

# **Transport Canada**

## **Departmental Performance Report**

**For the period ending  
March 31, 2004**

**Approved**

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**Minister of Transport**



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## Acronyms Used

ACAP	.....	Airports Capital Assistance Program
ATT	.....	Access to Travel
ATVP	.....	Advanced Technology Vehicle Program
CARAC	.....	Canadian Aviation Regulation Advisory Council
CATSA	.....	Canadian Air Transport Security Authority
CPA	.....	Canada Port Authority
CSA	.....	Canadian Shipping Act
CSECP	.....	Cabin Security Enhancement Contribution Program
CSIF	.....	Canadian Strategic Infrastructure Fund
DPR	.....	Departmental Performance report
EBP	.....	Employee Benefits Plan
GOL	.....	Government Online
ICAO	.....	International Civil Aviation Organization
IMO	.....	International Maritime Organization
IM/IT	.....	Information Management/Information Technology
ISPS	.....	International Ship and Port Security
ITS	.....	Intelligent Transportation System
LTSS	.....	Land Transportation Standards Subcommittee
MFRAACP	.....	Marine Facilities Restricted Area Access Clearance Program
NAS	.....	National Airport System
OL	.....	Official Languages
PWGSC	.....	Public Works and Government Services Canada
RDMB	.....	Research and Development Management Board
R&D	.....	Research and Development
SDS	.....	Sustainable Development Strategy
SOLAS	.....	Safety of Life at Sea (International Convention)
SEA	.....	Strategic Environmental Assessment Policy
SHIP	.....	Strategic Highway Infrastructure Program
SMS	.....	Safety Management System
TATC	.....	Transportation Appeal Tribunal of Canada
TC	.....	Transport Canada
TDC	.....	Transportation Development Centre
TDG	.....	Transportation of Dangerous Goods
TWRI	.....	Toronto Waterfront revitalization initiative
WTO	.....	World Trade Organization



## **1.0 Messages**

### **1.1 Minister's Message**

I am pleased to submit Transport Canada's *Departmental Performance Report* for the period ending March 31, 2004.

The past year was again a demanding one for the Department as efforts continued to ensure that all parts of the transportation system work effectively and in an integrated manner to provide Canadians with a transportation system that is safe, secure, efficient and environmentally sustainable.

Concrete actions are reported that reflect a policy framework designed to support competition in the transport sector. We have made strategic investments in transportation infrastructure, with, for example, over \$65 million having been invested in highway improvement projects under the *Strategic Highway Infrastructure Program*.

In cooperation with public and private sector partners, efforts continued to modernize and harmonize regulatory frameworks and to promote a safety culture. Continuing a 10-year trend, the overall safety record of the sector improved again in 2003. Significant initiatives were also undertaken to enhance the security of the Canadian transportation system, including implementation of the Canada-U.S. Smart Border Action Plan.

On the environmental front, we have continued to deliver on the Department's *2001-2003 Sustainable Development Strategy* and to undertake initiatives supporting Canada's Kyoto and climate change commitments.

I believe that this report demonstrates the importance of transportation to Canada and how government and Canadians have contributed to building a safe, secure and reliable transportation system that supports our prosperity as a nation and contributes to our high quality of life.

The Honourable Jean-C. Lapierre, P.C., M.P.  
Minister of Transport

## 1.2 Management Representation Statement

### MANAGEMENT REPRESENTATION STATEMENT

#### *Departmental Performance Report 2003-04*

I submit, for tabling in Parliament, the *2003-04 departmental performance report* (DPR) for

#### **TRANSPORT CANADA**

This report has been prepared based on the reporting principles and other requirements in the 2003-04 Departmental Performance Reports Preparation Guide and represents, to the best of my knowledge, a comprehensive, balanced, and transparent picture of the organization's performance for fiscal year 2003-04.

**Signed:**

\_\_\_\_\_

**Name:**

Louis Ranger

**Title:**

Deputy Minister

**Date:**

\_\_\_\_\_



## 2.0 Summary of Departmental Performance

### 2.1 Progress and Performance Against *Report on Plans and Priorities* Commitments

The following highlights some of the more public aspects of Transport Canada's performance in 2003-04. For a more complete summary of Transport Canada's performance please refer to Section 4.3 Performance Results by Strategic Outcome.

<b>Strategic Outcome: Contribute to Canada's economic growth and social development</b>
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<b>2003-04 Performance Highlights</b>
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**Strategic Highway Infrastructure Program (SHIP):** In 2003-04, Transport Canada spent over \$65 million on highway and border improvement projects that provide the safe and efficient movement of people and goods, support trade and economic development, and promote sustainable transportation. For more information visit: [www.tc.gc.ca/SHIP/menu.htm](http://www.tc.gc.ca/SHIP/menu.htm).

**Canada Strategic Infrastructure Fund:** The Canada Strategic Infrastructure Fund targets large-scale projects in areas such as water quality and access; trade corridors; broadband connectivity; sustainable urban growth; and northern infrastructure. In 2003-04, Transport Canada spent approximately \$5 million on the twinning of Route 2 in New Brunswick. For more information visit: [www.infrastructure.gc.ca/csif/index\\_e.shtml?menu33](http://www.infrastructure.gc.ca/csif/index_e.shtml?menu33).

**Border Infrastructure Fund:** The Border Infrastructure Fund supports initiatives in the Smart Border Action Plan by contributing to projects that reduce border congestion, improve the flow of people, goods and services and expand infrastructure capacity over the medium term. Transport Canada works closely with Infrastructure Canada to identify worthy projects for funding. For more information visit: [www.infrastructure.gc.ca/bif/index\\_e.shtml?menu32](http://www.infrastructure.gc.ca/bif/index_e.shtml?menu32).

**Airports Capital Assistance Program (ACAP):** Transport Canada is committed to helping to make safety improvements at eligible airports through the ACAP, the objective of which is to ensure that safety related concerns are addressed and that the airports can operate in a safe manner according to relevant regulations. During 2003-04, Transport Canada transferred a total of \$32.2 million for 63 projects at 47 airports. ACAP projects have a demonstrable impact helping airports to maintain and improve safety, increase the life expectancy of assets and reduce operating costs. Latest audit results are available at: [www.tc.gc.ca/corporate-services/audit/2003/1577-03-001/menu.htm](http://www.tc.gc.ca/corporate-services/audit/2003/1577-03-001/menu.htm).

**Port Divestiture Program:** Under the Port Divestiture Program Transport Canada is transferring the ownership and operation of regional/local ports across the country to port users and stakeholders. The Program is premised on the principle that local communities can operate and maintain the ports more economically than the Government of Canada, and are best placed to make decisions in the local interest. As at March 31, 2004, Transport Canada had divested 452 of its original 549 ports (82 %).

**Accessibility in the National Transportation System:** A Memorandum of Understanding was signed by the government of Nunavut in support of the Access to Travel (ATT) website, increasing the total number of partners to eight provinces and three territories. The ATT site provides travellers with disabilities with information on accessible transportation services across Canada, posts links to information on travel resources and government policies, and acts as a medium by which the public can lodge a complaint or make an inquiry relating to accessible transportation. For more information visit: [www.accesstotravel.gc.ca/main-e.asp](http://www.accesstotravel.gc.ca/main-e.asp).

**Strategic Outcome: Ensure high standards for a safe and secure transportation system**

**2003-04 Performance Highlights**

**Transportation Safety Statistics by Mode:** Although the number of accidents was up for all modes of transportation in 2003, the number of transportation-related fatalities for marine and rail remained below those of 2002. Moreover, the number of transportation-related fatalities has remained below the previous five-year average in aviation, rail, marine and the transportation of dangerous goods, as well as slightly below for road (2002 data). For more information visit: [www.tc.gc.ca/pol/en/Report/anre2003/4\\_e.htm](http://www.tc.gc.ca/pol/en/Report/anre2003/4_e.htm)

**Public Confidence in Air Travel:** High public confidence in air travel provides another indicator of progress towards Transport Canada's safety and security strategic outcome. In an August 2002 survey, 98 % of Canadians expressed either moderate or high confidence in flight safety in Canada; 60 % gave a high confidence rating. The same question was repeated in March 2004, yielding the same overall confidence rating of 98 % and a high confidence rating of 67 %, an increase of 7 % in high confidence.

**Aviation Security:** The Canadian Aviation Security Regulations were enhanced by the introduction of new requirements for the screening of non-passengers, such as airline personnel (including flight crew), airport employees, refuelers, caterers, etc., including their possessions and vehicles where applicable, when entering an airport restricted area or, under certain circumstances, within a restricted area. With financial support provided through Transport Canada's Cabin Security Enhancement Contribution Program (CSECP), reinforced doors have been installed on all eligible operational aircraft. The CSECP officially terminated on March 31, 2004. There were 28 operators with 486 eligible aircraft in the program. For more information visit: [www.tc.gc.ca/CivilAviation/International/csecp.htm](http://www.tc.gc.ca/CivilAviation/International/csecp.htm)

**Emergency Preparedness:** Transport Canada, on its own or in collaboration with other organizations and levels of government, plays a key role to ensure Canada's preparedness in the event of national, regional and local emergencies. For example, Transport Canada monitored and provided technical assistance to local officials where appropriate during major events on a number of occasions such as the Ontario Blackout in August 2003, the monitoring of hurricanes Isabel, Kate and Juan, geomagnetic and solar storms, and during the British Columbia forest fires. Transport Canada continued to enhance its capability to respond to incidents as a result of its experience during these events. For more information visit: [www.tc.gc.ca/vigilance/sep/emergency\\_preparedness/menu.htm](http://www.tc.gc.ca/vigilance/sep/emergency_preparedness/menu.htm)

**Rail Safety:** Pursuant to the *Railway Safety Act*, which authorizes the Minister of Transport to make financial contributions toward railway works that would improve the safety of crossings at grade of roads and lines of railway, the Grade Crossing Improvement Program is currently investing \$7.5 million annually in such improvements. Since 1994-95, over 1,000 projects have been undertaken with an investment in safety of over \$100 million. For more information visit: [www.tc.gc.ca/railway/gcip.htm](http://www.tc.gc.ca/railway/gcip.htm)

**Science and Technology / Research and Development:** Transport Canada maintains the Transportation Development Centre (TDC), the Government of Canada's centre of excellence for multi-modal transportation research and development aimed at improving the efficiency, environmental performance, safety, and security of the Canadian transportation system. The results of TDC research projects are posted on the Internet at: [www.tc.gc.ca/tdc/menu.htm](http://www.tc.gc.ca/tdc/menu.htm). Approximately 75 technical reports were released in 2003-04.

**Strategic Outcome: Protect the physical environment**

**2003-04 Performance Highlights**

**Sustainable Development Strategy:** Transport Canada's Sustainable Development Strategy (SDS) has guided the Department's sustainable development initiatives. During 2003-04, Transport Canada made notable progress towards achieving the remaining commitments within its 2001-2003 SDS, while concurrently developing the 2004-2006 SDS. A few examples of 2003-04 SDS achievements include:

- The Moving On Sustainable Transportation program is a key departmental initiative for enhancing awareness of sustainable transportation. In 2003, Transport Canada announced funding for 11 projects under the sixth round of the program. Thirty-nine projects with contributions totalling approximately \$1,2 million have been funded in the second phase of the program.
- Transport Canada is committed to managing its contaminated sites in a responsible manner. During 2003-04, Transport Canada spent \$13.1 million on assessments and remediation/risk management of contaminated sites. Eighty-nine % of Transport Canada's contaminated sites have undergone remediation or risk management, contributing towards the Department's strategic objective to protect the physical environment.
- Transport Canada's *Commuter Options: The Complete Guide for Canadian Employers* offers Canadian employers a practical and comprehensive tool for improving commuter options for their employees. As of the 2003-04 fiscal year, over 150 copies of this toolkit have been distributed in Canada and internationally to all levels of government and the private sector. In addition, Commuter Options workshops have been delivered in each of Transport Canada's regions and to other federal departments.

For more information about Transport Canada's Sustainable Development Strategy and related activities, visit: [www.tc.gc.ca/programs/environment/menu.htm](http://www.tc.gc.ca/programs/environment/menu.htm)

**Climate Change:** The Government of Canada is working to respect its commitments to the Kyoto Protocol on climate change in a way that produces long-term and enduring results while maintaining a strong and growing economy. Transport Canada is leading the urban transportation and freight transportation measures already underway, and is working jointly with other departments on efforts to improve motor vehicle fuel economy. Examples of climate change related activities and achievements include:

- Transport Canada's Advanced Technology Vehicle Program (ATVP) tests, demonstrates and evaluates existing fuel-efficient vehicle technology. To date, more than 6 million Canadians have been made aware of the ATVP, hence raising the awareness of the public towards advanced technology vehicles and the role these vehicles can play in a sustainable future.
- In 2003-04, Transport Canada completed an in-depth analysis of the socio-economic costs and benefits of reducing greenhouse gas emissions in the passenger and freight transportation sectors. The study provides Transport Canada with a framework to assess costs, as well as the benefits, of proposals to reduce greenhouse gas emissions in the passenger and freight sectors.

For more information about Transport Canada's Climate Change achievements and activities, visit: [www.tc.gc.ca/programs/environment/climatechange/menu.htm](http://www.tc.gc.ca/programs/environment/climatechange/menu.htm)

Also of note during the 2003-04 reporting period were several organizational changes announced by the Government on December 12, 2003:

- Responsibility for regulations and policies related to pleasure craft, protection of navigable waters, marine navigation systems and pollution prevention, and associated resources, were transferred to Transport Canada from the Department of Fisheries and Oceans – Canadian Coast Guard.
- Responsibility for managing the federal portion of the Toronto Waterfront revitalization initiative (TWRI), and associated resources, was transferred from Transport Canada to Human Resources and Skills Development Canada. The TWRI is a \$1.5 billion project shared equally between the Government of Canada, the Province of Ontario and the City of Toronto to begin the transformation of Toronto's waterfront.

As well on December 12, 2003, there was a realignment of Ministerial portfolios which resulted in responsibility for Canada Post Corporation and the Royal Canadian Mint, and responsibility for the Canada Mortgage and Housing Corporation, Canada Lands Company Ltd., the Old Port of Montreal Corporation, and Queens Quay West Land Corporation being transferred from the Minister of Transport to the Ministers of National Revenue and Environment respectively. Subsequently, those Transport Canada resources associated with the related portfolio management function were transferred to the Canada Revenue Agency and Environment Canada.

In accordance with Treasury Board Secretariat's instructions for the preparation of the 2003-04 Departmental Performance Report, Transport Canada's performance and financial data for 2003-04 has been adjusted to reflect all December 12, 2003 changes retroactive to April 1, 2003.

## 2.2 Parliamentary Committee Recommendations

The Standing Committee on Transport released one report during the 2003-04 reporting period entitled *An Industry in Crisis: Safeguarding the Viability of the Canadian Airline Industry*.

The report is available at: [www.parl.gc.ca/InfocomDoc/37/2/TRAN/Studies/Reports/tranrp02-e.htm](http://www.parl.gc.ca/InfocomDoc/37/2/TRAN/Studies/Reports/tranrp02-e.htm).

The Government's response is available at: [www.parl.gc.ca/common/committee.asp?Language=E](http://www.parl.gc.ca/common/committee.asp?Language=E)

One of the Committee's recommendations was that the federal government wind-up the Canadian Air Transport Security Authority (CATSA) and establish a multi-modal Transportation Security Authority. In its response, the Government noted that it is confident that the security of the transportation system can be delivered through existing structures and initiatives. Information about Transport Canada's transportation security activities and performance may be found in section 4.3.2 of this report. Information about CATSA is available at: [www.catsa-acsta.gc.ca/english/index.htm](http://www.catsa-acsta.gc.ca/english/index.htm).

Another of the Committee's recommendations, aimed at reducing some of the cost-pressures facing Canadian airports and Canadian air carriers, was that the federal government suspend rental payments by airports for a two-year period, and that the airports pass the rental savings to air carriers. In its response, the Government noted that in recognition of the immediate pressures experienced by Airport Authorities as a result of the war in Iraq, the outbreak of Severe Acute Respiratory Syndrome and Air Canada's bankruptcy filing, the Government had instituted short-term relief to National Airport System (NAS) airport authorities in the form of a rent deferral (i.e. a rent reduction of a minimum of 10 %) for a 24-month period. The rent reductions are to be recovered, interest free, over a ten-year period beginning in 2006.

As well in 2003-04, Transport Canada completed a comprehensive National Airports Rent Policy Review to assess that rents paid by airport authorities to the federal government were based on sound public policy. Recommendations arising from the review are being finalized.

For more information about Transport Canada initiatives related to airport rents, refer to section 4.3.1 of this report under the headings 'Short-term Financial Relief for Canada's Air Industry' and 'National Air Rent Policy Review.'

## 3.0 Context

### 3.1 About Transport Canada

Transport Canada is responsible for the transportation policies, programs and goals set by the Government of Canada. The Department works to ensure that all parts of the transportation system work effectively and in an integrated manner to provide Canadians with a sustainable system that is safe and secure, efficient, and environmentally responsible.

#### *Our Vision...*

The best transportation system for Canada and Canadians

#### *Our Mission...*

To develop and administer policies, regulations and programs for a safe, efficient and environmentally responsible transportation system

### 3.2 Legislative Mandate

In Canada, all levels of government have some responsibility for the country's transportation system.

Transport Canada delivers its programs and services under numerous legislative and constitutional authorities. Its focus is on developing a modern and relevant legislative framework that will enhance the safety, security, competitiveness and environmental sustainability of Canada's transportation system.

A full listing of the legislation administered by Transport Canada can be found on our website at [www.tc.gc.ca/acts-regulations/listofacts/menu.htm](http://www.tc.gc.ca/acts-regulations/listofacts/menu.htm)

#### **Some of the legislation administered by Transport Canada:**

- *Aeronautics Act*
- *Canada Marine Act*
- *Canada Shipping Act*
- *Canada Transportation Act*
- *Canadian Air Transport Security Act*
- *Department of Transport Act*
- *Marine Liability Act*
- *Motor Vehicle Safety Act*
- *Motor Vehicle Transport Act, 1987*
- *Railway Safety Act*
- *Transportation of Dangerous Goods Act, 1992*

### 3.3 Transportation's Impact on Canadian Society

Transportation is everywhere in the lives of Canadians. Transportation opens markets to natural resources, agricultural products and manufactured goods, and supports Canada's service industries. It lessens the challenges presented by topography. It also links communities and reduces the effects of distances between people. Transportation needs evolve over time as social and economic circumstances and conditions change.

Some transportation facts:

- Eighty % of Canadians live in urban centres with a population of 10,000 people or more, and close to two thirds of Canadians live in Canada's 27 census metropolitan areas. The increasing proportion of Canadians living in urban centres is due to population growth in four major urban areas: Ontario's Golden Horseshoe, the Montreal area, British Columbia's Lower Mainland and the Calgary-Edmonton corridor.
- Commuting patterns within Canada's larger urban centres have changed in the last 20 years, the number of workers commuting within the core falling by 10 %, while commuting within a suburban municipality, between a core and the surrounding municipalities, and between surrounding municipalities all increased. The automobile continues to be Canadians' most common form of transportation to work.
- More than 98 % of the Canadian population lives within a 25-kilometre radius of the country's main highways. Ninety-two % of the population is within a 100-kilometre radius of one of the top 167 airports of the country.
- The national transportation system is made up of a road network of more than 1.4 million two-lane equivalent kilometres, 48.9 thousand kilometres of railway tracks, 1,746 airports for fixed-wing aircraft, 335 ports, 1,023 fishing harbours, and inland waterways, including the St. Lawrence Seaway.
- In 2003, transportation industries accounted for 4 % of the gross domestic product. Investment in transportation made up 2.8 % of the gross domestic product.
- Total Canada/U.S. merchandise trade in 2003 was \$530 billion, or about \$1.5 billion per day; of this, 63 % was by truck and 17 % was by rail. Total Canadian trade with all countries was \$715 billion in 2003. Of this, 53 % (\$379 billion) was by road, 14 % (\$97 billion) was by rail, 15 % (\$107 billion) was by marine and 10 % (\$72 billion) was by air.

