet the legislative requirements that are in place to protect Canadians;
- for owners of Canadian ships that no foreign vessels will be allowed to operate commercial services in Canadian waters if a suitable Canadian ship is available to carry out the services;
- for Canadian air carriers, passengers and shippers that bilateral agreements are implemented fairly, balancing the interests of all parties; and
- that no rail construction project will be approved without evaluating its effect on the environment.

Performance will be monitored by examining:

- the number of air travel complaints resolved and the level of satisfaction of the complainants with the process and the mediated settlements;
- the level of activity in the administration of air licensing, international air agreements, tariffs, pricing complaints, coasting trade and rail certificates of fitness applications and the resulting decisions; and
- the results of environmental assessments undertaken for rail construction projects.

3. Continue to improve the accessibility of the federal transportation system to persons with disabilities

To this end, the Agency plans to:

- continue to resolve accessibility complaints, both formally and through mediation and other informal processes;
- launch a code of practice on the communication of information to persons with disabilities in the federal transportation network;
- amend regulations and distribute guidelines designed to improve services on small commercial aircraft for persons with disabilities; and
- continue to actively promote accessible transportation at conferences and trade shows and in the transportation industry, including the regulations and codes of practice applicable to air, rail and marine transportation.

For Canadians, this will result in:

- assurance for persons with disabilities that they can obtain assistance to resolve complaints if they face undue obstacles to their mobility while using the federal transportation system;
- improved communication of transportation-related information to persons with disabilities as they use the federal transportation system;
- improved services for persons with disabilities on board small commercial aircraft; and
- greater knowledge for persons with disabilities of the services they are entitled to and better transportation industry awareness of accessibility issues.

Performance will be monitored by:

- examining the results and number of accessibility complaints resolved by formal decision, mediation and other informal processes; and
- examining and analysing the results of the Agency's periodic monitoring of the transportation industry's progress in implementing accessibility features included in the codes of practice applicable to air, rail and marine transportation.

4. Continue to perform its administrative role regarding the revenue cap regulation of Western grain movements by rail¹

To this end, the Agency plans to determine:

- the annual revenue caps for CN and CP for the movement of Western grain;
- the annual inflation factor to be applied to railway revenue caps; and
- whether or not the railway companies have exceeded their revenue allowance for the transportation of Western grain.

For Canadians, this will result in:

- assurance that an independent and fair assessment of revenues generated from the transportation of Western grain by rail is performed and that such revenues generated by CN and CP do not exceed the maximum allowed.

¹ These regulatory requirements, introduced by Parliament in 2000 as part of a reform of the Western grain handling and transportation system, are intended to provide a more flexible railway pricing regime for Western grain rail transportation while simultaneously giving protection to farmers by constraining the total revenues the railways can capture from moving grain.

Performance will be monitored by:

- the results of a survey evaluating the Agency's processes in developing the revenue cap among organizations that represent shippers, producers and carriers;
and
- the outcome of any appeals of Agency decisions.