For more information, please see the *Transportation in Canada 2003 Annual Report* at: [www.tc.gc.ca/pol/en/Report/anre2003/toc\\_e.htm](http://www.tc.gc.ca/pol/en/Report/anre2003/toc_e.htm)

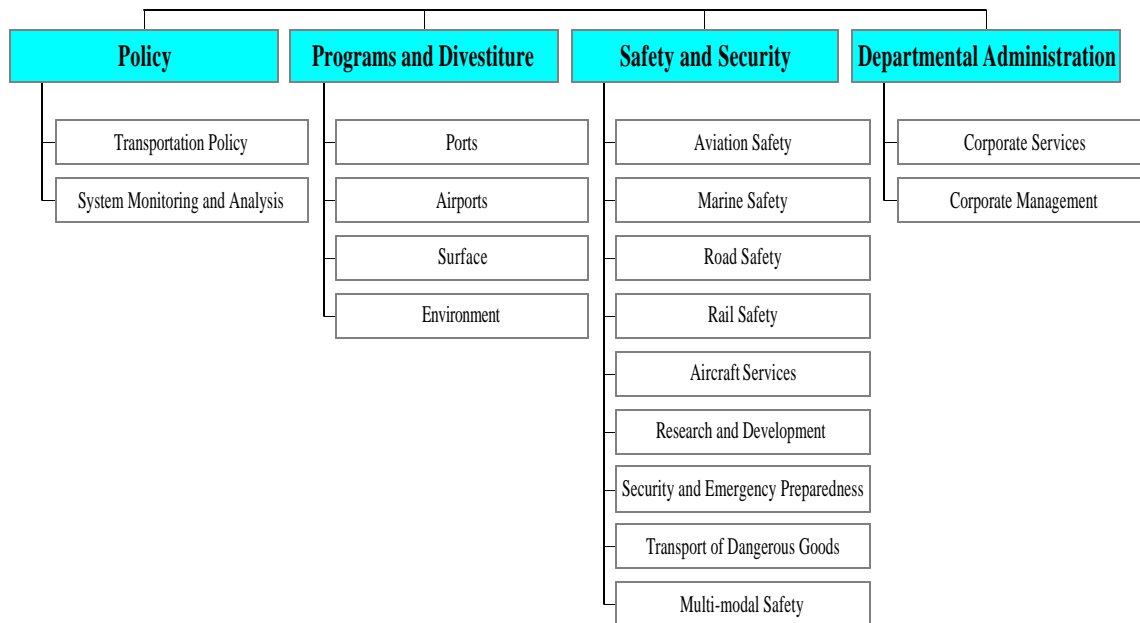
### 3.4 A Results-Oriented Organizational Structure

To respond to the risks and challenges associated with Canada’s complex national transportation agenda, Transport Canada has adopted a matrix management approach to define accountabilities for leadership on an organizational and functional basis. This approach ensures that results are delivered in an integrated manner that still respects regional differences.

During the 2003-04 reporting period, Transport Canada was divided into four headquarters groups led by Assistant Deputy Ministers, and five regions, led by Regional Directors General. Departmental headquarters also included Communications, General Counsel and the Offices of the Minister and Deputy Minister. Organizational leads were accountable for the management of their organizations and for the delivery of results.

Functionally, in 2003-04, Transport Canada was divided into four business lines, each of which comprised two or more service lines (see following chart). The business lines reflected the Department’s programs and services and did not mirror the organizational lines exactly. The four business lines cut across the regional organizations to ensure a multi-modal focus that concentrated on shared strategies and results. Business/service lines were the forums for setting national programs, policies and standards. They also provided functional leadership to the regional offices, which were established to help ensure that services are delivered as close as possible to clients and stakeholders.

**Transport Canada Business Lines and Services Lines  
2003- 2004 Reporting Period**





## 3.5 Our Co-delivery Partners

Most transportation issues today require a multi-disciplinary approach — one that considers a broad range of safety, economic and environmental factors, and relies on partnerships and the collaborative efforts of many jurisdictions and stakeholders.

Transport Canada works in co-operation with hundreds of other organizations with an interest in transportation issues.

**Other federal organizations** — whose programs and services may be affected by transportation activities — Agriculture and Agri-Food Canada, Blue Water Bridge Authority, Canada Border Services Agency (formerly Canada Customs and Revenue Agency), Canada Port Authorities, Canadian Air Transport Security Authority, VIA Rail, Canadian Food Inspection Agency, Canadian Nuclear Safety Commission, Canadian Security Intelligence Service, Canadian Transportation Agency, Transportation Appeal Tribunal of Canada (formerly Civil Aviation Tribunal), Department of National Defence, Environment Canada, Federal Bridge Corporation Limited, Fisheries and Oceans Canada, Health Canada, Industry Canada, Infrastructure Canada, Justice Canada, Natural Resources Canada, pilotage authorities, Royal Canadian Mounted Police, Solicitor General of Canada, and the Transportation Safety Board.

**Provincial, territorial and municipal governments** — particularly concerning the maintenance of the highway system and promotion of road safety, as well as the co-delivery of the Transportation of Dangerous Goods program.

**Transportation sector industries** — all of which count on the fair application of regulations and the development of policies to enhance the efficiency of the transportation system, for example: Air Canada, WestJet and other air carriers, Association of International Automobile Manufacturers of Canada, Canadian Pacific Railway, Canadian equipment manufacturers, manufacturers of aviation equipment, Canadian National Railway, Canadian Steamship Lines, Canadian Vehicle Manufacturers Association, NAV CANADA, St. Lawrence Seaway Management Corporation, and the Upper Lakes Group Inc.

**Agencies and associations** — with a vested interest in the transportation infrastructure, regulatory regime and safety: Association of Canadian Port Authorities, Air Transport Association of Canada, Association québécoise de transport et des routes, Canada Safety Council, Canadian Association of Petroleum Producers, Canadian Chemical Producers' Association, Canadian Airports Council, Canadian Bus Association, Canadian Council of Motor Transport Administrators, Canadian Energy Pipeline Association, Canadian Ferry Operators Association, Canadian Marine Advisory Council, Canadian Ship Owners Association, Canadian Trucking Alliance, Canadian Urban Transit Association, Chamber of Maritime Commerce, Chamber of Shipping of British Columbia, Council of Marine Carriers, Federation of Canadian Municipalities, Motor Coach Canada, National Transportation Week, Operation Lifesaver, Railway Association of Canada, Shipping Federation of Canada, Transportation Association of Canada, Tourism Industries Association of Canada, Transportation of Dangerous Goods General

Policy, Intelligent Transportation Systems Society of Canada Advisory Council, Federal-Provincial/Territorial TDG Task Force, unions, and vehicle manufacturers associations.

**International organizations** — to share information and harmonize transportation regulations — Asia-Pacific Economic Co-operation, European Joint Airworthiness Authorities, International Bridge Authorities, International Civil Aviation Organization, International Labour Organization, International Maritime Organization, International Organization for Standardization, North Atlantic Treaty Organization, National Highway Traffic Safety Administration, Society of Automotive Engineers, Organization for Economic Cooperation and Development, the Summit of the Americas, United Nations Committee of Experts on the Globally Harmonized System of Classification and Labeling of Chemicals, United Nations Economic Commission of Europe Global, World Forum for Harmonization of Vehicle Regulations, International Atomic Energy Agency, U.S. Department of Transportation, U.S. Federal Emergency Management Agency, U.S. Transportation Security Administration, European Civil Aviation Conference, and World Road Association, among others.

## 4.0 Departmental Performance

### 4.1 Linking Transport Canada's Strategic Outcomes to Government Priorities

Government Themes 2003-04		
<i>Making Canada a magnet for talent and investment – a world leader in innovation and learning</i>		
<i>Building competitive cities and healthy communities</i>	<i>Protecting the security of Canadians</i>	<i>Building a healthy environment and tackling the challenge of climate change</i>
↓↑	↓↑	↓↑
Departmental Strategic Outcomes		
<i>Contribute to Canada's economic growth and social development</i>	<i>Ensure high standards for a safe and secure transportation system</i>	<i>Protect the physical environment</i>
Ultimate Outcomes		
An integrated and inter-modal transportation system that is: <ul style="list-style-type: none"> <li>• efficient, effective, viable, affordable, and accessible;</li> <li>• responsive to users and to communities; and</li> <li>• competitive and harmonized, both domestically and internationally.</li> </ul>	Protection of life, health and property.  High confidence in the safety and security of our transportation system.	Environmentally sustainable transportation system for Canadians.  Reduction of greenhouse gas emissions and pollution from the transportation sector.  Prevention and mitigation of environmental damage from transportation activities.
2003-04 Spending by Strategic Outcome <sup>1</sup>		
\$679,204	\$757,316	\$14,264
↑	↑	↑
Contributing Business Line – Primary (P) or Secondary (S) <sup>2</sup>		
Policy (P) Programs and Divestiture (P) Safety and Security (S)	Safety and Security (P) Programs and Divestiture (S)	Programs and Divestiture (P) Safety and Security (S) Policy (S)
Departmental Administration contributes indirectly to all strategic objectives.		

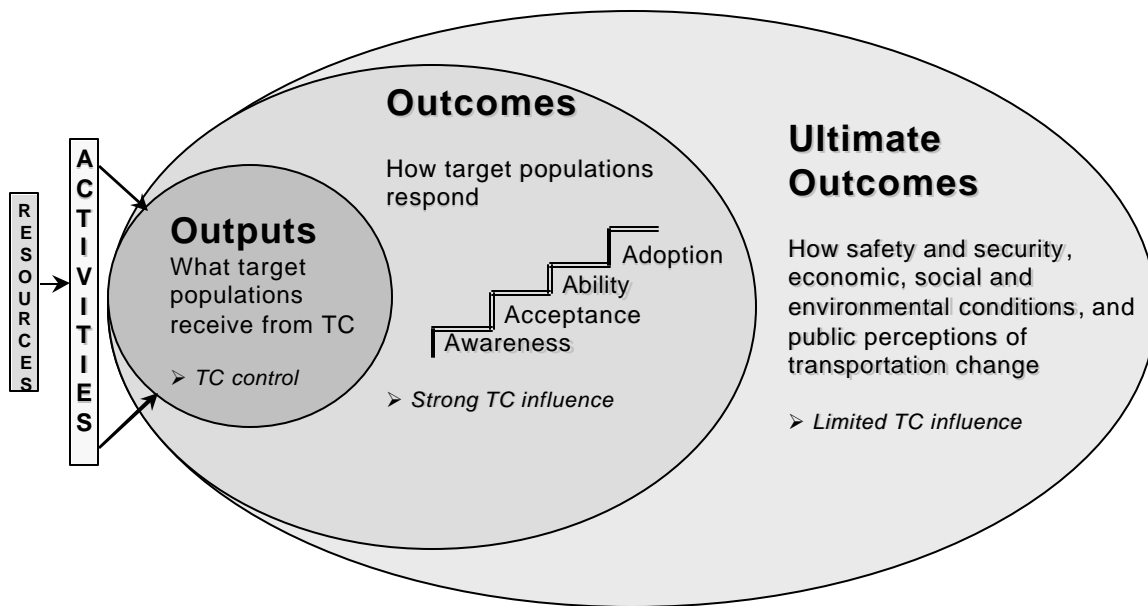
1. *The linking of our 2003-04 net resources spending to the strategic objectives is based on a reasonable approximation, to provide the reader with a sense of the magnitude of spending devoted to the achievement of outcomes. Note that Crown corporations have been included in the economic objective and/or the safety and security objective as appropriate.*
2. *See Annex 5.5 of this report for a crosswalk of spending by strategic outcomes and business lines.*

## 4.2 A Model for Results-Based Performance

For the last number of years, Transport Canada has used the Spheres of Influence performance logic model, which is illustrated below. In this model, the Department's performance is assessed against three levels of results. Each level builds on the previous one, beginning with the operational and management activities and outputs, which lead to behavioural outcomes, and then to the high-level ultimate outcomes that impact Canadians.

By establishing a results chain that explains the Department's contribution to outcomes, the model helps address the question of attribution. Because Transport Canada's strategic objectives — safety and security, economic growth, environmental — are not exclusively within the Department's control, the logic model allows the identification of key behaviours the Department can influence to achieve results.

### Spheres of Influence Model



## 4.3 Performance Results by Strategic Outcome

### 4.3.1 Contribute to Canada's Economic Growth and Social Development

#### Ultimate Outcomes

A transportation system that is:

- efficient, effective, viable, affordable and accessible;
- responsive to users and communities; and
- competitive and harmonized, both domestically and internationally.

#### 1. Marketplace Framework

Competition and market forces guide the growth and development of the national transportation system. A strong and healthy marketplace encourages existing competitors and new entrants to innovate and provide new services to meet the transportation needs of Canadians. At the same time, the marketplace must respond to Canada's social values, demographic trends and geographical challenges. The following are examples of specific initiatives undertaken by Transport Canada in 2003-04 to support a strong marketplace framework for Canada's transportation system.

#### Multi-modal Transportation

##### *Bill C-26 Transportation Amendment Act*

Based on the undertakings initiated by its 2003 transportation policy framework, *Straight Ahead – A Vision for Transportation in Canada*, the Government of Canada introduced the *Transportation Amendment Act* (Bill C-26) in Parliament in February 2003. Bill C-26 contained a series of amendments to the *Canada Transportation Act* to fine-tune the legislation's marketplace framework provisions. Bill C-26 also proposed a new *VIA Rail Canada Act* confirming VIA Rail's current mandate. Bill C-26 had not passed final reading before Parliament was prorogued in November 2003. The proposed amendments will be revisited based on comments heard by the Standing Committee on Transport during hearings on the Bill and subsequent consultation. It is anticipated that a new Bill will be introduced in 2004-05.

##### *Intermodal Freight*

In 2003-04, Transport Canada conducted consultations with provincial and municipal governments, shippers, carriers, academia and other subject experts to improve the Department's understanding of Canada's intermodal freight transportation system, and to identify barriers affecting the efficiency of intermodal freight. Analysis of the results of the consultations is underway with the goal of developing an intermodal freight policy framework. Progress toward this goal will be further reported in the *2004-05 Departmental Performance Report*.

##### *Accessibility in the National Transportation Network*

The federal government has a role, through its transportation policy, to foster an accessible transportation network that is free of undue obstacles for persons with disabilities and others with

unique needs. The Department has pursued three key activities and initiatives related to the voluntary sector, as well as the Intercity Bus Code of Practice awareness campaign, and the Access to Travel website, in support of this goal:

- Stemming from recommendations made by the Minister's Advisory Committee on Accessible Transportation, an effort was made to enhance **voluntary sector partnerships**. This initiative was reflected through the sponsorship of a workshop on travel with a service animal that brought together carriers, operators, service animal users and professional service animal trainers. The Department also worked in concert with the voluntary sector to aid the Canadian Air Transport Security Agency in the development of an online training module specifically designed to improve the skills and knowledge of airport security personnel in screening passengers with disabilities.
- The **Intercity Bus Code of Practice Awareness Campaign** was completed. The Department, in partnership with the Canadian Bus Association, developed and distributed public education material in the form of brochures, posters and bookmarks to the bus industry, provincial and territorial governments and the voluntary sector. The impact of this campaign will be measured in 2004-05.
- A formal memorandum of understanding was signed by the government of Nunavut in support of the **Access to Travel (ATT) website**, increasing the total number of partners to eight provinces and three territories. Information on local ground transportation has also been enhanced on the ATT, and, as a result, more than 600 transportation services are listed for users. The Access to Travel site provides travellers with disabilities with information on accessible transportation services across Canada, posts links to information on travel resources and government policies, and acts as a medium by which the public can lodge a complaint or make an inquiry relating to accessible transportation. Visit the Access to Travel website at: [www.accesstotravel.gc.ca/main-e.asp](http://www.accesstotravel.gc.ca/main-e.asp).

### ***WTO General Agreement on Trade in Services***

Transport Canada continues to take an active role in Canada's bilateral, plurilateral and multilateral trade negotiations. With respect to the current multilateral Doha Development Round of negotiations in the World Trade Organization (WTO), Transport Canada is playing a key role in the negotiation of services, under the General Agreement on Trade in Services. In April 2003, Canada's Initial Conditional offer was publicly released at the same time as it was transmitted to WTO members. The offer contains new commitments in the areas of international maritime transport services, maritime auxiliary services and improvements in road transportation services. Additionally, in February 2004, Transport Canada launched a comprehensive consultations exercise in order to refine Canada's strategy in the transportation services sector in preparation for ongoing General Agreement on Trade in Services negotiations, as well as other anticipated trade negotiations.

## Air Transportation

### *Short-term Financial Relief for Canada's Air Industry*

In response to unprecedented challenges faced by the air industry in recent years (Severe Acute Respiratory Syndrome, the war in Iraq, 9/11, Air Canada), the Government of Canada announced \$80 million in short-term financial relief for airport authorities in July 2003.

Airport authorities that pay rent received a reduction of a minimum of 10 % of their rents for a 24-month period commencing July 1, 2003, with larger deductions depending on the decline in passenger levels experienced between April 2002 and April 2003. The rent reductions are to be recovered, interest-free, over a ten-year period beginning in 2006. Airport authorities that do not yet pay rent but have at least one chattel payment due between July 1, 2003 and June 30, 2005 are able to defer their next two annual payments.

Airport rent deferrals have provided, and will continue to provide, airport authorities with important short-term cash savings so they can deal effectively with the difficulties in the air industry and can continue to provide safe, reliable airport infrastructure to airlines and the travelling public.

The rent deferral amounts by individual airport authority are as follows:

(\$000)	2003-04	2004-05	2005-06	Total
<b>Rent *</b>				
Toronto	15,280	21,027	5,257	41,564
Vancouver	7,441	10,405	2,682	20,528
Calgary	1,777	2,442	621	4,840
Montreal	820	1,065	294	2,179
Ottawa	857	1,169	298	2,324
Halifax	266	429	110	805
Winnipeg	283	383	97	763
Victoria	85	112	28	225
<b>Total Rent</b>	<b>26,809</b>	<b>37,032</b>	<b>9,387</b>	<b>73,228</b>
<b>Chattels</b>				
Regina	144	144		288
Saskatoon	178	178		356
St. John's	399	399		798
London	258	258		516
Quebec	321	321		642
Thunder Bay	581	581		1,162
Moncton		545	545	1,090
Charlottetown		201	201	402
Saint John		227	227	454
Gander		487	487	974
Fredericton		266	266	532
<b>Total Chattels</b>	<b>1,881</b>	<b>3,607</b>	<b>1,726</b>	<b>7,214</b>
<b>Total Program</b>	<b>28,690</b>	<b>40,639</b>	<b>11,113</b>	<b>80,442</b>

\* Edmonton declined to participate in the rent deferral program.

### *Aviation War Risk Liability Coverage for Canadian Airports*

Following the September 2001 terrorist attacks in the United States, insurers cancelled aviation war risk liability coverage for Canadian airports, air carriers, NAV CANADA, the Air Transportation Security Corporation (which has since been replaced by the Canadian Air

Transportation Security Authority), and other aviation service providers. As a temporary measure, the Minister of Transport was authorized to provide an indemnity for aviation war risk liability (the liability indemnity program has since been extended until the end of 2004). The indemnity program contributes to the short-term recovery of the Canadian air industry by providing stable and viable third party war risk insurance coverage, thereby promoting business stability and continuity, and maintaining the competitive position of the Canadian air industry.

Transport Canada is committed to working with the insurance industry, the International Civil Aviation Organization, and the air industry to examine options and seek a long term solution to the situation in order to provide Canadians with affordable and dependable air transportation.

### ***Computer Reservations Systems Regulatory Amendments***

The Canadian Computer Reservation Systems Regulations came into force on June 6, 1995. At that time, computer reservation systems and travel agents were the primary means by which airlines distributed and sold their air services. Since 1995, alternative distribution channels such as the Internet have emerged.

Following extensive consultations, including a public hearing, the government introduced amendments to the Regulations to come into force in 2004. The amended Regulations reflect the Government of Canada's desire to move to a more deregulated system that continues to protect the interests of air travellers and fosters enhanced competition in the air industry.

### ***Ongoing Monitoring of the Airline Industry***

Transport Canada monitors the Canadian and international airline industry on an ongoing basis. Through a joint government/industry initiative, air carriers serving Canada submit data to Transport Canada via two web interfaces, reducing data-reporting costs for airlines and enhancing the timeliness and availability of air-transportation statistics for decision making. Airline industry monitoring includes passenger and cargo traffic levels, points served, changes in the services offered to the public by the major air carriers in Canada, and financial considerations. Air Canada's assignment into Court protection under the *Companies' Creditors Arrangement Act* in April 2003, for example, has had implications for the entire Canadian aviation industry and Air Canada's situation is closely monitored.

## **Marine Transportation**

### ***Review of the Canada Marine Act***

After consultation with private sector and government stakeholders, the Minister of Transport completed a statutory review of the *Canada Marine Act*, which was subsequently tabled in Parliament in June 2003. The review report is available at:

[www.tc.gc.ca/pol/en/Marine/cma\\_report.htm](http://www.tc.gc.ca/pol/en/Marine/cma_report.htm)

The marine industry is evolving quickly, and the associated issues are complex. Research and analysis with potential future implications for the *Canada Marine Act* are continuing. Areas of further research include increased spending by the U.S. for port security, the competitiveness of Canada Port Authorities, and evolving marine market trends. Transport Canada will report any



actions resulting from the review of the *Canada Marine Act* and associated continuing research in future years.

### ***Marine Industry Benefits Study***

In 2003, Transport Canada initiated the Marine Industry Benefits Study, a joint industry/government initiative aimed at evaluating the impact of the marine transportation industry on the Canadian economy as a whole. The aim of the study is to provide a better understanding of the economic impacts and benefits of the Canadian marine transportation industry. The study is also allowing Transport Canada to strengthen its relationship with key marine industry stakeholders and remain current regarding issues that are important to the industry. Results from the study will be reported in future years.

### ***Marine Liability Act***

In January 2003, the Department released a report regarding a proposal for a new compulsory passenger insurance regime under the *Marine Liability Act*. The report is available at: [www.tc.gc.ca/pol/EN/Report/Marine/rcpi.htm](http://www.tc.gc.ca/pol/EN/Report/Marine/rcpi.htm). Following consultations with industry stakeholders, provincial governments and other federal departments and agencies it was announced in August 2003 that the regulations for compulsory marine passenger insurance would be tailored to address the concerns of various segments of the industry, as well as to protect the interests of passengers in the event of injury or loss of life (see: [www.tc.gc.ca/mediaroom/releases/nat/2003/03-h085e.htm](http://www.tc.gc.ca/mediaroom/releases/nat/2003/03-h085e.htm)). The new Regulations are being developed.

## **Surface Transportation**

### ***Grain Transportation and Handling***

In response to commitments made in 2000, the Government of Canada hired an independent organization to monitor and report on the performance of the grain handling and transportation system for western grain. The monitoring program is helping government and stakeholders track the performance of the system. The report for crop year 2002-03 (ending July 31, 2003), which was released in April 2004, highlights the performance and challenges facing the Canadian grain transportation and handling system. For example, the report noted that the prairie drought in 2002 had an adverse impact on grain production and on the grain handling and transportation system. To date there have been no government initiatives as a result of the monitoring program. The 2002-03 report is available at [www.tc.gc.ca/pol/en/rail/monitoring/menu.htm](http://www.tc.gc.ca/pol/en/rail/monitoring/menu.htm).

### ***Liberalization of National Bus Industry***

Transport Canada has carefully reviewed the recommendations of the December 2002 report of the Senate Standing Committee on Transportation and Communications on the Canadian intercity bus industry. Progress to achieve federal/provincial consensus on liberalizing intercity bus regulation as recommended by the Senate Committee is slow and Transport Canada does not anticipate any federal action in this area in the immediate future. However, Transport Canada's ongoing commitments to motor carrier safety standard harmonization and carrier accessibility address many of the safety and accessibility issues raised by the Committee.

### ***NAFTA-LTSS***

In support of North American harmonization of motor carrier standards, Transport Canada will continue to support the efforts of the NAFTA Land Transportation Standards Subcommittee (LTSS). This year (2004) marks the tenth anniversary of the NAFTA and the inception of the LTSS. During the ten-year period that the Department has co-chaired this subcommittee, land transportation standards and regulations have been made more compatible in a number of areas. Further, the LTSS has successfully streamlined its operations over the past several years towards a more effective trilateral forum to discuss land transportation harmonization issues.

### ***Passenger Rail***

VIA Rail carried 3.789 million passengers in 2003 and generated revenue of \$250.3 million, a decrease of 192,000 (4.8 %) passengers and \$20.5 million (8.9 %) in revenues respectively from the previous year. During 2003, the entire Canadian travel industry, including VIA Rail, was negatively affected by the outbreak of Severe Acute Respiratory Syndrome. The decline in VIA revenues was in line with the decreases reported by other passenger carriers and the tourism sector. Other factors that negatively affected travel were the power blackout in Ontario in August 2003, the Iraq War, the forest fires in British Columbia, the hurricane in the Maritimes and an appreciating Canadian dollar.

More information about VIA Rail's performance is available in VIA Rail's annual reports which can be accessed at: [www.viarail.ca/corporate/en\\_entr\\_viar.html](http://www.viarail.ca/corporate/en_entr_viar.html).

### ***Non-VIA Railways***

Transport Canada manages a program of financial support for non-VIA railways in order to support safe, reliable, and viable passenger rail transportation in regional and remote areas. The Minister of Transport entered into contribution agreements with three railway companies to operate passenger rail services in these areas. These services, which are Canada's only non-VIA passenger rail services, are operated by:

- Quebec North Shore & Labrador Railway (QNS&L) between Sept-Îles and Labrador City /Schefferville.
- Algoma Central Railway Inc. (ACRI) between Sault Ste. Marie and Hearst.
- Ontario Northland Transportation Commission (ONTC) between Toronto and North Bay.

In 2003-04, Transport Canada provided \$2.2 million to QNS&L, \$2.1 million to ACRI and \$2.5 million to ONTC.

An evaluation study completed in 2003 concluded that: the non-VIA passenger rail services are safe; passengers are generally satisfied with service and pricing levels; most users are aware that the Government of Canada provides funding for the services; and, that they are experiencing ongoing operating losses despite the federal contribution. The study specifically recommended that the financial contribution to ONTC be terminated since it does not serve remote communities. Transport Canada plans to seek policy direction and funding from the Government of Canada for remote rail operations for fiscal years 2005-06 through 2008-09.

## **2. Infrastructure**

An efficient transportation infrastructure is essential to allow the smooth movement of people and goods. Transport Canada plays a key role in creating a supportive climate to encourage ongoing investments in transportation infrastructure. Alone, and in collaboration with Infrastructure Canada and other stakeholders, Transport Canada continues to promote strategic investments in Canada's transportation system. The following are examples of specific initiatives undertaken in 2003-04 to support an efficient transportation infrastructure for Canada.

### **Surface Transportation**

#### ***Strategic Highway Infrastructure Program***

The Government of Canada is working with the provinces and territories to identify those parts of the national highway system that, because of growing traffic and increasing trade, need immediate attention. The 2000 Budget committed to improving the economy and the quality of life for Canadians by investing up to \$600 million over five years in highway infrastructure across Canada. In April 2001, the Minister of Transport announced the Strategic Highway Infrastructure Program (SHIP), which comprises a \$500 million highway construction component and a \$100 million national system integration component, of which \$65 million is dedicated to international borders under the Border Crossing Transportation Initiatives, \$5 million to transportation planning and modal integration initiatives studies and \$30 million to Intelligent Transportation Systems initiatives. For more information about SHIP visit:

[www.tc.gc.ca/SHIP/menu.htm](http://www.tc.gc.ca/SHIP/menu.htm).

#### ***SHIP - Highway Construction Component***

Under the highway construction component of SHIP, an allocation formula has been developed to distribute \$485 million available to the provinces and territories. The formula consists of a minimum of \$4 million per jurisdiction plus a share based on population and a 50-50 cost-sharing ratio. Funding is conditional on the results of an environment assessment that meets the requirements of the *Canadian Environmental Assessment Act*.

In 2003-04, Transport Canada spent approximately \$56 million on highway improvement projects that enhance the safe and efficient movement of people and goods, support trade and economic development, and promote sustainable transportation. A total of thirty-three highway improvement projects were announced to reconstruct, upgrade and/or twin approximately 188.4 kilometres of the National Highway System. These projects enable Canadians and visitors to save time and money by reducing their travel time and vehicle maintenance costs. After almost two years of negotiations, the Province of Quebec and the Province of Ontario signed their contribution agreements in August and November 2003 respectively. Contribution agreements are now signed with all provinces and territories.

In 2003, Trans Canada highway improvement projects were announced in British Columbia (\$122.4 million federal); Alberta (\$6.2 million federal); Saskatchewan (\$8.7 million federal); Manitoba (\$7.5 million federal); and Newfoundland/ Labrador (\$6.4 million federal). A selection of these and other SHIP projects will be evaluated at the end of the program in 2007.

SHIP continues the Government of Canada's long tradition of highway funding that started more than 80 years ago. In fact, Transport Canada will have invested more than \$1.9 billion between 1993 and 2004 to upgrade the 24,400 kilometres of highways that form the National Highway System across Canada. Transport Canada also invests in transportation-related infrastructure through other programs such as the Canada Strategic Infrastructure Fund and the Border Infrastructure Fund.

### ***SHIP - Border Crossing Transportation Initiative***

The Government of Canada is involved in a number of initiatives pertaining to Canada's busiest commercial border crossing at Windsor, Ontario, which in 2002 handled 25 % of all truck traffic going to the United States. This translates on average into over 9,500 trucks per day. These traffic volumes combined with delays to clear border inspection have caused significant congestion on the streets of Windsor. To address this issue, the federal government undertook several initiatives in 2003-04.

The ongoing Bi-National Transportation Planning Process for the Windsor-Detroit region made good progress. The process is conducted under the auspices of the Canada-U.S.-Ontario-Michigan Border Transportation Partnership. A Planning Need and Feasibility Study, which was completed in January 2004, indicated the need for additional border crossing capacity between Windsor and Detroit within the next ten to 15 years. The report also outlined the potential elements of a strategy to address transportation needs for the next 30 years. For more information, visit: [www.partnershipborderstudy.com](http://www.partnershipborderstudy.com)

Four projects, announced jointly by Canada and Ontario in the summer of 2003, have now been fully implemented to address immediate traffic management improvements on Huron Church Road in Windsor with a federal contribution of \$440,000. As a result of these projects, traffic efficiency has improved on the main access road to the Ambassador Bridge. Another sixteen border crossing projects are progressing well in Quebec and British Columbia. When completed, these projects will improve mobility and transportation efficiency, productivity, safety and security for passengers and freight. The success of some border projects will be evaluated at the end of the program in 2007, through a retrospective analysis, which should show that the anticipated benefits of the program have been met.

### ***Intelligent Transportation Systems***

Under SHIP, \$30 million is dedicated to Intelligent Transportation Systems (ITS) and, to date, some \$9 million has been spent or committed. ITS technologies consist of integrated applications of information processing, communications and sensor technologies to transportation infrastructure and operations that support the efficiency, safety, security, and sustainability of the transportation system. *An Intelligent Transportation Systems Plan for Canada: En Route to Intelligent Mobility* (released November 1999) sets out the federal government's strategic plan for stimulating the development and deployment of ITS.

Five projects co-funded by Transport Canada for the deployment and integration of ITS have been completed, with 12 projects remaining to be completed by March 31, 2006. These agreements resulted in partnerships between all levels of government, the private sector and academia, and contributed to the shared goals of a safe, efficient and sustainable transportation

system through the projects' outcomes, such as a software program to provide authorized stakeholders with information on dangerous goods on board vessels, enhancements to electronic toll collection for the integration of a common payment transponder, and an evaluation of the effectiveness of collision avoidance technology for use in school buses. Transport Canada is also actively negotiating contribution agreements with several provinces and territories for general deployment projects that address provincial and territorial ITS priorities.

Under the Road Weather Information Systems initiative, Transport Canada is actively negotiating with several provinces and territories for the acquisition and installation of environmental sensor stations in support of the development of a cross-Canada network. Two studies on Commercial Vehicle Operations (CVO) have also been completed. Their results will be used to help assess next steps in developing a possible national CVO network, with the objective of improving the overall safety and efficiency of freight movement in Canada.

The Department continues to implement the ITS Research and Development (R&D) Plan, "Innovation Through Partnership", which was released in May 2003, and is one of the key pillars of Canada's ITS Strategy. The goal of the ITS R&D Plan is to accelerate the commercialization of knowledge and technology uptake in the area of its. Through partnerships with all levels of government, the private sector and academia, the target areas are: urban transportation; safety, security and trade facilitation; environment; and foundations and innovation. The projects are funded through contribution agreements, contracts and bilateral federal-provincial/territorial agreements. Ten contracts were awarded in January 2004, and negotiations for bilateral R&D agreements with provinces/territories are in progress for the implementation of R&D projects within the targeted scope of study.

Transport Canada has initiated a number of ITS projects under the Smart Border Declaration. The Department announced in April 2004 the release of a request for proposals in partnership with the Ministry of Transportation of Ontario for the development of an Action Plan to deploy ITS at Ontario's international land border crossings. The Department is also co-leading a bi-national initiative working with Canadian and U.S. federal border agencies and State and provincial departments of transportation for the development of a Border Architecture that will map out the information flows of each agency and facilitate interoperability of technology used at and on the approach to international border crossings.

For more information about ITS visit: [www.its-sti.gc.ca/en/menu.htm](http://www.its-sti.gc.ca/en/menu.htm)

### ***Highway Improvement Program – New Brunswick***

The New Brunswick Highway Improvement Program was signed in 1987 and ended March 31, 2004. It provided \$637 million for New Brunswick highways, with a total federal contribution of \$358 million for the construction, strengthening and improvement of certain highway links and roads in New Brunswick. In fall 2003, three projects were completed: the twinning of a 7.2 kilometre portion of the Trans-Canada Highway from the Quebec Border to Saint-Jacques; the opening of the 8.7 kilometre Tracadie-Sheila Bypass on Route 11; and the opening of 25 kilometres of four-lane Trans-Canada Highway in northwestern New Brunswick. These projects result in improved transportation safety and efficiency, and promotion of economic development.

A retrospective evaluation of the program will be undertaken in the near future in order to evaluate whether the anticipated benefits of the program have been met.

For more information about the New Brunswick Highway Improvement Program visit:  
[www.tc.gc.ca/programs/surface/highways/newbrunswick.htm](http://www.tc.gc.ca/programs/surface/highways/newbrunswick.htm).

### ***Border Infrastructure Fund***

Some 70 % of Canada-U.S. cross-border truck traffic goes through just six crossing points at Windsor, Sarnia, Niagara Falls, and Fort Erie, Ontario; at Douglas, British Columbia; and at Lacolle, Quebec. The Government of Canada has identified improved efficiency at these border points as a priority. Hence, most — but not all — of the funding available through the Border Infrastructure Fund will be invested in these six locations. Transport Canada works closely with Infrastructure Canada to identify worthy projects for funding under the Border Infrastructure Fund.

The Border Infrastructure Fund has been designed to support the initiatives in the Smart Border Action Plan by contributing to projects that reduce border congestion, improve the flow of goods and services and expand infrastructure capacity over the medium term. This also supports the broader Smart Border Action Plan signed by the Canadian and American governments. The Fund is also part of the Government of Canada's overall strategy to ensure the country has modern infrastructure that supports economic growth. The Border Infrastructure Fund complements the SHIP Border Crossing Transportation Initiative and is cost-shared with funding recipients.

In May 2003, a federal contribution of \$154 million was announced for 14 projects to improve border crossings in the Niagara and Sarnia regions. The projects cover a range of initiatives that will reduce border congestion and expand the capacity of the existing road infrastructure. Contribution agreements have now been signed with funding recipients and construction has started. In March 2004, the three levels of government reaffirmed the \$150 million of federal funding towards Windsor Gateway improvements. This represents the first important step in the new "Let's Get Windsor-Essex Moving" strategy that will improve road safety, speed up the flow of cross-border-traffic, protect and strengthen local jobs and growth, and beautify transportation corridors. Negotiations with funding recipients are ongoing for projects in British Columbia, Saskatchewan and New Brunswick for a total of \$125 million. All negotiations are progressing as expected.

For more information about the Border Infrastructure Fund visit:  
[www.infrastructure.gc.ca/bif/index\\_e.shtml?menu32](http://www.infrastructure.gc.ca/bif/index_e.shtml?menu32).

### ***Canada Strategic Infrastructure Fund***

In Budget 2003, the government announced a \$2 billion top-up of the existing Canada Strategic Infrastructure Fund (CSIF) announced originally in Budget 2001. Investments will be strategically targeted to help promote sustainable growth and competitive communities by ensuring that investments reflect Government of Canada objectives on climate change, urban development, clean water, trade and innovation. The fund will continue to target large-scale projects in areas such as water quality and access; trade corridors; broadband connectivity;

sustainable urban growth; and northern infrastructure. A maximum of 10 %, or \$200 million, of the Canada Strategic Infrastructure Fund has been set aside for national priority projects. These are projects of national importance that require the Government of Canada to take a leadership role. All projects announced by Infrastructure Canada are in preliminary design, environmental assessment or preliminary construction stages. No construction related results can be reported at this time.

Transport Canada works closely with Infrastructure Canada to identify worthy projects for funding under the CSIF. In 2003-04, \$5 million were spent on twinning Route 2 in New Brunswick. As well, contribution agreements were signed with the Provinces of New Brunswick, Quebec, Ontario, Saskatchewan and the Northwest Territories (\$730.5 million in federal funding). Negotiations are progressing well with provinces and territories to conclude additional agreements for transportation projects (\$575.5 million in federal funding). These projects will contribute to the efficient movement and safety of people while stimulating economic and tourist development.

In order to address congestion and encourage commuters to use urban rapid transit services, other projects were also announced in 2003-04:

- \$25 million for improvements to the Niagara Falls “People Mover System” in Ontario;
- \$352 million for upgrading the Toronto Transit System in Ontario; and
- \$450 million for an urban rapid transit system in Vancouver, British Columbia.

All projects are to improve the access, efficiency and capacity of Canada's transit systems. These improved systems will help reduce travel time, increase reliability, safety and accessibility for commuters and have a positive long-term effect on the environment by reducing greenhouse gas emissions.

For more information about the Canada Strategic Infrastructure Fund visit:  
[www.infrastructure.gc.ca/csif/index\\_e.shtml?menu33](http://www.infrastructure.gc.ca/csif/index_e.shtml?menu33).

### ***Domestic and International Bridges***

Transport Canada provides an ongoing annual subsidy of approximately \$35 million for the operation and maintenance of the Montreal area bridges crossing the Seaway. These bridges are essential to the economy of Montreal and provide a key trade link for Atlantic Canada and Quebec to Ontario, and U.S. markets. In addition, Transport Canada provides an annual subsidy of \$52 million (indexed to the Consumer Price Index) for the operation of the Confederation Bridge, to honour Canada’s constitutional obligation to Prince Edward Island. This contributes to the operation of the Bridge in order to provide continuous and efficient year-round transportation for people and goods between PEI and the mainland.

Transport Canada has been working with bridge authorities to implement enhanced security measures at various international bridges. Transport Canada continues to play a leadership role in discussions with American authorities to improve infrastructure security at key international bridges. In the 2003-04 reporting period, Transport Canada produced a guide of “Best Practices”

for security at international crossings. Contributions are also being made to improve certain bridges through the Border Infrastructure Fund.

For more information about Transport Canada's activities in support of Canada's bridges infrastructure visit: [www.tc.gc.ca/programs/Surface/bridges/menu.htm](http://www.tc.gc.ca/programs/Surface/bridges/menu.htm).

### ***St. Lawrence Seaway Disposal of Surplus Land***

In March 2002, Transport Canada signed an agreement with the Canada Lands Company to divest 177 seaway properties that are no longer required for the operation of the St. Lawrence Seaway. As of March 31, 2004, 104 of these properties have been divested, while the remainder of the seaway's asset inventory has been retained as a viable, efficient, safe and reliable component of Canada's transportation infrastructure.

### ***World Road Association***

In October 2003, a Team Canada Trade Mission, led by Transport Canada, and comprising some 175 Canadians, participated at the XXII World Road Congress in Durban, South Africa. The purpose of Canada's attendance at the Congress, held every four years, is to promote the Canadian road and transportation industry. The World Road Association, an international road transportation organization in existence since 1909, organized the event. The Team Canada Trade Mission gave great visibility to Canada as a nation, increased international contacts for Canadian companies, and gave Canadian road and transport specialists the chance to exchange views on the latest technologies being developed around the world.

For more information about Canada's participation in the World Road Association visit: [www.cnc-piarc-aipcr.ca/En/Piarc\\_Default.htm](http://www.cnc-piarc-aipcr.ca/En/Piarc_Default.htm).

## **Air Transportation**

### ***National Airports Rent Policy Review***

Transport Canada has completed its comprehensive National Airports Rent Policy Review to assess whether rents paid by airport authorities to the federal government were based on sound public policy. As well as examining the amount and equity of rents paid, the review examined the impact of airport rents on the viability of the domestic air sector and how the Canadian transfer framework compared to the experience of other countries. Recommendations arising from the review are being finalized.

### ***Canada Airports Act***

The *Canada Airports Act* was tabled in Parliament in March 2003 as Bill C-27. The draft Act proposed to enhance accountability of airport operators through increased transparency, improved and more modern governance and timely disclosure. Bill C-27 had not reached final reading before Parliament was prorogued in November 2003.

It is anticipated that additional consultations with stakeholders will be undertaken before a decision is taken to re-introduce airport legislation.



### ***Airports Capital Assistance Program***

Transport Canada is committed to helping to make safety improvements at eligible airports through its Airports Capital Assistance Program (ACAP), the objective of which is to ensure that safety-related concerns are addressed and that the airports can operate in a safe manner according to related regulations. Airports may apply for funding for capital projects related to safety, asset protection and operating cost reduction. To be eligible, an airport must receive regularly scheduled passenger service, meet airport certification requirements and not be owned by the Government of Canada.

During 2003-04, Transport Canada transferred a total of \$32.2 million for 63 projects at 47 airports. Three of the projects were funded on an urgent basis to address immediate safety concerns. It has been demonstrated that ACAP projects have an impact on airports in helping to maintain and improve the level of safety, increase the life expectancy of assets and reduce the operating costs. ACAP projects also contribute to sustainable development and to efficient transportation in and out of smaller communities.

Transport Canada completed a combined project-specific and program management audit in December 2003. This audit demonstrated that ACAP is managed adequately and that Canadians are getting the best value possible through ACAP. This audit is available online at [www.tc.gc.ca/corporate-services/audit/2003/1577-03-001/menu.htm](http://www.tc.gc.ca/corporate-services/audit/2003/1577-03-001/menu.htm)

### ***Regional and Small Airports Study***

Transport Canada has completed its study of the financial viability of regional and small airports. The objective of the study was to identify the systemic drivers and key factors that influence financial viability.