Organization

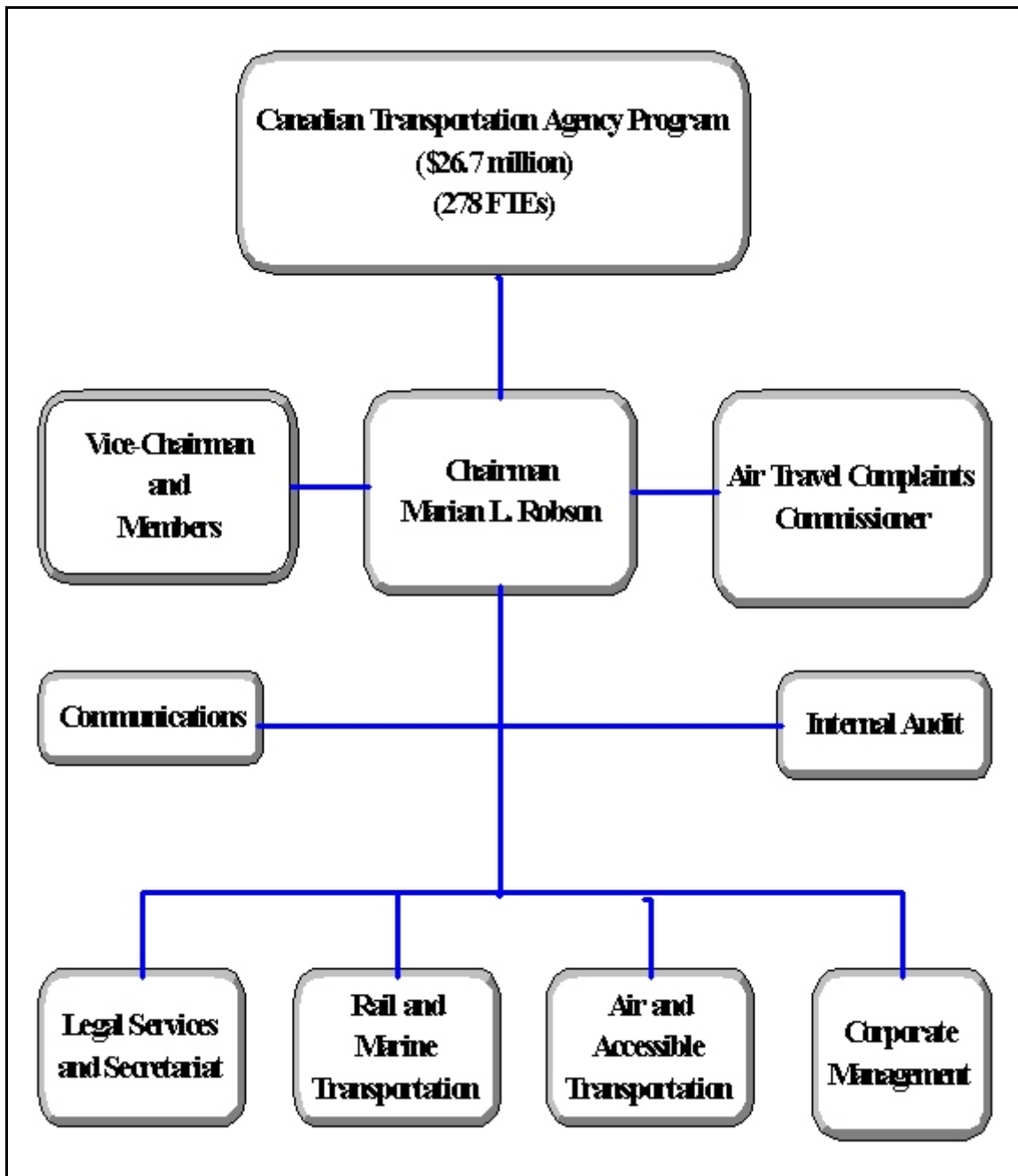
The Agency exercises its powers through its seven members, appointed by the Governor in Council: a chairman, a vice-chairman and five full-time members. The Minister can also appoint up to three temporary members, as well as designating a temporary member to act as the Air Travel Complaints Commissioner. The Agency's organizational structure comprises four branches: the Rail and Marine Transportation Branch, the Air and Accessible Transportation Branch, the Legal Services and Secretariat Branch, and the Corporate Management Branch. The head of each branch reports to the chairman.

The two program branches, the Rail and Marine Transportation Branch and the Air and Accessible Transportation Branch, relate to the Agency's regulatory functions. The Legal Services and Secretariat Branch and the Corporate Management Branch provide regulatory and administrative support. The Agency's headquarters are located in the National Capital Region. Agency personnel working in field offices in six cities across Canada carry out air and accessibility enforcement activities.