Over 93 airports were surveyed across the country. Responses were received by approximately 70 % of those airports. In fulfilling its commitment to share findings with stakeholders prior to finalizing its report, Transport Canada submitted a draft report to the provinces, the Territorial governments and key stakeholders for comment.

It is anticipated that a general distribution of the final report will occur in 2004.

### ***Non-National Airport System Airport Divestiture Program***

Transport Canada is committed to completing the divestiture of 136 regional/local and small airports that are not part of the National Airport System (NAS). By transferring these smaller, regional airports to local interests the airports will operate in a more competitive and commercial manner, will be more responsive to users and communities, and will contribute to a healthy feeder airport system. Under the National Airports Policy, Transport Canada continues to be responsible for all aspects of aviation safety in Canada. Even though Transport Canada is divesting itself of airport operations, it maintains its role as a safety regulator.

In 2003-04, a program evaluation of the Non-NAS Airport Divestiture Program was initiated (to be finalized in 2004). Preliminary findings indicate that:

- The Non-NAS Airport Divestiture Program was successful in divesting the majority of non-NAS airports as planned according to a reasonable schedule given the number of transfers and the range and complexity of issues to be dealt with through the negotiating process (125 out of the original 136 non-NAS airports had been divested as of March 31, 2004).
- Divestiture increased some aspects of airports' ability to function in a more commercial and cost-efficient manner, in particular their ability to make faster decisions and their ability to generate more diverse income.
- Divestiture in most instances increased airports' awareness of local needs, and their contact with community groups. Airport operators indicated they had a greater ability to adjust operations, fees and level of service to local needs, however they are limited by such factors as their dependence on airlines and large capital costs.

## **Marine Transportation**

### ***Ferries***

The Government of Canada's program relating to ferries supports remote communities, provides critical intermodal linkages with other modes of transportation, and honours constitutional commitments to provide ferry services between provinces.

Transport Canada manages two ongoing subsidy programs in relation to ferry services in Atlantic and Pacific Canada. A grant paid to the Province of British Columbia ensures continuous transportation links to the mainland's national surface transportation system from various regions and isolated areas of British Columbia. Contributions for ferry and coastal passenger and freight services in Atlantic Canada ensure safe, reliable ferry services between Wood Island, Prince Edward Island and Caribou, Nova Scotia as well as between Souris, PEI and Cap-aux-Meules, Quebec. Transport Canada owns the associated facilities and vessels required in the delivery of these services. In 2003-04, the Department completed the first phase of a major capital project at Cap-aux-Meules, constructing a new terminal facility and pedestrian waiting station to address safety and security concerns, at a cost of approximately \$1.0 million.

The overall objective of Transport Canada's ferry program is to establish a commercial framework for the provision of marine transportation services, with greater reliance on the private sector to operate ferry services. With this objective in mind, Transport Canada has undertaken a review of its ferry terminal sites and vessels in Atlantic Canada. The results from this review, which will be completed by winter 2004-05, will assist the Department in formulating a strategic plan for the future management of these assets as well as consulting with stakeholders.

In addition, the ferry program is responsible for payments to Marine Atlantic Inc., a federal Crown corporation which delivers Canada's constitutional service between North Sydney, Nova Scotia and Port aux Basques, Newfoundland and Labrador. In 2003, the Department worked closely with Marine Atlantic inc. in securing an additional amount of \$16.5 million to offset an operating deficit created through fuel increases, downturns in traffic and increased capital and regulatory requirements. Transport Canada, with Marine Atlantic Inc., also initiated the development of a strategy to address the corporation's long-term operational, capital and financial requirements. This process is expected to be completed in late 2004-05.

### ***St. Lawrence Seaway***

As owner of the fixed assets of the Canadian Seaway, the Government of Canada is committed to ensuring that the Seaway infrastructure – a vital component of the North American economy – is maintained as a safe, viable, efficient and reliable component of Canada's transportation system. Transport Canada is currently working with the U.S. Department of Transportation, the U.S. Army Corps of Engineers and the Canadian Seaway Corporation on a comprehensive study to assess the ongoing maintenance and capital requirements of sustaining and optimizing the Seaway and the existing marine infrastructure on which it depends. The scope of the study is limited to the evaluation of the existing marine transportation infrastructure. The focus of the study is the optimization of the existing infrastructure based on the system's current configuration. The evaluation of major infrastructure modifications, such as an expansion of the Seaway locks or an increase in channel dimensions, is not part of the study. The study was initiated in May 2003 pursuant to a Memorandum of Cooperation signed between the Minister of Transport and the U.S. Secretary of Transportation. The study is expected to be completed by fall 2006.

### ***Port Divestiture Program***

Under the Port Divestiture Program, which was extended in 2003 to March 31, 2006, Transport Canada is transferring the ownership and operation of regional/local ports across the country to port users and stakeholders. The program is premised on the principle that local communities can operate and maintain the ports more economically than the Government of Canada, and are best placed to make decisions in the local interest. Upon transfer, existing federal port fees are eliminated and new port owners are able to set fees at levels more appropriate to local circumstances. To ensure that isolated communities continue to have access to ports for the transportation of people and goods, Transport Canada continues to own and operate remote ports unless there is an expressed local interest in acquiring those sites.

As at March 31, 2004, Transport Canada had divested 452 of its original 549 ports (82 %), which has alleviated the financial cost of operating and maintaining the ports, ultimately saving Canadian taxpayers approximately \$146 million that would otherwise have been spent on the ports. Although significant progress has been made in divesting regional/local ports, the divestiture rate is below forecast targets. Among the factors affecting progress have been First Nations concerns, jurisdictional impediments and environmental issues. Transport Canada has been addressing these challenges through consultation, negotiation and consensus building, which support the objective of ensuring local involvement in the process.

An evaluation of the Port Divestiture Program, completed in September 2003, found that the program is aligned with federal government and departmental policies and priorities and that there is an ongoing need for the program. Details on the evaluation are available at [www.tc.gc.ca/pol/en/programevaluation/menu.htm](http://www.tc.gc.ca/pol/en/programevaluation/menu.htm).

During 2003-04, the Department contributed \$1.8 million from the Port Divestiture Fund to facilitate divestiture of the ports. An audit of the Port Divestiture Fund Program, covering the period April 1, 2000 to March 31, 2003, found that the program's management control and accountability framework is adequately maintained and recorded. There were also five recommendations made for minor improvements in some areas. The findings and recommendations can be found in the report, which is available at [www.tc.gc.ca/corporate-services/audit/menu.htm](http://www.tc.gc.ca/corporate-services/audit/menu.htm).

At the end of the program, an evaluation will be carried out to determine how well the divested ports are operating.

### ***Canada Port Authorities Compliance Monitoring***

Transport Canada is responsible for ensuring that all Canada Port Authorities (CPA) conduct their affairs in accordance with the provisions of the *Canada Marine Act*, the associated management regulations and their Letters Patent.

Accordingly, Transport Canada developed the CPA Compliance Monitoring Framework and related procedures, to ensure national consistency in legislative monitoring, reporting methodologies and documentary evidence gathering. In order to facilitate these monitoring activities, a national Port Monitoring Database was launched in December 2003 providing Transport Canada with the means to record and report significant information related to the administration of CPAs, thereby ensuring consistency in the monitoring process.

In February 2004, an audit was conducted in order to determine whether an effective system of compliance monitoring and oversight had been instituted by Transport Canada. The auditors concluded that the Department's mandate with respect to CPAs had been clearly defined, and that a satisfactory framework had been established to exercise oversight responsibilities related to CPA's compliance with the *Canada Marine Act* and Regulations and the Authorities' Letters Patent.

### ***CPA Property Issues***

Transport Canada is responsible for approving real property transactions at Canada Port Authorities. This involves ensuring that strategic port development is consistent with the *Canada Marine Act*, and takes into consideration environmental concerns as well as urban planning, to ensure that issues related to city congestion and intermodal connections are addressed. In addition, Transport Canada is responsible for consulting First Nations where an aboriginal right or title exists with respect to property managed by a CPA.

### ***CPA Gross Revenue Charges/Public Port Tariffs***

Transport Canada is responsible for collecting Gross Revenue Charges from Canada Port Authorities, including any associated interest. Once paid, Transport Canada issues a Certificate of Good Standing to CPAs, which forms an integral part of their financing process.

For public ports that Transport Canada continues to operate directly, Transport Canada establishes a national public port tariff system. These funds help to offset costs associated with their ongoing operation, maintenance and long-term capital needs

### **3. Innovation and Skills**

To maintain our world-class transportation system, and ensure that it is sustainable and contributes to social and economic development, Canada must develop innovative approaches, undertake research and development, utilize new knowledge, and ensure the existence of a highly skilled, adaptable workforce to support the sector.

In June 2003, Transport Canada finalized an Innovation and Skills Strategy to guide and inform its preliminary efforts to increase public awareness and interest in transportation-related study, and to encourage research and development and capacity-building in areas of transportation of particular interest to the federal government. Transport Canada is implementing the Innovation and Skills Strategy through a combination of in-house and private sector activities and initiatives. Results of these activities will be discussed in future Departmental Performance Reports.

#### ***Canada's Innovation Strategy***

The Department is also contributing to Canada's Innovation Strategy by supporting initiatives with its sector partners (industry, academia, provinces/territories) and playing a greater champion role within the sector. For example, in December 2003, Transport Canada co-hosted with Human Resources Skills Development Canada a Transport Skills Symposium attended by approximately 190 representatives of industry, sector councils, industry associations, governments and academia. The purpose of the Transport Skills Symposium was to share best practices, and to expand the reach of sector councils. A Compendium of Best Practices, gleaned from participant input at this symposium, is due for imminent release.

#### ***Research Projects***

Transport Canada is committed to understanding the implications of innovation in the transportation sector and to identifying where the government's efforts might best be directed. Accordingly, in 2003-04 Transport Canada initiated or sponsored a total of 11 research projects related to the role of innovation and skills in the Canadian transportation sector. Results from these projects will be shared with external stakeholders over the next year, to help shape a broader understanding of the underlying transportation issues.

#### 4.3.2 Ensure High Standards for a Safe and Secure Transportation System

##### Ultimate Outcomes

- Protection of life, health and property.
- High confidence in the safety and security of our transportation system.

Canada already has one of the safest and most secure transportation systems in the world. Nevertheless, Transport Canada works diligently to further improve the system. A safe and secure transportation system contributes to ease of travel throughout the country, thereby contributing to Canada's social and economic prosperity.

The safety and security of Canada's transportation system is a shared responsibility. Transport Canada collaborates with other federal departments whose programs and services may be affected by transportation activities. In December 2003 responsibility for policies related to pleasure craft, protection of navigable waters, marine navigation systems and pollution prevention was transferred to Transport Canada from Department of Fisheries and Oceans ? Canadian Coast Guard. With the transfer of these responsibilities, all marine safety policy development now rests with Transport Canada, allowing the Canadian Coast Guard to focus on operations.

Transport Canada also works with provincial, territorial and municipal governments particularly concerning the maintenance of the highway system and enforcement of road safety, as well as the co-delivery of the Transportation of Dangerous Goods (TDG) program. Furthermore, Transport Canada works closely with transportation sector industries, agencies and associations, all of which have a vested interest in the transportation infrastructure, regulatory regime and safety and security. Additionally, Transport Canada collaborates with its international partners—such as the International Civil Aviation Organization and the International Maritime Organization—to harmonize safety and security standards and to share best practices in safety and security systems.

#### 1. Safety

##### *Multi-modal Safety Statistics*

As occurrence statistics, accidents and fatalities provide indicators of progress towards the safety and security strategic outcome for Transport Canada.

Compared with 2002, the number of accidents in 2003 increased for aviation (8 %), marine (12.8 %) and rail transportation (4.5 %). With the exception of marine, however, the number of accidents in 2003 remained below the previous five-year average. The latest available statistics for road casualty collisions (2002) show an increase of 3.4 % from 2001. Reportable accidents involving the transportation of dangerous goods decreased from 439 in 2002 to 358 in 2003. This decrease is largely attributed to changes in accident reporting regulations.

Although the number of accidents was up for all modes of transportation in 2003 (latest data for road is 2002), the number of transportation-related fatalities for marine and rail remained below those of 2002. Moreover, the number of transportation-related fatalities has remained below the previous five-year average in aviation, rail, marine and the transportation of dangerous goods, as well as slightly below for road (2002 data). The safety record observed in the different transportation modes in 2003 has not affected the long-term trends in accidents reported in previous years.

For more safety statistics visit [www.tc.gc.ca/pol/en/Report/anre2003/4\\_e.htm](http://www.tc.gc.ca/pol/en/Report/anre2003/4_e.htm).

### ***Reduction in Aviation Accidents and Fatalities***

*Flight 2005 - A Civil Aviation Safety Framework for Canada* targeted a 25 % reduction of the 5-year average of accidents and fatal accidents in all sectors by 2005. (Targets vary depending on the sector of aviation.)

Transport Canada continues to progress towards the 25 % reduction target in both indicators (accidents and fatal accidents). During the year 2002, Transport Canada met the targets set for 2005 for both indicators. However, with an increase in the number of accidents during 2003 as noted above, Transport Canada is, at this point in time, off the targets for the number of accidents by 13 % and by 7.5 % for the number of fatal accidents. Year-to-year variations are to be expected. For this reason, longer-term averages over the term of the *Flight 2005* initiative will be used to assess its ultimate effectiveness. No preliminary data for 2004 is currently available.

### ***Reduction in Road Fatalities and Serious Injuries***

The *Road Safety Vision 2010* target of a 30 % decrease in the number of road users killed or seriously injured compared with the 1996 to 2001 baseline period has a nine-year timeframe, from 2002 to 2010. At present, only one year of traffic collision data (2002) is available. The 2002 data show that fatalities had decreased by 1.2 % and serious injuries by 2.8 % over comparable 1996-2001 baseline figures.

### ***Reduction in Railway Crossings Collisions and Trespassing***

Direction 2006 is a program that aims to reduce the total number of highway-railway grade crossing collisions and trespassing by 50 % by 2006. To date, grade crossing collisions and trespassing incidents have been reduced by 70 % and 98 % of their respective targets.

### ***Public Confidence in Air Travel***

High public confidence in air travel provides another indicator of progress towards Transport Canada's safety and security strategic outcome.

At the time *Flight 2005* was finalized in 1999, the level of public confidence in the civil aviation system was best estimated at 77 %, based on the 1998 Starch-Roper Public Opinion Research Report. Accordingly, a target of 90 % public confidence as measured by public opinion research was set as the target for 2005.

However, following the events of September 11<sup>th</sup>, 2001, the concepts of safety and security became inextricably intermingled in the minds of the Canadian public: it was no longer

reasonable to expect survey respondents to be able to estimate their confidence in the safety of air travel while ignoring considerations of security.

For that reason, the concept of flight safety was introduced in public opinion survey research for the first time. Three indicators have been introduced into post-9/11 research on the public's confidence in air travel:

1. Confidence in the *overall safety and security* of air travel;
2. Confidence in *flight safety*, defined in terms of how well the aviation industry is perceived to operate in terms of the quality of its personnel, the maintenance of its aircraft, the reliability of its air traffic control systems, and the provision of ground support; and
3. Confidence in *air travel security*, defined in terms of the procedures that have been put in place at airports and onboard aircraft to prevent people from committing unlawful acts in the context of air travel.

In the August 2002 survey, 98 % of Canadians expressed either moderate or high confidence in flight safety in Canada; 60 % gave a *high* confidence rating. The same question was repeated in March 2004, yielding the same overall confidence rating of 98 % and a *high* confidence rating of 67 %, an increase of 7 % in *high* confidence.

The original target of 90 % public confidence, which was established before flight safety was distinguished from air travel security, and where the quality of confidence desired (moderate or high or both) was not specified, can nevertheless remain useful as a strategic goal. At one level, the target has already been exceeded for overall public confidence in flight safety. At another level, work continues to increase *high* public confidence in flight safety, currently at 67 %.

### ***Safe Arrival of Dangerous Goods Shipments***

The *Transportation of Dangerous Goods 2010* target aims to have all dangerous goods shipments arriving at their destination without incident, especially incidents caused by the dangerous good.

There are more than 30,000,000 shipments involving dangerous goods in Canada annually. In 2003, all but 358 of these shipments arrived without incident. Of the 358 incidents, only two were caused by the dangerous goods themselves. Accidents involving the transportation of dangerous goods decreased from 439 in 2002 to 358 in 2003. This decrease is largely attributed to changes in accident reporting regulations. In 2003, five fatalities and 39 injuries resulted from accidents involving dangerous goods; all deaths and the majority of injuries were caused by the accident or collision rather than contact with the dangerous good. No deaths and only seven injuries resulted from the dangerous goods themselves.



## 2. Security

During 2003-04, Transport Canada worked with private sector stakeholders, the transportation industry and other federal departments and agencies, including the Canadian Air Transport Security Authority, Public Safety and Emergency Preparedness Canada, Canada Border Services Agency, and the Privy Council Office, to ensure a coordinated approach to issues like Free and Secure Trade Cards and the Smart Border Declaration.

As well, Transport Canada, in collaboration with the U.S. Department of Homeland Security, has established the Transportation Security Cooperation Group to coordinate the development of security policies in all modes. Discussions have been held on the subjects of inter-modal cargo security and transportation clearances for drivers of dangerous goods crossing the Canada-U.S. border. The next semi-annual meeting is scheduled for fall 2004.

### *Aviation Security*

Significant progress was made to strengthen the security of the national aviation system and to reinforce the confidence of Canadians in air transportation security. For example:

- Transport Canada, with Canadian Air Transport Security Authority, developed tools to measure and evaluate the performance of advanced explosives detection systems equipment.
- The first phase of the Transport Canada Automated Fingerprint Identification System (TCAFIS), to establish and create the network, was completed and implemented. The second phase, to enhance the capabilities and capacity building, is expected to be completed by 2006-07. TCAFIS is aimed at enhancing the quality, effectiveness and efficiency of airport security by modernizing the manner in which security clearances are processed. The system is designed to expedite processing times for transportation security clearances for restricted area pass holders at Canadian airports.
- The Canadian Aviation Security Regulations were enhanced by the introduction of new requirements for the screening of non-passengers, such as airline personnel (including flight crew), airport employees, refuelers, caterers, etc., and their possessions and vehicles where applicable, when entering an airport restricted area or, under certain circumstances, within a restricted area.
- As part of the cabin security enhancement project, Transport Canada has promulgated the pertinent sections of the Canadian Aviation Regulations concerned with the reinforcement of cockpit doors in an effort to harmonize with the international community. The purpose of these regulations, in combination with new operator procedures for accessing flight deck areas, was to reduce intrusion into the flight deck by unwanted persons. With financial support provided through the Cabin Security Enhancement Contribution Program (CSECP), reinforced doors have been installed on all eligible operational aircraft. The CSECP officially terminated on March 31, 2004. There

were 28 operators with 486 eligible aircraft in the program. More information about the CSECP is available at: [www.tc.gc.ca/CivilAviation/International/csecp.htm](http://www.tc.gc.ca/CivilAviation/International/csecp.htm).

As well, Transport Canada has established the public/private Advisory Group on Aviation Security to facilitate strategic level dialogue with aviation stakeholders in Government and industry. The group will meet on an annual basis and membership will include key representatives from Government and industry.

Transport Canada also continued to provide financial support to the International Civil Aviation Organization (ICAO) Universal Security Audit Program. This program is designed to promote aviation security worldwide by evaluating and assisting its 188 member states in correcting security deficiencies. In addition Transport Canada has provided security inspectors to the Universal Security Audit Program Office to participate in security audits. Lastly, Transport Canada is also vice-chair of the ICAO Universal Security Audit Program working group.

### ***Surface Transportation Security***

Among Transport Canada's activities and performance in support of surface transport security were the following:

- In early 2004, Transport Canada initiated a review of the rail security regime in Canada, which is governed by a Memorandum of Understanding between Transport Canada and the Railway Association of Canada. This work, which is ongoing, was given added urgency by the terrorist attack on a commuter train in Madrid on March 11, 2004. Transport Canada is also exploring how it might contribute to the security of urban mass transit systems, particularly those that are contiguous with commuter rail systems.
- Transport Canada also worked with the Privy Council Office to extend the Smart Border Declaration to a trilateral agreement (with Mexico), including the development of cross border security policies for highways and rail while balancing the needs of improved security and trade.

### ***Emergency Preparedness***

Transport Canada, on its own or in collaboration with other organizations and levels of government, plays a key role to ensure Canada's preparedness in the event of national, regional and local emergencies. For example:

- Transport Canada monitored and provided technical assistance to local officials where appropriate during major events on a number of occasions such as the Ontario Blackout in August 2003, the monitoring of hurricanes Isabel, Kate and Juan, geomagnetic and solar storms, and during the British Columbia forest fires. Transport Canada continued to enhance its capability to respond to incidents as a result of its experience during these events.
- Transport Canada has been a key player in the development of a framework for the National Critical Infrastructure Assurance Program, which is under the leadership of Public Safety and Emergency Preparedness Canada. The program's objective is to

protect Canada's network of physical and computer based infrastructures, which provide essential energy, transportation, communications as well as safety, financial, health and emergency response services. During the past year, Transport Canada consulted provinces/territories, other federal departments and other governments, such as the United States, to promote and foster collaborative efforts toward harmonization in the assurance of transportation critical infrastructure.

- In 2003-04, the development of the Chemical Biological Radiological and Nuclear (CBRN) Response Initiative was focused on securing access to trained industrial emergency response teams in the event of a terrorist incident involving dangerous goods. CBRN specific awareness training sessions for industrial responders were held in each of the five regions across Canada in March 2004. Topics covered included crime-scene awareness, law-enforcement investigation, radioactive and chemical/biological awareness.

For more information about Transport Canada's emergency preparedness activities visit: [www.tc.gc.ca/vigilance/sep/emergency\\_preparedness/menu.htm](http://www.tc.gc.ca/vigilance/sep/emergency_preparedness/menu.htm).

### ***Marine Security***

Canada's marine sector is a critical component of the national transportation system supporting a vital trade gateway and connecting Canada to the world. Transport Canada safeguards the integrity and security of the national marine transportation system and leads the development and coordination of the Government of Canada's marine security policies and regulations. Transport Canada also oversees, monitors and enforces elements of Canada's marine security regime. Following are some examples of Transport Canada's marine security activities and performance during 2003-04:

- As a result of the International Maritime Organization's (IMO's) amendments to the Safety of Life at Sea (SOLAS) Convention, the International Ship and Port Facility Security (ISPS) Code was introduced. The ISPS code is a new comprehensive regime that seeks to establish an international framework of co-operation between governments, government agencies and the shipping and port industries in order to detect and take preventive measures against security incidents affecting ships or port facilities used in international trade. As a signatory to the SOLAS Convention, Canada was obligated to ensure the implementation of the Code by July 1, 2004. In Canada this means all affected vessels wishing to enter Canadian waters now require an International Ship Security Certificate, whereas affected vessels are not allowed to enter Canadian waters without appropriate certification.

During 2003, Transport Canada held a number of meetings with marine stakeholders on ISPS Code issues in order to develop the new regulations. This included extensive consultations with representatives of government, the marine sector and labour groups to develop draft regulations in key marine industry sectors covered by the ISPS Code. As of July 1, 2004, Canada fulfilled its commitment, meeting and exceeding the IMO-mandated ISPS requirements, with a successful regulator regime in place and enforcing the new marine requirements. For more information about the ISPS Code and Canada's

implementation of the Code visit:

[www.tc.gc.ca/vigilance/sep/marine\\_security/isps/menu.htm](http://www.tc.gc.ca/vigilance/sep/marine_security/isps/menu.htm)

- Transport Canada is working with stakeholders to establish a clearance program known as the Marine Facilities Restricted Area Access Clearance Program (MFRAACP), which includes mandatory background security checks of port workers who have access to restricted areas or who are in a position of trust. The aim of this new MFRAACP is to ensure the security of persons at ports as well as the prevention of unlawful acts of interference with marine transportation. It also builds on the experience acquired from the Airport Restricted Area Access Clearance Program, which was introduced in the late 1980s.

The MFRAACP was originally scheduled for implementation during the summer of 2003 and was included in the draft Marine Transportation Security Regulations released in November 2003 for public consultations. Stakeholders, principally representatives of marine labour groups and ports, indicated their concern regarding the implementation process of this program, its associated costs and the timeframe involved. As a result, Transport Canada withdrew the MFRAACP from the proposed Marine Transportation Security Regulations that were pre-published in Part I of the *Canada Gazette* on April 3, 2004. This was intended to allow more time to build consensus with stakeholders on the issues surrounding this initiative, and to ensure operational practicality. Further stakeholder consultations are planned for the fall of 2004 and Transport Canada intends to enact this program under the new regulations early in 2005.

- Transport Canada's Marine Security Oversight and Enforcement Program includes the development of standards, inspection and compliance, awareness education and support activities. The program is critical to reducing the vulnerability of Canada's ports and ships on international voyages to terrorist attack and for enhancing the security of Canadian citizens and our trade and economic well-being. In 2003-04 Transport Canada initiated the review of vulnerability assessments and plans for both Canadian flagged vessels and marine facilities, which resulted in the issuance of security certificates to 202 flagged vessels and 412 marine facilities.
- As a result of discussions that commenced in February 2004 with the United States Coast Guard, a memorandum of understanding has been developed between both countries, creating a pathway on which Canada and the United States can cooperate together to enhance marine security.
- Transport Canada made significant progress in enhancing coordination and collaboration among federal departments and agencies participating in marine security programs. The Interdepartmental Marine Security Working Group, chaired by Transport Canada and comprising 16 federal departments, was established to identify and coordinate the Government of Canada's actions in support of enhancing marine security. During 2003-04, the working group continued to identify aspects of Canada's marine transportation system that require review, focusing on the assessment of security risks and mitigation measures for the marine system, as well as monitoring security

requirements related to the International Maritime Organization protocols. Transport Canada, as Chair of the working group, continued to oversee and allocate funds under the Marine Security Coordination Fund, which is a program that has been established to allocate funds to federal departments/agencies for one-time and limited period marine security projects. In 2003-04 a total of four projects have been approved for funding under this program, including the initial phase of the Maritime Information Management and Data Exchange project. Led by the Department of National Defence, this project will enable all government departments dealing with marine security issues to effectively share information and plan coordinated responses to potential threats to marine security.

### ***Program Integrity***

The Safety and Security program of activities contributes to the quality of life of Canadians by enhancing the protection of people and property. A critical component of providing this protection involves preserving and emphasizing the integrity of the program. This emphasis connotes a more comprehensive perspective than program funding and resource allocation. It encompasses government priorities and program objectives, a systems approach to safety management and risk management strategies, and the strategic investments required to help reduce risk and enhance safety and security. Some examples of the Department's response to this aspect of program management and delivery throughout the transportation modes follow:

- The National Transportation of Dangerous Goods Program is delivered across Canada in partnership with provinces and territories under terms defined in Memoranda of Agreement between the federal Minister of Transport and provincial/territorial ministers. In 2003-04, such an agreement was concluded with the recently created Territory of Nunavut. Transport Canada also held training sessions throughout the country on the Transportation of Dangerous Goods Regulations offered to federal, provincial and territorial inspectors.
- Transport Canada has continued to advance the regulatory and safety agenda for small commercial vessels through the Marine Safety Small Vessel Monitoring and Inspection Program. In 2003-04 for example, Transport Canada implemented a system for recording and tracking both small commercial vessels and inspections that have been performed. The information provided by the system will allow a level of risk to be assigned to vessels.
- The Department continues to advance the regulatory and safety agenda for small fishing vessels. In 2003-04 Transport Canada continued to review all regulations pertaining to small fishing vessels as part of the regulatory reform review process; worked with of the Canadian Marine Advisory Council Standing Committee on Fishing Vessel Safety and other stakeholders to address fishing vessel regulatory issues and operator certification and training; revised and distributed the *Small Fishing Vessel Safety Manual* to all commercial vessel licence holders; and distributed to all commercial vessel licence holders a joint Transport Canada and Department of Fisheries and Oceans booklet entitled, *Alerting, Detection and Response* which addresses search and rescue incidents at sea.

- Under its Port State Control Program, Transport Canada inspected 1,276 vessels in 2003, covering approximately 30 % of the vessels calling at Canadian ports. The program protects Canadian lives, property and the marine environment from substandard shipping by inspecting foreign vessels to ensure compliance with major international maritime conventions. Improved targeting and special inspection programs for bulk carriers and tankers have contributed to an improvement in the safety of foreign ships entering Canadian ports. The percentage of ships with deficiencies has decreased from 45 % in 2002 to 38 % in 2003, although 11 % of those vessels were detained in 2003, compared to 9 % in 2002. For more information about the Port State Control program visit: [www.tc.gc.ca/MarineSafety/TP/TP13595/2002/menu.htm](http://www.tc.gc.ca/MarineSafety/TP/TP13595/2002/menu.htm).
- Transport Canada is committed to the implementation of Safety Management Systems (SMS) in all modes.

*Aviation:* The first aviation-related SMS regulations are forecast to come into effect in December 2004. As well, since 2001, Transport Canada has undertaken a major education initiative on aviation SMS concepts and principles. To date, approximately 1651 persons (951 external and 682 internal) have been briefed on SMS. For more information on aviation SMS, visit [www.tc.gc.ca/CivilAviation/SMS/menu.htm](http://www.tc.gc.ca/CivilAviation/SMS/menu.htm)

*Marine:* Transport Canada plays a significant role in the promotion and enhancement of a safety culture within the marine transportation sector. Safety Management Systems have been in place in sectors of marine transportation since 1998 when they were implemented on a worldwide basis for tankers, bulk carriers and passenger ships in international trade. To date, twenty-one companies and sixty-two Canadian vessels have obtained the required statutory certification, which is issued by authorized third-party organizations (also known as classification societies) on behalf of Transport Canada. Transport Canada directly monitors the performance of these third-parties and ten monitoring visits were carried out in 2003, in addition to reviewing a sample of the audit reports. Some areas for improvement were identified and changes were initiated to bring communication directly to the regional level. Opportunities for increasing the scope are now being investigated to further boost the safety culture. For more information on marine SMS, visit [www.tc.gc.ca/marinesafety/NPD/Quality-Manual/menu.htm](http://www.tc.gc.ca/marinesafety/NPD/Quality-Manual/menu.htm)

*Rail:* The Railway Safety Management System is a formal framework for integrating safety into day-to-day railway operations. In 2003-04, the Rail Safety Program developed the SMS Audit Program Policy and Procedures Manual and established an ongoing industry education and awareness program, assessing company safety management system documentation (pre-audit), and evaluating the implementation and effectiveness of documented processes and procedures (verification audit). The Rail Safety compliance program is evolving regarding the integration of the Railway Safety Management System compliance program with the functional discipline compliance programs—Equipment, Operations and Engineering. For more information on rail SMS, visit [www.tc.gc.ca/railway/SMS\\_Regulations.htm](http://www.tc.gc.ca/railway/SMS_Regulations.htm).

- A critical component of maintaining program integrity involves information management and technology capacity. Transport Canada is committed to improving its decision-making and resource allocation capability through the creation of a data warehousing system to provide a one-stop repository of key safety-related information from various key operational data systems. Work is progressing toward this goal: the functionality of the federal/provincial Rail query system has been improved; the marine occurrence information system has been released; development of information management standards and a business data model for civil aviation has advanced; and information exchanges with key client entities such as the Railway Association of Canada and the provincial transportation authorities continue.

### ***Modernizing and Harmonizing Regulatory Frameworks and Instruments***

Transport Canada recognizes that to protect the public interest through enhanced safety and security there needs to be a sound regulatory system supporting the transportation system. Regulatory reform such as the modernization and harmonization of regulatory frameworks are important elements of the Department's mandate. Accordingly, the following examples demonstrate the Department's efforts in this regard:

- During 2003-04, Transport Canada continued work on phase one of the Marine Safety Regulatory Reform Project, which entails the reform of over 100 existing regulations into 30. During this phase, Transport Canada was initially responsible for reviewing and consolidating approximately 50 regulations into 15, with the remaining 15 the responsibility of Fisheries and Oceans. However, with the transfer of departmental responsibilities on December 12, 2003, Transport Canada is now responsible for all of the regulations included in phase one. Phase two of the project, which will modernize the remaining regulations that are currently consistent with the new Act, will begin following completion of phase one activities.
- Research and consultations to develop amendments to the *Motor Vehicle Safety Act* to enhance industry competitiveness, improve public safety and increase government efficiency were undertaken in 2003-04. The development process will continue through 2004-05.
- Transport Canada led the development of three global technical regulations under the United Nations' World Forum for Harmonization of Vehicle Regulations, the most of any country, and actively participated in the development of two others. The goal of this effort is to promote, negotiate and develop global technical regulations that are consistent with Canada's needs, in light of the coming into force of the United Nations Global Agreement on Technical Regulations for Wheeled Vehicles.
- Motor carriers operating beyond the boundaries of a province are regulated under the *Motor Vehicle Transport Act, 1987*, which authorizes provinces to regulate extra-provincial motor carriers on behalf of the federal government. Through changes to the Act approved in June 2001, Transport Canada will enhance carrier safety harmonization and compatibility across Canada by creating a national framework for motor carrier safety regulation focused on the consensus-based National Safety Code,

Standard 14. The Act will require the provincial/territorial governments to apply a national safety regulatory regime to extra-provincial motor carriers based in their jurisdiction. Pre-publication of the Safety Ratings regulations in the Part I of the *Canada Gazette* in May 2003, will facilitate resolution of outstanding inconsistencies paving the way for proclamation of the Act.

- Development of amendments to the *Aeronautics Act* to address, among other things, fatigue management, liability insurance, aviation companies management systems, analysis and reporting of safety data, and new compliance and enforcement tools, continued throughout 2003-04. The goal is to introduce the amendment bill in 2004-05.
- The Transportation of Dangerous Goods Regulations were amended on July 24, 2003 to recognize the concept of consumer commodities for domestic transport by road vehicle, railway vehicle, or by ship on a domestic voyage, in order to facilitate domestic transport and the movement of these goods to the United States. The Regulations were further amended on December 17, 2003 to reflect the 2003-04 Edition of the International Civil Aviation Organization *Technical Instructions for the Safe Transport of Dangerous Goods by Air* (ICAO Technical Instructions) published by the International Civil Aviation Organization.
- Harmonizing safety standards with those in the national and international community not only enhances our ability to improve safety and security but also responds to efficiency requirements in a global economy. Transport Canada actively participates on the United Nations Sub-committee of Experts on the Transport of Dangerous Goods to further Canadian interests and practices, including standards for dangerous goods transport containers. Canada led the work on infectious substances and is active on limited quantities, a complex intermodal subject. Transport Canada's requirements for infectious substances have been adopted in the 13<sup>th</sup> Edition of the *Recommendations on the Transport of Dangerous Goods, Modal Regulations* published by the United Nations and the 2003-04 Edition of the International Civil Aviation Organization *Technical Instructions for the Safe Transport of Dangerous Goods by Air* (ICAO Technical Instructions) published by the International Civil Aviation Organization. This effort has raised Canada's profile considerably in the international milieu.
- The Globally Harmonized System (GHS) addresses classification of chemicals according to their hazards. This information is communicated through labels and safety data sheets. Transport Canada has been active in the development of the GHS since 1998 and has been participating in the Canadian initiative to implement the GHS in Canada.
- The Federal/Provincial Working Group on Railway Safety Regulations acts as a regular forum whereby members of the governments represented by the Council of Deputy Ministers of Transport can discuss areas of mutual interest in relation to railway safety regulation. The objective is to analyze the rail safety regulatory regimes in all jurisdictions and identify best practices, gaps and additional opportunities for harmonization. The Federal-Provincial Working Group on Railway Safety Regulation was set up and continues to carry out work in this area. It also acts as a forum for



consultations with provincial governments and helps ensure that provincial concerns are taken into account.

### 3. Consulting and Engaging the Public and Stakeholders

A fundamental aspect of regulatory reform is consultation with the people and organizations that are directly affected by regulation, as well as with other governments, parliamentarians, the general public, and international stakeholders. Transport Canada recognizes the importance of sound and effective consultation mechanisms, models and initiatives that engage these various participants in appropriate roles within the overall process. Some of the examples of our progress in this area are as follows:

- Through *Road Safety Vision 2010*, Canada's national road safety plan, the Department has provided materials like brochures, pamphlets, progress reports and made presentations to both new and existing partners (Canadian Council of Motor Transport Administrators, Transportation Association of Canada, Institute of Transportation Engineers, Canadian Association of Road Safety Professionals, Canadian Association of Chiefs of Police, Royal Canadian Mounted Police, the Ontario Provincial Police and Health Canada).
- Preliminary consultations related to the review of the *Transportation of Dangerous Goods Act, 1992*, were launched toward the end of March 2004. The review is expected to result in amendments in 2005 and new regulations are to be completed by 2010. More information on the review of the *Transportation of Dangerous Goods Act, 1992* can be found at [www.tc.gc.ca/tdg/consult/actreview/menu.htm](http://www.tc.gc.ca/tdg/consult/actreview/menu.htm).
- *Direction 2006* is a national partnership initiative with other levels of government, railways, railway unions, police and other safety organizations. This education and awareness initiative aims to reduce the number of highway-railway grade crossing collisions and trespassing incidents on railway property by 50 % by 2006, and towards that end is making good progress. To date, grade crossing collisions and trespassing incidents have been reduced by 70 % and 98 % of their respective targets, in spite of dramatic increases in road use and urban development around railway lines. For more information visit: [www.tc.gc.ca/railway/Dir2006\\_e.htm](http://www.tc.gc.ca/railway/Dir2006_e.htm)
- The Transportation Appeal Tribunal of Canada (TATC) became operational in June 2003 and provides a recourse mechanism to the rail sectors that have been given notice of an administrative or enforcement action taken by the Minister of Transport, railway safety inspectors. The TATC holds review and appeal hearings at the request of persons affected by these administrative decisions. For more information visit: [www.tc.gc.ca/tcss/tatc/menu\\_e.htm](http://www.tc.gc.ca/tcss/tatc/menu_e.htm).
- On December 11, 2003, the Canadian Aviation Regulation Advisory Council (CARAC) celebrated its tenth anniversary. CARAC has been considered a model for consultation to others in government and internationally, and represents a true example of effective partnership with industry. The membership includes over 700 stakeholders, with

representatives not only from major organizations but smaller operators as well, in addition to individuals who have an interest in aviation safety. Over the course of a year, approximately 300 amendments are reviewed by industry and their input has resulted in sound regulatory initiatives that contribute to improving aviation safety. For more information visit: [www.tc.gc.ca/civilaviation/regserv/affairs/carac/menu.htm](http://www.tc.gc.ca/civilaviation/regserv/affairs/carac/menu.htm).

- Regulatory reform is one of Transport Canada's key marine safety initiatives and the work on this priority is ongoing. During 2003-04, work continued on phase one of the Regulatory Reform Project, which entails the reform of over 100 existing regulations into 30. Extensive consultations were held at the 2003-04 regional and national Canadian Marine Advisory Council meetings. This consultative process will continue during 2004-05. As well, subject specific outreach sessions with stakeholders were held during the year. The review of certain standards and documents required under the *Canada Shipping Act, 2001* and the development of detailed drafting instructions for certain regulations began. This work will continue in 2004-05, as well as the drafting of the new and amending regulations themselves.

#### 4. Innovation

##### *Science and Technology / Research and Development*

Transport Canada maintains the Transportation Development Centre (TDC), the Government of Canada's centre of excellence for multi-modal transportation research and development aimed at improving the efficiency, environmental performance, safety, and security of the Canadian transportation system. The results of TDC research projects are posted on the Internet at: [www.tc.gc.ca/tdc/menu.htm](http://www.tc.gc.ca/tdc/menu.htm). Approximately 75 technical reports were released in 2003-04.

Several examples of projects and results from Transport Canada's research and development program are provided below:

- **Advanced Safety & Security Technologies:** Transport Canada is an international leader in winter operations research, focusing on critical safety issues like ground icing of aircraft, airborne icing, runway operations, runway contamination, and de-icing. Each year, in conjunction with the U.S. Federal Aviation Administration, Transport Canada reviews new de-icing and anti-icing fluids and produces the guidelines used across the aviation industry to determine how long the fluids protect aircraft surfaces from a build-up of snow or ice under various weather conditions.
- **Human Performance:** Fatigue is a major contributor to operator error. A prototype fatigue management program for commercial drivers has been developed to train drivers, dispatchers and company managers about ways to avoid fatigue and to get the best possible rest, at home or on the road. The program incorporates fatigue/wellness education, evaluations such as screening for sleep disorders, and scheduling guidelines and policies to help drivers and fleet operators manage levels of fatigue. The program will next undergo field trials under a joint research agreement signed in 2003 between Transport Canada and Canadian provincial and U.S. authorities.