Strategic Outcome and Business Line

Business Line	Strategic Outcome
	To contribute to the attainment of an efficient and accessible Canadian transportation system that serves the needs of shippers, carriers, travellers and other users.
Canadian Transportation Agency	\$26,734

Accountability



Agency Planned Spending

(Thousands of Dollars)	Forecast Spending 2002-2003	Planned Spending 2003-2004	Planned Spending 2004-2005 ***	Planned Spending 2005-2006 ***
Total Main Estimates	24,813	26,734	24,167	24,167
Adjustments**	3,551	0	0	0
Net Planned Spending	28,364 *	26,734	24,167	24,167
Plus: Cost of Services received without charge	3,221	3,024	2,912	2,914
Net Cost of Program	31,585	29,758	27,079	27,081

Full-Time Equivalents	291	278	257	257
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* Reflects the best forecast of total net planned spending to the end of the fiscal year.

** Adjustments are approvals obtained since the Main Estimates and include Budget initiatives, Supplementary Estimates, etc.

*** Difference between 2003-2004 and following years relates to the temporary funding the Agency receives from Transport Canada for the air consumer complaints program.

Annex

Table 1: Net Cost of Program for 2003-2004

(Thousands of Dollars)	2003-2004
Net Planned Spending	26,734
Plus: Services Received without Charge	
Accommodation provided by Public Works and Government Services Canada (PWGSC)	1,650
Contributions covering employer's share of insurance premiums and expenditures paid by Treasury Board of Canada Secretariat	1,316
Worker's compensation coverage provided by Human Resources Canada	41
Salary and associated expenditures of legal services provided by Justice Canada	17
	3,024
Less: Non-respendable Revenue	0
2003-2004 Net Cost of Program	29,758

Other Information

List of Statutes and Regulations Currently in Force

The Agency has primary responsibility for:

Canada Transportation Act *S.C. 1996, c. 10*

The Agency shares responsibility to Parliament for the following acts:

Access to Information Act *R.S.C. 1985, c. A-1*
Budget Implementation Act, 1995 *S.C. 1995, c. 17*
Budget Implementation Act, 1996 *S.C. 1996, c. 18*
Canada Marine Act *S.C. 1998, c. 10*
Canadian Environmental Assessment Act *S.C. 1992, c. 37*
Civil Air Navigation Services Commercialization Act *S.C. 1996, c. 20*
Coasting Trade Act *S.C. 1992, c. 31*
Energy Supplies Emergency Act *R.S.C. 1985, c. E-9*
Financial Administration Act *R.S.C. 1985, c. F-11*
Pilotage Act *R.S.C. 1985, c. P-14*
Privacy Act *R.S.C. 1985, c. P-21*
Railway Relocation and Crossing Act *R.S.C. 1985, c. R-4*
Railway Safety Act *R.S.C. 1985, c. 32 (4th Supp.)*
Shipping Conferences Exemption Act, 1987 *R.S.C. 1985, c. 17 (3rd Supp.)*

For the full text of these acts, please visit our Web site and click on “Legislation”.

The Agency has sole responsibility for the following regulations:

Air Transportation Regulations
Canadian Transportation Agency Designated Provisions Regulations
National Transportation Agency General Rules
Personnel Training for the Assistance of Persons with Disabilities Regulations
Railway Costing Regulations
Railway Interswitching Regulations
Railway Third Party Liability Insurance Coverage Regulations
Railway Traffic and Passenger Tariffs Regulations
Railway Traffic Liability Regulations
Uniform Classification of Accounts and Related Railway Records

The Agency shares responsibility to Parliament for the following regulations:

Carriers and Transportation and Grain Handling Undertakings Information Regulations
The Jacques-Cartier and Champlain Bridges Inc. Regulations
The Seaway International Bridge Corporation, Ltd. Regulations

For the full text of these regulations, please visit our Web site and click on “Legislation”.

References

Postal address: Canadian Transportation Agency
Ottawa, Canada K1A 0N9

Web site: www.cta.gc.ca

Annual Report 2001: www.cta.gc.ca/publications/ann-rpt/2001/cover_e.html

Contacts for Further Information

Performance Area	Contact Name	Title	Telephone Number and E-Mail Address
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