- **Environment, Energy & Sustainable Development:** The marine emissions program is examining ways to reduce engine emissions with minimal fuel penalty. Researchers have developed a continuous water injection system that offers significant reductions of nitrogen oxide emissions with no fuel penalty. Trials aboard *M.V. Cabot*, owned by Montreal-based Oceanex, were successfully completed in 2003-04. The results will form the basis of further development work.
- **Congestion Management:** Introducing intelligent transportation systems technology in traffic management systems can reduce congestion by responding quickly to problems and directing drivers to alternative routes. A project completed in 2003-04 examined the feasibility of using next generation wireless digital Personal Communication System (PCS) data services to provide the communications link for area-wide traffic signal control systems. This would significantly reduce costs and allow expansion of the system of centrally controlled traffic signalling. The research found that PCS data networks are well suited to this purpose and could provide communications for many other intelligent transportation system subsystems.
- **Seamless Inter-modal Transportation Technologies:** At the request of the St. Lawrence Seaway Management Corporation and industry partners, a research project is determining the maximum ship draft in the St. Lawrence Seaway. An analysis of the behaviour of vessels in the seaway and a risk-assessment study of the non-controllable elements of the seaway produced a mathematical model capable of determining the optimum transit draft. In 2003-04, work was underway to incorporate the model into a fully integrated seaway information and traffic management system that will maximize the efficiency of one of Canada's major transportation routes.
- **Accessibility:** For passengers with mobility impairments, especially those using a wheelchair, boarding an aircraft can involve many inconvenient transfers. Smaller aircraft such as regional jets pose particular problems. A project completed in 2003-04 studied the boarding equipment and practices used on smaller regional aircraft at Canada's airports, and performed tests on the most common aircraft types. The study found that while all airports surveyed had equipment to aid in boarding passengers with disabilities, nearly half of the airports has no compatible combination of boarding devices for certain aircraft that they served.

### 4.3.3 Protect the Physical Environment

#### Ultimate Outcomes

- Environmentally sustainable transportation system for Canadians.
- Reduction of greenhouse gas emissions and pollution from the transportation sector.
- Prevention and mitigation of environmental damage from transportation activities.

### ***Protection of the Environment***

Transportation is fundamental to Canada's economic prosperity and Canadians' quality of life. To maintain and enhance our competitiveness, we must ensure our transportation system is efficient and able to adapt to new challenges as they arise. To enhance our quality of life, we also need to ensure that our system is safe, secure and environmentally responsible while enhancing accessibility. Transportation activities contribute in various degrees to a number of environmental problems, including climate change caused by human-induced greenhouse gas emissions, urban smog, decreased water quality and inefficient land use.

To preserve and strengthen Canada's transportation system and advance Canadians' quality of life, transportation policy must provide a framework that addresses the three elements of sustainable transportation – social, economic and environmental. It must also give carriers and infrastructure providers the opportunity to adapt, innovate, compete and serve shippers and travellers, in a way that takes into account each of these elements. The fundamental policy challenge is to find the right balance among these three elements.

Achieving sustainable transportation is a responsibility that is shared by different orders of government within Canada, and by the public and private sectors. Transport Canada works with various governmental organizations, other levels of government, industry and other domestic and international stakeholders and the general public to implement its initiatives. There are many factors outside Transport Canada's direct influence that affect both the sustainability of the transportation system and greenhouse gas emission levels from the transportation sector. For example, the number of cars and commercial vehicles on the road is increasing and transportation continues to be the largest single source of greenhouse gas emissions. Without further action, transport sector greenhouse gas emission levels are expected to rise 32 % above 1990 baseline levels by 2010, and 53 % by 2020. Despite these challenges, progress has been made towards realizing the Department's long-term environmental goals.

Transport Canada's *2003-04 Report on Plans and Priorities* outlined key priority areas for the Department to focus its efforts on protecting the physical environment. This section of the Departmental Performance Report provides highlights of Transport Canada's environment and sustainable development progress towards: meeting commitments remaining from the 2001 to 2003 SDS; developing the 2004 to 2006 Sustainable Development Strategy (SDS); implementing climate change initiatives; and, conducting analytical work in support of sustainable transportation.

For further information on transportation and the environment, see Chapter 5 in our Annual Report, *Transportation in Canada 2003* or visit the Web site at: [www.tc.gc.ca/pol/en/Report/anre2003/5\\_e.htm](http://www.tc.gc.ca/pol/en/Report/anre2003/5_e.htm).

### **Highlights of Progress Towards Protecting the Physical Environment**

#### ***1. Meet the commitments remaining from the 2001-2003 Sustainable Development Strategy***

Transport Canada's sustainable development strategies have guided the Department's sustainable development initiatives, since the first strategy was tabled in Parliament in 1997.

The 2003-04 fiscal year presented a unique and exciting challenge as the Department placed priority on meeting the remaining commitments within its *Sustainable Development Strategy 2001-2003*, as specified in the 2003-04 Report on Plans and Priorities, while concurrently developing its *Sustainable Development Strategy 2004-2006*.

During 2003-04, Transport Canada made notable progress towards achieving the remaining commitments within the *Sustainable Development Strategy 2001-2003*, examples of which are highlighted below.

- The Urban Transportation Showcase Program is a \$40 million initiative to demonstrate and evaluate the impacts of integrated strategies to reduce greenhouse gas emissions from urban transportation. In 2003, the program announced the selection of eight proposals for implementation. Throughout 2003, the program's Information Network sponsored learning events and recognized achievements that focused on air quality, land use, smart growth, congestion pricing and climate change. Information from the showcases and on sustainable urban transportation has been disseminated via Internet communications, the development of case studies and sponsorship of awards to encourage the replication of successful strategies. For further information on the program's showcases and information network, please visit [www.tc.gc.ca/programs/environment/utsp/menu.htm](http://www.tc.gc.ca/programs/environment/utsp/menu.htm)
- Effective February 1, 2004, municipalities across Canada received full relief from the goods and services tax and the federal portion of the harmonized sales tax paid in providing municipal services and community infrastructure. The increased rebate will provide municipalities with an estimated \$7 billion in additional revenue over the next ten years. In addition, the federal government provides direct assistance to municipal transportation infrastructure through two programs: the Canadian Strategic Infrastructure Fund (CSIF) for large projects and the Municipal Rural Infrastructure Fund for smaller projects. Transport Canada supported the development of a framework for policy leveraging, which sets out how transit project submissions to these funds must include an analysis of potential climate change impacts and complementary transit demand management strategies. This framework will guide the evaluations of the business cases presented by project proponents for funding under the CSIF from Budget 2003.
- The Moving On Sustainable Transportation program is a key departmental initiative for enhancing awareness of sustainable transportation. In 2003, Transport Canada announced funding for 11 projects under the sixth round of the program. Thirty-nine projects with contributions totalling approximately \$1.2 million have been funded in the second phase of the program. To learn more about the program, or to view project accomplishments, please visit [www.tc.gc.ca/programs/environment/most/menu.htm](http://www.tc.gc.ca/programs/environment/most/menu.htm)
- Over the past fiscal year, the Department's Transportation Development Centre continued to undertake research and development (R&D) relevant to the goal of promoting a sustainable transportation system that is accessible, cost-effective and environmentally friendly. Transport Canada's R&D expenditures related to energy and environmental projects includes funding from both the Program of Energy Research and Development and Transport Canada's Research and Development Management Board

(RDMB). In 2003-04, the RDMB expenditures related to energy and environment were \$233,520, which represented 6 % of the total RDMB expenditures. Information about Transport Canada's R&D projects and results can be found at:

[www.tc.gc.ca/tdc/menu.htm](http://www.tc.gc.ca/tdc/menu.htm).

- Transport Canada's *Commuter Options: The Complete Guide for Canadian Employers* offers Canadian employers a practical and comprehensive tool for improving commuter options for their employees. This guide covers the full range of ways that commuting can be made easier, healthier and less expensive by improving the alternatives to driving alone. As of the 2003-04 fiscal year, over 150 copies of this toolkit have been distributed in Canada and internationally to all levels of government and the private sector. In addition, Commuter Options workshops have been delivered in each of Transport Canada's regions and to other federal departments. Look for more information at [www.tc.gc.ca/programs/Environment/Commuter/menu.htm](http://www.tc.gc.ca/programs/Environment/Commuter/menu.htm).
- During 2003-04, Transport Canada continued to work with the International Civil Aviation Organization (ICAO) to develop new aircraft emissions standards and operational practices, and address greenhouse gas emissions for aviation. In February 2004, the Committee on Aviation Environmental Protection recommended new standards for oxides of nitrogen, which are 12 % more stringent than the current levels. ICAO is expected to accept this recommendation at its fall 2004 Assembly.
- During 2003-04, Transport Canada's Victoria and Esquimalt Harbours Environmental Program project team conducted work in support of storm water management plans related to the redevelopment of a shipyard industrial area and the remediation of Rock Bay. These two initial plans will form the basis for pilot initiatives for the harbour. As part of these efforts, a list of guiding principles has been developed to assist proponents in developing appropriate management actions and infrastructure to reduce water pollution in the harbours and protect the environmental condition of departmental property. The Department currently requires licences for all new, modified or re-installed outfalls.
- Since 2001, Transport Canada has worked with stakeholders in developing the Draft Green Space Master Plan to ensure the compatibility of potential airport development and environmental protection of the federally owned 18,600 acre Pickering Lands Site. The Plan, which was approved in November 2003, will provide an opportunity to mitigate the potential impacts of a possible future airport within the Duffins Creek and Rouge River Watersheds, and provide a transition between adjacent urban uses and an airport.
- Transport Canada is committed to managing its contaminated sites in a responsible manner. On July 1, 2003, Transport Canada submitted a five-year departmental Contaminated Sites Management Plan to Treasury Board as required in the newly enacted Federal Contaminated Sites Management Policy. The plan provides for a common framework for prioritizing and selecting sites for further action and, assisting in identifying funding requirements for the remediation/risk management of contaminated sites. During 2003-04, Transport Canada spent \$13.1 million on assessments and

remediation/risk management of contaminated sites. Eighty-nine % of Transport Canada's contaminated sites have undergone remediation or risk management, contributing towards the Department's strategic objective to protect the physical environment.

- For information on Transport Canada's Environmental Management System, please visit: [www.tc.gc.ca/programs/Environment/EMS/menu.htm](http://www.tc.gc.ca/programs/Environment/EMS/menu.htm).
- Under the environmental provisions of the Ground Lease Agreements between Transport Canada and the Airport Authorities, the Department monitors 23 of the 26 National Airport System (NAS) sites on an ongoing basis. The remaining three NAS airports are owned and operated by the territorial governments and are not monitored by the federal government. During 2003, 22 NAS airports were evaluated using Transport Canada's Environmental Property Protocol (2000). At that time, no major environmental deficiencies were identified.
- As part of Transport Canada's contribution to the five-year review of the *Canadian Environmental Assessment Act*, the Department has been working closely with the Canadian Environmental Assessment Agency to close gaps in the Act's application to Canada Port Authorities and Airport Authorities. Amendments to the Act came into effect October, 2003, and some of the gaps in the existing Canada Port Authorities Environmental Assessment Regulations have been addressed. However, further changes remain to be made to the Regulations and the development of new Airport Authority Regulations has been delayed. Training for Canada Port Authorities on proposed amendments to the Act was undertaken in April 2003.
- Strategic Environmental Assessment (SEA) is a systematic process of evaluating the environmental effects of a proposed policy, plan, program, or other strategic-level initiative. As of March 31, 2004, seven SEA training sessions have been held and 130 Transport Canada policy and program officers have received SEA training. This has resulted in an improved awareness of the SEA requirements and an improved ability by departmental staff to conduct SEAs. In partnership with several other federal departments, Transport Canada sponsored the efforts of the Centre for Sustainable Transportation to identify an initial set of indicators that can be used to assess progress on sustainable transportation in Canada.
- In the 2003-04 fiscal year, the Department worked with the Transportation Association of Canada to support its efforts to develop a consistent and reliable database of urban transportation indicators for Canadian municipalities. Work in this area is intended to enhance our capacity to measure national progress towards more sustainable transportation. Transport Canada recognizes that further effort is required on sustainable transportation indicators, including urban indicators, and within the *Sustainable Development Strategy 2004-2006*, has committed to building on previous initiatives.

To obtain supplemental information on Transport Canada's progress towards meeting its sustainable development commitments, please visit our SDS progress reports, available at [www.tc.gc.ca/programs/Environment/SD/menu.htm](http://www.tc.gc.ca/programs/Environment/SD/menu.htm).

Further information on Transport Canada's 2001-2003 SDS is available at: [www.tc.gc.ca/programs/environment/sd/sds0103.htm](http://www.tc.gc.ca/programs/environment/sd/sds0103.htm).

For more information on environmental protection, please visit [www.tc.gc.ca/programs/Environment/EnvironmentalProtection/menu.htm](http://www.tc.gc.ca/programs/Environment/EnvironmentalProtection/menu.htm).

## **2. *Develop and implement the Sustainable Development Strategy 2004-2006***

In 2003, Transport Canada developed its third *Sustainable Development Strategy 2004-2006*. The strategy outlines the Department's vision of sustainable development and its action plan for promoting a more sustainable transportation system in Canada. Tabled in Parliament in February 2004, the strategy builds on the accomplishments and lessons learned from the first two strategies, and brings more precision to the concept of sustainability. It defines seven challenges, and 32 specific commitments for the next three years to integrate sustainable development into Transport Canada's activities and support the Department's strategic objective of protecting the physical environment.

An internal independent review carried out on the management framework of Transport Canada's *Sustainable Development Strategy 2001-2003* recommended that the Department develop clear and achievable commitments; better link commitments, targets and performance measures; and include performance measures that are more outcome-oriented and meaningful. Both the findings of this review and the Commissioner of the Environment and Sustainable Development's expectations for the third round of federal sustainable development strategies were fully considered during the development of Transport Canada's new strategy. The third strategy strives to build upon the second by adding to the environmental measures, and including new social and economic initiatives.

To develop this strategy, Transport Canada drew on the expertise of a national advisory group and other federal departments; consulted the provinces, territories and municipalities; and received input from Canadians from coast to coast. In total, some 200 stakeholders participated. The strategy represents Transport Canada's plan for making better decisions in partnership with stakeholders in the transportation sector and provides an opportunity for the Department to demonstrate continued leadership in promoting sustainable transportation. It addresses key federal priorities such as climate change, clean air, clean water, contaminated sites and research and development. Many of the strategic commitments will address these priorities within an urban context.

The seven strategic challenges in the 2004-2006 strategy are as follows:

1. Encourage Canadians to make more sustainable transportation choices
2. Enhance innovation and skills development
3. Increase system efficiency and optimize modal choices



4. Enhance efficiency of vehicles, fuels and fuelling infrastructure
5. Improve performance of carriers and operators
6. Improve decision-making by governments and the transportation sector
7. Improve management of Transport Canada operations and lands

The Management Review for Transport Canada's 2001-2003 *Sustainable Development Strategy* is available at [www.tc.gc.ca/programs/environment/sd/review03/menu.htm](http://www.tc.gc.ca/programs/environment/sd/review03/menu.htm).

The Commissioner of the Environment and Sustainable Development's expectations for the third round of Sustainable Development Strategies are outlined in *Sustainable Development Strategies — Making a Difference*, which is available at: [www.oag-bvg.gc.ca/domino/cesd\\_cedd.nsf/html/03sds.html](http://www.oag-bvg.gc.ca/domino/cesd_cedd.nsf/html/03sds.html).

For a complete list of Transport Canada's 2004-2006 Sustainable Development Strategy commitments and progress indicators, see Part Five of the Strategy, available at: [www.tc.gc.ca/programs/Environment/SD/sds0406/challenges.htm](http://www.tc.gc.ca/programs/Environment/SD/sds0406/challenges.htm).

### 3. *Implement Climate Change Initiatives*

The Government of Canada will work to respect its commitments to the Kyoto Protocol on climate change in a way that produces long-term and enduring results while maintaining a strong and growing economy. It will do so by developing an equitable national plan, in partnership with provincial and territorial governments and other stakeholders.

Transport Canada is continuing work to implement the transportation component of the *Climate Change Plan for Canada*. This plan outlines actions already underway pursuant to the *Action Plan 2002 on Climate Change*, as well as new actions, which address vehicle fuel efficiency, bio-fuels such as ethanol and bio-diesel, fuel cell vehicles, urban transportation, and more efficient goods transportation. Transport Canada is leading the urban transportation and freight transportation measures already underway, and is working jointly with Natural Resources Canada (NRCan), and other departments on efforts to improve motor vehicle fuel economy.

Transport Canada is undertaking the following climate change initiatives to address issues related to the transportation sector:

#### i) **Fuel Efficiency**

The *Climate Change Plan for Canada* has set a target of attaining a 25 % improvement in new vehicle fuel efficiency by 2010. NRCan leads on this initiative with Transport Canada playing a supporting role, by providing technical information and participating in negotiations with the automobile industry.

In addition, Transport Canada's Advanced Technology Vehicle Program tests, demonstrates and evaluates existing fuel-efficient vehicle technology. The 2003-04 Transport Canada fleet currently includes more than 90 vehicles, which use technology such as hybrid power trains, batteries, low carbon fuels, advanced

gasoline and diesel engines. To date, more than 6 million Canadians have been made aware of the program, raising awareness of advanced technology vehicles and the role these vehicles can play in a sustainable future.

The Department has also been leading an interdepartmental working group tasked with evaluating a range of potential incentives and disincentives for producers and consumers of more environmentally friendly vehicles.

**ii) Education and Awareness: One Tonne Challenge**

Transport Canada signed a Memorandum of Understanding with Environment Canada and NRCan to support a nation-wide climate change campaign entitled the “One Tonne Challenge”. The One-Tonne Challenge initiative calls on all Canadians to reduce their personal greenhouse gas emissions by one tonne or 20 %. The program was launched on March 26, 2004.

**iii) Impacts and Adaptation**

Transport Canada assisted in the preparation of the Transportation Chapter of the *Climate Change and Adaptation: a Canadian Perspective* series. In August 2003, the Chapter was released and can be found at: [http://adaptation.nrcan.gc.ca/home\\_e.asp](http://adaptation.nrcan.gc.ca/home_e.asp).

In April 2003, Transport Canada released its workshop report *Impacts of Climate Change on Transportation in Canada*. The workshop represented the first event in Canada to bring together transportation stakeholders and climate change experts to discuss impacts and adaptation. For further information please visit [www.tc.gc.ca/programs/environment/nwicct/menu.htm](http://www.tc.gc.ca/programs/environment/nwicct/menu.htm).

Transport Canada’s 2003-04 Report on Plans and Priorities identified a set of indicators to measure progress on the Department’s contribution to the Climate Change Plan. The table below highlights progress towards the expected outcomes.

<b>Transport Canada’s contribution to the Climate Change Plan</b>	
<b>Expected Results</b>	<b>Indicators of Progress</b>
<i>Enhanced awareness of opportunities for reducing greenhouse gas emissions among transportation sector stakeholders</i>	<i>Number of workshop or information sessions held</i>
<p><b>Progress:</b></p> <p>In 2003-04, the Urban Transportation Showcase Program sponsored over 15 workshops or information sessions that targeted provincial, regional and municipal decision-makers with responsibility for transportation and land-use planning; academics and other transportation experts; and, urban transportation providers (e.g. urban transit).</p> <p>As of March 31, 2004, 112 public awareness events on the Advanced Technology Vehicles Program were held, reaching an estimated 6 million Canadians.</p> <p>The Freight Efficiency and Technology Initiative also co-funded and helped to organize the October 2003 Rail and the Environment Conference in Winnipeg to raise awareness of the program and to promote best practices to reduce greenhouse gas emissions from the freight sector.</p>	

Expected Results	Indicators of Progress
<i>Enhance capacity to reduce greenhouse gas emissions</i>	<i>Number of performance agreements signed</i>
<p><b>Progress:</b></p> <p>As a first step to the signature of a performance agreement, Transport Canada is working with the Air Transport Association of Canada to assist them in building their greenhouse gas reporting capacity.</p> <p>Transport Canada also has a joint effort with Environment Canada in the negotiation of a performance agreement with the Railway Association of Canada. This agreement will replace the existing MOU between Railway Association of Canada and Environment Canada and will cover the Criteria Air Contaminant and greenhouse gas emissions.</p>	

Expected Results	Indicators of Progress
<i>Adoption of innovative practices to reduce greenhouse gas emissions by our partners and stakeholders</i>	<i>a) Number of funded projects</i> <i>b) Number of people taking part in Urban Transportation Showcase Program (UTSP) information network activities.</i>
<p><b>Progress:</b></p> <p>The UTSP has announced funding for eight community transportation showcase demonstrations. These eight demonstrations encompass over 35 distinct initiatives in sustainable urban transportation.</p> <p>In 2003, the Freight Sustainability Demonstration Program allocated approximately \$1.89 million for 14 projects. This will bring the total to 20 projects with a total of \$2.4 million in funding since the announcement of the program.</p> <p>Two Moving On Sustainable Transportation Program funded projects that were completed in 2003 reported on greenhouse gas reductions. The Sheltair Group's CitiesPLUS was a hundred-year planning exercise that, if fully implemented in the Greater Vancouver Regional District, will reduce greenhouse gas emissions by 6 % from 1990 levels by the year 2040 (approximate reduction of one tonne of greenhouse gas emissions per person).</p> <p>Pollution Probe's S-M-A-R-T Movement Program, a Transportation Demand Management initiative, reduced emissions at two large employers by 350,000 kg. Other employers participating in the program had not participated for a long enough period of time to produce real quantifiable results.</p> <p>Over 700 individuals have attended learning events sponsored by or organized by the UTSP.</p>	

Expected Results	Indicators of Progress
<i>Greenhouse gas reductions as a result of program participation</i>	<i>Measurable greenhouse gas reductions related to funded projects</i>
<p><b>Progress:</b></p> <p>With the limited number of ongoing demonstration and available reports, information on actual greenhouse gas reductions related to funded Freight Sustainability Demonstration Program projects is fragmented. Despite this, the results of two projects are promising. The first project conducted five test runs using top of rail friction modifiers, which resulted in fuel savings of 2.99 %. The proponent also calculates that based on the average track profiles for Canadian rail operations, fuel saving of 2.1 to 3.0 % could be achieved. The second project tested layover protection technology for locomotives. The proponent’s preliminary results show an average fuel savings per hour of operation of 12.13 litres and that the technology was operated by 321 litres. Therefore the fuel savings resulting specifically from the project activities is 3,893 litres of diesel fuel, or approximately 10,513 kg of greenhouse gas emissions reduction.</p> <p>It is too early to report on measurable greenhouse gas reductions related to funded projects.</p>	

#### 4. Analysis in Support of Sustainable Transportation

Transport Canada has continued to develop transportation measures under the climate change plan, particularly in the areas of urban passenger transportation, vehicle fuel efficiency and advanced technologies, and more efficient movement of goods.

In 2003-04, various initiatives were undertaken to help the Department fill data and analytical needs identified during the work of the Transportation Climate Change Table, and help contribute to a national perspective on climate change transportation solutions. Some of these initiatives focus on improving modeling capacity in Transport Canada, while others address climate change transport data gaps.

Statistics Canada currently conducts for Transport Canada a survey of vehicle use in Canada through the Canadian Vehicle Survey (CVS), which allows the production of estimates regarding vehicle-kilometres and passenger-kilometres driven. Transport Canada and NRCan with Statistics Canada have explored ways of enhancing the CVS to obtain fuel consumption for each respondent vehicle. After successful pilot testing in 2003, NRCan funding provided for the addition of a fuel log to the CVS in January 2004. This will allow fuel information to be directly linked to trip data and, therefore, vehicle use characteristics.

In September 2003, Transport Canada, on behalf of the federal/provincial/territorial Climate Change Transportation Data Strategy Steering Committee, undertook a study to identify all issues related to the development of a national vehicle registration system to gather road vehicle use information.

In 2003-04, Transport Canada completed an in-depth analysis of the socio-economic costs and benefits of reducing greenhouse gas emissions in the passenger and freight transportation sectors. The study provides Transport Canada with a framework to assess costs, as well as the benefits, of the promising and most promising measures identified by the Transportation Table to reduce greenhouse gas emissions in the passenger and freight sectors.

In 2003, Transport Canada began an in-depth analysis of consistent definitions and systematic measurement of road vehicle traffic congestion. The intent of this work is to develop an analytical framework to assess the cost of congestion for nine urban areas in Canada. The study will provide significant new knowledge that would benefit all levels of government, as well as each participating municipality.

In 2003-04, Transport Canada began a study that will contribute to its ongoing knowledge of the potential contribution, including the costs and impacts, of urban transit to climate change mitigation. This study will focus on greenhouse gas emissions and will analyze the urban transit infrastructure investments and demand strategies proposed in ten urban areas in Canada.

Information on the Government of Canada's climate change initiatives is available at: [www.climatechange.gc.ca/english/index.shtml](http://www.climatechange.gc.ca/english/index.shtml).

Further information on the government's *Action Plan 2000 on Climate Change* is available at: [www.climatechange.gc.ca/english/whats\\_new/action\\_plan.shtml](http://www.climatechange.gc.ca/english/whats_new/action_plan.shtml).

More information on Transport Canada's Action Plan 2000 initiatives is available at: [www.tc.gc.ca/programs/environment/commitments/actionPlan2000.htm](http://www.tc.gc.ca/programs/environment/commitments/actionPlan2000.htm).

## **4.4 Transport Canada's Management Agenda**

### **4.4.1 Introduction**

Transport Canada is committed to the principles of modern management and is striving to achieve management excellence. Transport Canada recognizes that achieving this goal will be an evolutionary process. The Department's management agenda focuses on initiatives that will improve management capacity. The agenda requires a vision of modern public management, a frank assessment of the gaps between that vision and reality, a practical plan for change, and a motivated workforce to bring it all together. Transport Canada continues to demonstrate progress in this area and is working towards linking it to the broader management agenda of the federal government as described in *Results for Canadians*.

Following the Treasury Board's introduction of the Management Accountability Framework in late 2003, which translates the *Results for Canadians* vision of modern public service management into a set of management expectations, Transport Canada immediately took steps to refocus and broaden its modern management improvement strategy into an integrated agenda. The goal is to provide departmental managers with the required tools and a supportive culture to

manage effectively in an increasingly complex and challenging federal public service, to meet the commitment and initiatives stated in *Results for Canadians*.

For more information on the Treasury Board's Management Accountability Framework see [www.tbs-sct.gc.ca/maf-crg/index\\_e.asp](http://www.tbs-sct.gc.ca/maf-crg/index_e.asp).

Information on *Results for Canadians* is available at: [www.tbs-sct.gc.ca/res\\_can/rc\\_1\\_e.asp](http://www.tbs-sct.gc.ca/res_can/rc_1_e.asp).

The challenge of the management agenda is to build and maintain the Department's capacity to achieve its objectives and respond to the needs and priorities of Parliament, the public, central agencies and employees in an increasingly global and knowledge economy. It has also become increasingly important for the Department to be able to respond effectively to any emergency or urgent situation that could arise. To meet this challenge, Transport Canada will need to change the way people, funds, information and technology are managed to reflect modern workplace values and practices.

The results reported herein are against the priorities identified in the 2003-04 Report on Plans and Priorities, but are influenced by the introduction of the Management Accountability Framework and the current Government of Canada's focus on issues, such as strengthening accountability and human resources modernization:

- Modern management and reporting on results
- Building capacity for the future
- Accessibility and connectivity

Over the next few years, while pursuing progress on all ten elements of the Management Accountability Framework, the Department will specifically focus on strengthening its capacity in the following areas:

- *Accountability* — to demonstrate that accountabilities for results are clearly assigned and measured throughout Transport Canada.
- *People* — to renew and sustain a vibrant public service that is reflective of Canada, where employees are valued and human and intellectual capacities are developed.
- *Stewardship* — to strengthen the control regime through improved integration and effectiveness, thereby improving capacity to ensure responsible spending.
- *Values and Ethics* — to ensure that management practices are value-based and tailored to realities.

#### **4.4.2 Modern Management and Reporting on Results**

As previously stated, Transport Canada is committed to the pursuit of improving its management practices, with an emphasis on advancing the Department's approach to results-based management and reporting. From a policy perspective, the Department's ultimate outcomes are well planned and explained in multiple strategic documents where reviews of attainment are produced regularly within annual reports (for more information visit [www.tc.gc.ca/pol/en/anre/transportation\\_annual\\_report.htm](http://www.tc.gc.ca/pol/en/anre/transportation_annual_report.htm)). As well, policy-making decisions are continually adjusted depending on the degree of achievement of the Department's goals.

##### ***Progress in the development of results frameworks***

Transport Canada has been engaged in efforts to link and align performance measurement at strategic, operational and personal levels, as well as a concerted effort to develop a consistent approach to implementing performance measurement processes throughout the Department. The objective has been to build a high-level strategic management framework that would provide a single unifying performance logic to help the development of a consistent approach to performance measurement and management.

At the service line level, results performance measurement frameworks are at various stages of evolution, ranging from the beginning design stages in some areas to a high degree of utilization in others. Transport Canada has also progressed towards improving performance reporting of horizontal initiatives as demonstrated in the information presented in reporting templates for the Marine Security and Road Safety Vision 2010 initiatives featured in Annex 5.12 of this report.

The Department's challenge will be to complete the development of results frameworks and to implement them by measuring performance based on performance indicators, thus moving away from activity/output-based results to outcome-based results. This initiative complements the efforts underway in 2004-05 to implement Treasury Board's new Program Activity Architecture framework which was introduced toward the end of 2003-04 and upon which future results reporting will be based.

The Department's capacity to link financial to non-financial information is also progressing as a result of continued investments in the Department's financial and materiel management systems, such as the implementation of a data warehouse that provides the capacity to extract, transform and load financial and non-financial information for reporting and analysis purposes. To date, the investments have contributed to improve administrative efficiencies within the Department, provide more accessible and complete management information and expand the reach of its internal and external clients using web-based methods for service delivery. For example, a web-based receivables module [www.tc.gc.ca/transact](http://www.tc.gc.ca/transact) has been implemented that enables internal and external clients and program managers to view their account information online as well as pay their bills. A web-based store, also accessible at [www.tc.gc.ca/transact](http://www.tc.gc.ca/transact), has been implemented enabling clients to view, download and order publications (and pay for these publications, where applicable) with future plans to extend this service to include marine registration and licenses. Finally, an Intranet-based manager's portal is being implemented to provide managers with web access to financial reports and budget management tools. To further

increase stewardship within the Department, steps have been taken to increase awareness and adoption of financial management policies and results-based management practices through an assurance process that all managers with signing authority have taken the appropriate financial delegation courses.

During 2003-04, the Department continued a series of service line resource reviews that are currently at various stages of completion. These reviews consist of evaluations of the continued relevance of the program, the effectiveness and efficiency of the program, and the resource base required to support delivery of the program. Those reviews that have been finished have resulted in recommendations pertaining to improving data quality and systems integration. Implementation of these recommendations will advance results-based management through improved resource justification, data analysis and reporting.

### ***Assurance to Senior Management***

In keeping with the requirements of the Treasury Board Secretariat's Internal Audit Policy, Evaluation Policy, and the new Management Accountability Framework, Transport Canada's internal audit and evaluation sections provide senior management with effective assurance services to assist departmental operations to stand the test of public scrutiny, to assess that departmental programs and policies are producing intended results, and support the continuous improvement of management practices in Transport Canada.

During this past fiscal year, based on a risk-based audit plan, emphasis was placed on assurance audits that addressed key areas of the Department's audit universe related to corporate enablers (e.g.: financial services, IM/IT, etc.), transfer payments, ports, seaways and divested entities. Audit reports and management action plans were presented to the Department's Audit and Review Committee for approval and then published on Transport Canada's Internet site to provide easy access to the public.

To further promote improved management practices, the internal audit section monitored and reported to the Audit and Review Committee the status of approved management action plans. To date management action plans are being implemented in an appropriate manner.

For a list of audits and evaluations conducted in 2003-04 see Annex 5.15 of this report. For more information about audits and evaluations conducted in 2003-04, visit:

[www.tc.gc.ca/corporate-services/audit/menu.htm](http://www.tc.gc.ca/corporate-services/audit/menu.htm) and  
[www.tc.gc.ca/pol/en/programevaluation/menu.htm](http://www.tc.gc.ca/pol/en/programevaluation/menu.htm)

### **4.4.3 Building Capacity for the Future**

Transport Canada's ability to carry out its mandate and achieve its strategic objectives is strongly linked to its efforts to achieve a productive and sustainable workforce and an enabling work environment. Positive people management practices and leadership at all levels are the keystones for building capacity to serve Canadians now and in the future. Throughout the 2003-04 planning period, Transport Canada has undertaken activities and developed outputs that have fostered progress in the achievement of the Department's people management outcomes.



### ***Transport Canada supports a learning culture***

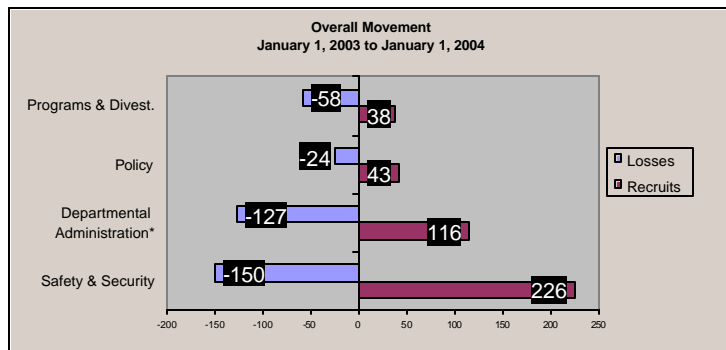
In its efforts to create a learning environment that provides employees with the experience and training to develop their skills and realize their career objectives, Transport Canada developed and adopted a Continuous Learning Policy in 2003-04. One of the highlights of this new policy is that the Department will devote an amount from its operating budget representing an average of three % of its salary envelope, and an average of three days per employee per year to learning activities. The policy also underlines the importance of personal learning plans as the foundation of continuous learning in the Department.

While the implementation of this new policy is set for the fiscal year 2004-05 and beyond, its development and adoption demonstrates Transport Canada's increased commitment to continuous learning. To facilitate access to learning, the Department is also capitalizing on the use of technology to deliver content to support various learning styles. For example, the introduction of a number of online training and orientation courses on the departmental intranet has proven to be an effective and engaging approach to knowledge transfer, and allows the Department to update course material in "real time". This communications medium ensures that all employees have access to identical messages, strengthening links between Transport Canada's various branches and regions.

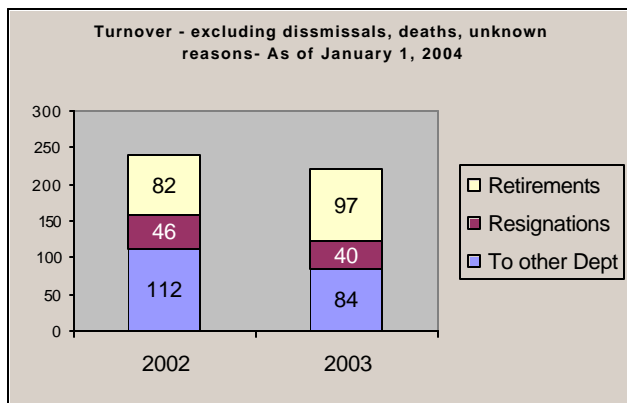
Transport Canada also continued its efforts with respect to knowledge transfer plans for critical subject matter experts (SME). Throughout the planning period, a review of the Knowledge Transfer and Succession plans for each of the 61 critical SMEs that were identified in 2002 was undertaken. An analysis of how well the plans are being executed will be presented to the Transport Canada Executive Management Committee in the fall of 2004. Also, Transport Canada's approach to its critical SME knowledge transfer and succession planning challenge has been documented in the article *How To Prevent Knowledge Collapse* as a way of sharing lessons learned with Regulatory/Inspection partners and others. The article is available at: [www.ricommunity.gc.ca/documents/prevent\\_knowledge\\_collapse/knowledge\\_collapse\\_e.asp](http://www.ricommunity.gc.ca/documents/prevent_knowledge_collapse/knowledge_collapse_e.asp). By undertaking these activities the Department is supporting the learning and development of employees in specific fields and, at the same time, is reducing the risks of losing corporate memory.

### ***Transport Canada effectively renews and retains expertise***

Throughout the planning period the Department continued to focus on creating an environment that enhances retention, recruitment, and learning throughout the organization and within specific communities such as the regulatory/inspection community.



Transport Canada continued to promote the use of competency-based staffing and standardized national assessment tools in specific areas in order to progress in the renewal of expertise.



In 2003, recruitment activity surpassed attrition by 64 (423 vs. 359), which translates into a 1.4 % increase in overall staff. The Department has maintained a turnover rate of 6.1 % over the past two years.

One practice used to create a more supportive work environment and to help retain employees is flexible work and leave arrangements. This practice allowed 16.9 % of TC employees to work

compressed workweeks in 2003-04 compared to 14.1 % in 2002-03.

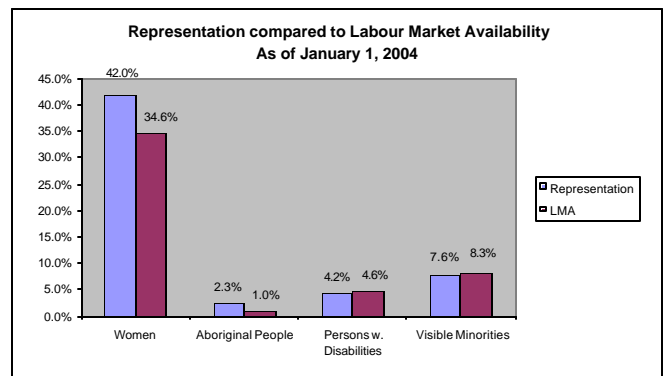
With respect to the Department's role as the champion of the Interdepartmental Regulatory/Inspection (R/I) initiative, Transport Canada continued to focus on building an effective regulatory/inspection community. In addition to its efforts with the subject matter experts and knowledge transfer plans, the Department continued its active use of the National R/I Recruitment inventory. As a result, recruitment outpaced attrition in the technical groups. However, it should be noted that a retention risk still remains within the R/I community as the Aircraft Operators, Engineers, and Technical Inspectors are among the groups that have the largest proportion of employees qualifying for retirement over the next five years.

As of April 1, 2004, Health Canada is the new champion of the Government's R/I initiative. While Transport Canada will no longer be playing a leadership role, it will remain an active partner in the initiative and work closely with Health Canada to ensure a smooth championship transition.

For more information on the R/I initiative visit [www.ricomunity.gc.ca/menu\\_e.asp](http://www.ricomunity.gc.ca/menu_e.asp).

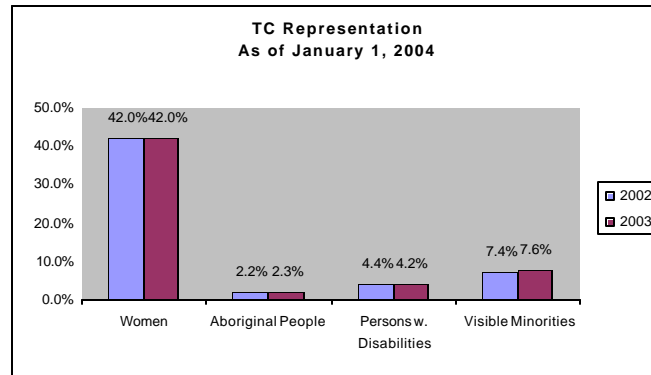
***Transport Canada has a representative and diverse workforce***

Throughout the planning period, Transport Canada continued to implement its Diversity Strategy. The Department undertook activities, such as Diversity Dialogue sessions, to help increase employee and management awareness with relations to diversity and employment equity.



Not unlike 2002, the efforts expended in the past year to maintain and improve representation in the four designated groups produced mixed results. Aboriginal representation continued to exceed labour market availability. Current

employment shares of the visible minorities group exceed labour market availability<sup>1</sup> in all major employment categories<sup>2</sup>, with the exception of the executive category and the technical category<sup>3</sup> where a substantial representation gap still remains. The overall representation of persons with disabilities fell in the last year, increasing the representation gap to 0.4 %. Representation of women is good overall and currently exceeds labour market availability (external) in all employment categories, with the exception of the small operational category<sup>4</sup>.



With the new Official Languages (OL) Policies taking effect in April 2004, the Department ensured that it had the proper mechanisms and tools in place to foster compliance with the new guidelines. In 2003-04, the Transport Canada Executive Management Committee endorsed a strategy for the OL program and established departmental OL priorities for fiscal year 2004-05. Various tools were developed and released. One of these tools, the brochure, *Simply a Matter of Respect*, was posted on the Public Service Human Resources Management Agency of Canada's Internet site as being a best practice (visit [www.hrma-agrh.gc.ca/ollo/tools-outils/pg/goodpracticesbonnespratiques\\_e.asp](http://www.hrma-agrh.gc.ca/ollo/tools-outils/pg/goodpracticesbonnespratiques_e.asp)). As of January 1, 2004 Transport Canada's population comprised 72.8 % Anglophones and 27.2 % Francophones, a ratio that has remained constant over the last few years.

***Transport Canada strives to provide an enabling and supportive work environment***

Transport Canada exercised leadership to ensure continuous improvement of union-management relations. In this regard, a departmental Union-Management Consultation Framework was developed and approved by Transport Canada's Senior Executives and National Presidents of union officials in the fall of 2003. In addition, a number of successfully joint union-management initiatives have materialized, namely: development of Transport Canada Guidelines for use of emails by union representatives; joint information sessions delivered with Union of Canadian Transportation Employees on "Understanding and Interpreting the Collective Agreement" and joint union-management communiqués on the implementation of the Aircraft Operations collective agreement. These initiatives support a collaborative approach as predicated by the *Public Service Modernization Act* and foster good human resource management practices through ongoing communication and sustained dialogue between Senior Management and Union Officials

<sup>1</sup> Note: The labour market availability data is from 1996. New statistics released in spring 2004 are being analysed and will form the basis for future comparison.

<sup>2</sup> Employment categories include: Executive; Scientific and Professional; Administrative and Foreign Services; Technical; Administrative Support; Operational

<sup>3</sup> Technical Category includes: Aircraft Operations; Engineering & Scientific support; Electronics; General Technicians; Social Science Support; Technical Inspection

<sup>4</sup> Operational Category includes: Firefighters; General Labour & Trades; General Services

#### 4.4.4 Accessibility and Connectivity

Managing information and technology is essential to effective program delivery. Technology continues to change the way we work and how we interact with each other, with stakeholders and with the public. Our work in this area is driven by internal business requirements and government priorities, and include improving service delivery in all parts of the Department, finding new ways to meet citizens' needs for access to public information and services, protecting privacy, responding in a more timely way to letters and questions, and engaging stakeholders in the policy development process.

The following sample business-driven projects were completed in 2003-04 which capitalized on technology to provide innovative solutions to departmental challenges:

- To combat identity theft and counterfeiting, Transport Canada developed a tamper-proof document and a secure process to gather information and issue credentials to Canadian marine officers and engineers. The Competency Certificate Issuing System is the world's most sophisticated and secure method of documenting the credentials of mariners. Other countries have adopted aspects of the system.
- Recent enhancements to marine systems have revolutionized the way inspectors record and transmit inspection information. These enhancements include timely access to accurate data, automated consolidation of key performance information from various sources for risk analysis, the ability to carry out intelligent searches on policies and regulations and a secure means for owners and operators to plan and track their inspections/certification requirements. With these enhancements, there have been increases in inspectors' productivity, reduction in the likelihood of inspection errors, and improvement in the safety of Canada's marine-transportation industry.
- Transport Canada's external virtual library, called the Canadian Transportation Research Gateway, gives all Canadians access to Canadian transportation research resources. The Canadian Transportation Research Gateway provides researchers, students, government, and industry with convenient access to evaluated Canadian transportation research resources through a single gateway. Visit the gateway at [www.tc.gc.ca/ctrg-prtc/en/menu.aspx](http://www.tc.gc.ca/ctrg-prtc/en/menu.aspx).

To strengthen the alignment and management of Information Management/Information Technology (IM/IT) financial resources in support of departmental objectives, the departmental IM/IT governance framework was revised, senior level governance committees were created, and program IM/IT investments were recommended which are in support of program delivery. Work was also carried out on an IM capacity check to provide senior management with an understanding of the capacity of the Department as it relates to the activities associated with information management and the development of Transport Canada's IM Strategy.

#### ***Government on Line (GOL)***

Transport Canada is committed to delivering services to citizens in an efficient and effective manner, and is continuing its efforts to implement online services. Transport Canada's current

GOL strategic direction has been re-focused to ensure the Department's investments in IM/IT, business transformation and GOL are aligned to support program delivery and stakeholder needs. Examples of online services, which were well received by external stakeholders, are the Marine Services Online website ([www.marineservices.gc.ca](http://www.marineservices.gc.ca)) and the Access to Travel (ATT) website ([www.accesstotravel.gc.ca](http://www.accesstotravel.gc.ca)). Since January 2003, Marine Services Online has had 466,579 accesses. The ATT online service, which provides information on accessible transportation and travel across Canada with the aim of making travelling an easier and more enjoyable experience for Canadians with disabilities, has had 699,046 accesses.

Transport Canada conducted external GOL stakeholder surveys for the Marine Services Online and for the ATT portals. The objective of the surveys was for Transport Canada to be better positioned and better able to maintain a more responsive online presence. Most respondents indicated that these online services are excellent resources that reduce the amount of time and the number of contacts required to obtain useful and accurate information. Such resounding support in the positioning of these external online services clearly validates both the value of these portals to the Canadian public and the merits of the investment in these online initiatives.

Over the last year, Transport Canada continued to participate in a number of initiatives that have horizontal benefits in advancing electronic solutions to tendering, purchasing, payments and billing. For example:

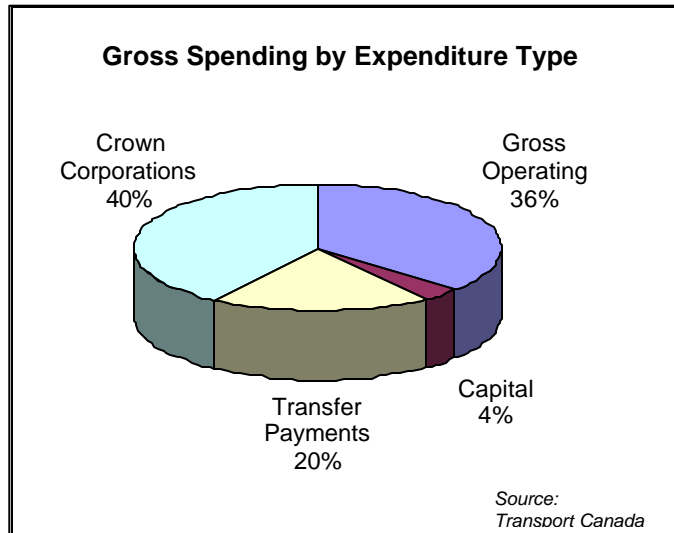
- Transport Canada is one of four vanguard departments who participated as government-wide leads for implementation of a horizontal GOL initiative that will enable significant efficiency improvements through automation of the end-to-end purchasing process for goods and services.
- As one of the lead departments in the Oracle Financials Cluster Group, Transport Canada is representing the collective interests of five departments (Transport Canada, Fisheries and Oceans Canada, Indian and Northern Affairs Canada, Environment Canada, and Correctional Services Canada) and two agencies (Office of the Auditor General and Canadian Forces Housing Agency).

These initiatives will make it easier for Transport Canada clients to obtain integrated financial information on the Department's programs and activities, providing reliable and relevant information on the resources required to achieve program results, measure program performance and improve citizen-focused services.

For more information on Transport Canada's IM/IT Strategic Direction visit: [www.tc.gc.ca/gol/im-itstrategicplan.htm](http://www.tc.gc.ca/gol/im-itstrategicplan.htm). For more information on the Government of Canada's GOL initiative, visit: [www.gol-ged.gc.ca](http://www.gol-ged.gc.ca).

## 5.0 Annexes

### 5.1 An Overview of Departmental Spending



Transport Canada's gross spending for fiscal year 2003-04 totalled \$1,7 billion, as described below.

The largest portion of spending — approximately \$690 million or 40 % — was directed to Crown corporations. The Canadian Air Transport Security Authority received \$351 million, VIA Rail \$264 million, and the remaining amount was paid to Marine Atlantic Inc. and the Jacques Cartier and Champlain Bridges Inc.

Gross operating costs represented 36 % of total spending, with expenditures of

\$635 million. Of this amount, 54 % was spent on employee salaries and statutory benefits, while the balance was spent on other costs such as professional services related to informatics, training and education, and items such as travel, maintenance and utilities. Approximately 47 % of Transport Canada's operating costs were funded through the collection of spendable revenues.

A further \$358 million, or 20 %, was spent on grants and contributions (transfer payments). Some of the more significant items included:

- \$64 million for Payment to Ridley Terminals Incorporated for repayment of outstanding loans;
- \$57 million for the Strategic Highway Infrastructure Program — Highway improvements;
- \$52 million for contributions to provinces toward highway improvements;
- \$51 million for the Northumberland strait crossing subsidy payment;
- \$32 million for the Airports capital assistance program; and
- \$24 million grant to the Province of British Columbia for freight and passenger ferry services.

Transport Canada's capital project spending involved \$64 million, only 4 % of total gross spending, and involved various maintenance and environmental projects.

## 5.2 Departmental Summary of Spending Authority

**Table 1 Financial Requirements by Authority**

Vote	Program Name and Total FTEs (\$000s)	2003 -2004				
		Total Main Estimates	Total Planned Spending <sup>1</sup>	Total Authorities	Total Authorities received or transferred as result of 12-12-2003 <sup>2</sup>	Revised Authorities <sup>3</sup>
1	Operating expenditures (net of revenues) <sup>45</sup>	193,798	204,305	268,921	13,501	282,422
5	Capital expenditures	82,264	84,064	66,764		66,764
10	Grants and Contributions	401,548	401,548	513,388	(20,708)	492,680
15	Payments to the Jacques Cartier and Champlain Bridges Inc.	33,345	33,345	33,345		33,345
20	Payments to Marine Atlantic Inc.	25,095	25,095	41,595		41,595
25	Payments to VIA Rail Canada Inc.	266,201	266,201	266,201		266,201
30	Payments to the Canadian Air Transport Security Authority	459,676	459,676	459,676		459,676
35	Payment to the Queens Quay West Land Corporation	4,000	4,000	4,000	(4,000)	-
40	Payment to the Old Port of Montreal Corporation Inc.	-	-	18,400	(18,400)	-
(S)	Minister of Transport — Salary and motor car allowance	67	67	69		69
(S)	Payments to Canadian National for the Victoria Bridge in Montreal	3,300	3,300	3,244		3,244
(S)	Contributions to employee benefit plans <sup>6</sup>	58,464	58,847	59,492	1,275	60,767
(S)	Payments in respect of St. Lawrence Seaway agreements	1,900	1,900	983		983
(S)	Northumberland Strait Crossing subsidy payment	50,400	50,400	51,147		51,147

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**Departmental Summary of Spending Authority** *(continued)*

**Table 1 Financial Requirements by Authority**

		2003 -2004				
Vote	Program Name and Total FTEs (\$000s)	Total Main Estimates	Total Planned Spending <sup>1</sup>	Total Authorities	Total Authorities received or transferred as result of 12-12-2003 <sup>2</sup>	Revised Authorities <sup>3</sup>
(S)	Refunds of amounts credited to revenues in previous years	-	-	397		397
(S)	Spending proceeds from disposal of surplus Crown assets	-	-	4,812		4,812
<b>Total Department</b>		1,580,058	1,592,748	1,792,434	(28,332)	1,764,103
<b>Total FTEs received/transferred</b>					118.5	

Due to rounding, columns may not add to totals shown.

(S): Statutory payment.

1. *The Planned Spending amounts refer to the 2003-04 Report on Plans and Priorities.*
2. *Total Estimated Authorities for entire fiscal year.*
3. *The Revised Authorities is the basis of reporting for the remaining tables.*
4. *Vote 1 Total Authorities is net of \$339 million in respendable revenues.*
5. *The amounts used for the transfer of the marine function from the Department of Fisheries and Oceans represent direct costs only. The actual amounts to be transferred had not been finalized at completion of this report pending a signed Memorandum of Understanding (MOU) between Transport Canada and the Department of Fisheries and Oceans.*
6. *The Employee Benefits Plan (EBP) amount considered in the transfer of the marine function from the Department of Fisheries and Oceans was estimated using a 20% EBP rate but the EBP for the transfer of the Crown Corporation Secretariat to the Canada Revenue Agency and to Environment Canada (Infrastructure Canada) was calculated using the prorata share based on personnel costs and Transport Canada's EBP.*

*(Continued on next page)*



## 5.2 Departmental Summary of Spending Authority *(continued)*

**Table 1.1 Expenditures by Authority**

Vote	Program Name (\$000s)	2003 - 2004		
		Total Actual Spending	Total Actual Spending for authorities & responsibilities transferred or received as a result of 12-12-2003 <sup>1</sup>	Revised Total Spending <sup>2</sup>
1	Operating expenditures (net of revenues) <sup>3,4</sup>	262,210	14,007	276,217
5	Capital expenditures	61,727		61,727
10	Grants and Contributions	309,110	(5,985)	303,125
15	Payments to the Jacques Cartier and Champlain Bridges Inc.	33,024		33,024
20	Payments to Marine Atlantic Inc.	41,595		41,595
25	Payments to VIA Rail Canada Inc.	264,201		264,201
30	Payment to the Canadian Air Transport Security Authority	351,415		351,415
35	Payment to the Queens Quay West Land Corporation	4,000	(4,000)	-
40	Payment to the Old Port of Montreal Corporation Inc.	18,400	(18,400)	-
(S)	Minister of Transport — Salary and motor car allowance	69		69
(S)	Payments to Canadian National for the Victoria Bridge in Montreal	3,244		3,244
(S)	Contributions to employee benefit plans <sup>5</sup>	59,492	1,414	60,906
(S)	Payments in respect of St. Lawrence Seaway agreements	983		983
(S)	Northumberland Strait Crossing subsidy payment	51,147		51,147
(S)	Refunds of amounts credited to revenues in previous years	397		397
(S)	Spending proceeds from disposal of surplus Crown assets	2,735		2,735
<b>Total Department</b>		1,463,749	(12,964)	1,450,784

Due to rounding, columns may not add to totals shown.

(S): Statutory payment.

1. Total Actual Spending for entire fiscal year.
2. The Revised Actual Spending is the basis of reporting for the remaining tables.
3. Vote 1 Actual Spending is net of \$296 million in respendable revenues.
4. The amounts used for the transfer of the marine function from the Department of Fisheries and Oceans represent direct costs only. The actual amounts to be transferred had not been finalized at completion of this report pending a signed Memorandum of Understanding (MOU) between Transport Canada and the Department of Fisheries and Oceans.
5. The Employee Benefits Plan (EBP) amount considered in the transfer of the marine function from the Department of Fisheries and Oceans was estimated using a 20% EBP rate but the EBP for the transfer of the Crown Corporation Secretariat to the Canada Revenue Agency and to Environment Canada (Infrastructure Canada) was calculated using the prorata share based on personnel costs and Transport Canada's EBP.

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## Departmental Summary of Spending Authority *(continued)*

### Table 1.2 Impact of December 12, 2003 Announcements

(\$000s)

Funding Transferred To or Received From	Total Estimated Authorities Transferred or Received <sup>1</sup>	Total Actual Spending for Authorities Transferred or Received for FY 2003-04 <sup>1</sup>	FTEs
Human Resources and skills Development - Toronto Waterfront Revitalization initiative			
Vote 10 Grants and Contributions:	(20,900)	(6,177)	-
Canada Revenue Agency - Crown Corporation Secretariat and overhead			
Vote 1 Operating expenditures:	(838)	(597)	(8)
Environment Canada (Office of Infrastructure of Canada) - Crown Corporation Secretariat and overhead			
Vote 1 Operating expenditures:	(1,542)	(1,138)	(13)
Fisheries and Oceans Canada - Rescue Safety and Environmental Response <sup>2</sup>			
Vote 1 Operating expenditures:	11,578	11,578	71,3
Vote 10 Grants and Contributions:	192	192	
Fisheries and Oceans Canada - Marine Navigation Services <sup>2</sup>			
Vote 1 Operating expenditures:	5,578	5,578	68,2
Vote 35 Payments to the Queens Quay West Land Corporation	(4,000)	(4,000)	-
Vote 40 Payments to the Old Port of Montreal Corporation Inc.	(18,400)	(18,400)	-
<b>Total Transferred/Received</b>	<b>(28,332)</b>	<b>(12,964)</b>	<b>118,5</b>

Due to rounding, columns may not add to totals shown.

1. Total Estimated Authorities and Actual Spending identify the amounts for the entire fiscal year.
2. The amounts used for the transfer of the marine function from the Department of Fisheries and Oceans represent direct costs only. The actual amounts to be transferred had not been finalized at completion of this report pending a signed Memorandum of Understanding (MOU) between Transport Canada and the Department of Fisheries and Oceans.

## 5.3 Comparison of Total Planned Spending to Actual Spending

2003-04 Business Line (\$000s)	FTEs	Gross Operating <sup>1</sup>	Capital <sup>2</sup>	Transfer Payments <sup>3</sup>	Crown Corporations	Total Gross Spending	Less: Responsible Revenues	Total Net Spending	
<b>Policy</b>	203	30,181	4,149	70,718	291,296	396,344	558	395,786	
	<i>203</i>	<i>45,481</i>	<i>8,339</i>	<i>166,227</i>	<i>307,796</i>	<i>527,843</i>	<i>676</i>	<i>527,167</i>	
	<b>256</b>	<b>45,132</b>	<b>8,259</b>	<b>126,999</b>	<b>305,796</b>	<b>486,186</b>	<b>764</b>	<b>485,422</b>	
<b>Programs and Divestiture</b>	384	105,056	41,461	366,007	37,345	549,869	289,742	260,127	
	<i>384</i>	<i>130,073</i>	<i>35,389</i>	<i>359,843</i>	<i>33,345</i>	<i>558,650</i>	<i>285,627</i>	<i>273,023</i>	
	<b>404</b>	<b>84,367</b>	<b>34,515</b>	<b>212,104</b>	<b>33,024</b>	<b>364,010</b>	<b>238,485</b>	<b>125,525</b>	
<b>Safety and Security</b>	3,087	364,619	18,111	18,523	459,676	860,929	47,926	813,003	
	<i>3,200</i>	<i>399,957</i>	<i>11,949</i>	<i>21,002</i>	<i>459,676</i>	<i>892,584</i>	<i>51,889</i>	<i>840,695</i>	
	<b>3,200</b>	<b>397,941</b>	<b>11,294</b>	<b>18,414</b>	<b>351,415</b>	<b>779,064</b>	<b>55,587</b>	<b>723,477</b>	
<b>Departmental Administration</b>	883	104,540	20,343	-	-	124,883	1,051	123,832	
	<i>862</i>	<i>108,404</i>	<i>15,898</i>	-	-	<i>124,302</i>	<i>1,084</i>	<i>123,218</i>	
	<b>953</b>	<b>107,080</b>	<b>10,394</b>	-	-	<b>117,474</b>	<b>1,114</b>	<b>116,360</b>	
<b>Total</b>	4,557	604,396	84,064	455,248	788,317	1,932,025	339,277	1,592,748	
	<i>4,649</i>	<i>683,915</i>	<i>71,575</i>	<i>547,072</i>	<i>800,817</i>	<i>2,103,379</i>	<i>339,276</i>	<i>1,764,103</i>	
	<b>4,813</b>	<b>634,520</b>	<b>64,462</b>	<b>357,517</b>	<b>690,235</b>	<b>1,746,734</b>	<b>295,950</b>	<b>1,450,784</b>	
<b>Other Revenues and Expenditures:</b>									
– Non-responsible revenues (see Table 5.6)									26,746
									-
									<b>68,100</b>
– Cost of services provided by other departments (authorities = actuals)									61,869
									<b>58,040</b>
<b>Net Cost of the Program</b>									1,627,871
									<i>1,822,143</i>
									<b>1,576,924</b>

Due to rounding, columns may not add to totals shown.

Normal font denotes planned spending. *Italicized font* denotes total authorities. **Bold font** denotes actual expenditures/revenues.

The Planned Spending amounts (normal font) refer to the 2003-04 Report on Plans and Priorities.

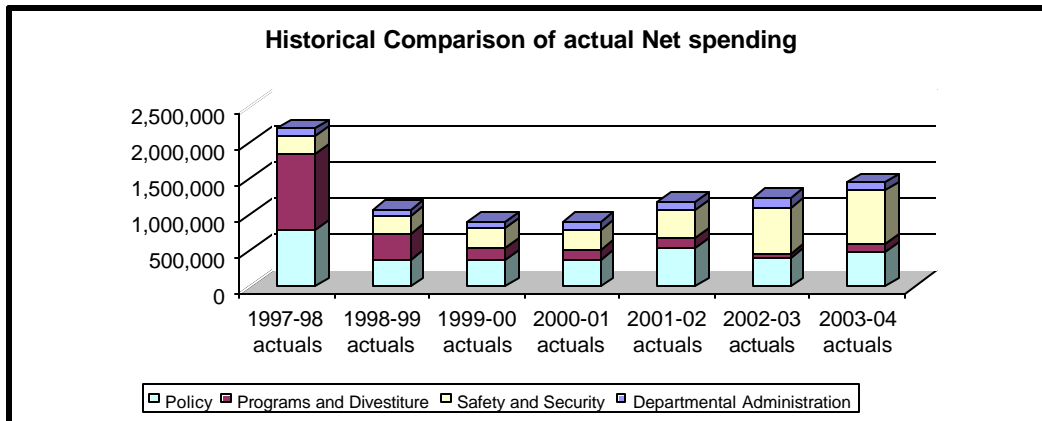
1. Includes statutory payments for employee benefit plans, Minister's allowances, previous years' refunds, payments in respect of the St. Lawrence Seaway Agreement, and proceeds from the disposal of surplus Crown assets.
2. Includes the capital portion of the proceeds from the disposal of surplus Crown assets.
3. Includes statutory payments for Victoria Bridge (Montreal) and the Northumberland Strait Crossing subsidy.

## 5.4 Historical Comparison of Net Spending

Business Line (\$000s)	2003-04				
	Actual 2001-02	Actual 2002-03	Planned Spending	Total Authorities <sup>1</sup>	Actual Spending <sup>2</sup>
Policy	539,459	404,589	395,786	527,167	<b>485,422</b>
Programs and Divestiture	155,647	69,284	256,127	273,023	<b>125,525</b>
Safety and Security	380,146	627,987	813,003	840,695	<b>723,477</b>
Departmental Administration	118,164	150,692	127,832	123,218	<b>116,360</b>
<b>Total budgetary</b>	<b>1,193,417</b>	<b>1,252,552</b>	<b>1,592,748</b>	<b>1,764,103</b>	<b>1,450,784</b>

Due to rounding, columns may not add to totals shown.

1. The Total Authorities column includes the authorities received or transferred as a result of the December 12, 2003 reorganization.
2. The Actual Spending column includes the actual amounts received or transferred as a result of the December 12, 2003 reorganization.



## 5.5 Crosswalk Between Strategic Outcomes and Business Lines

Business Lines	Strategic Outcomes (\$000s)			Total Actual Spending
	Economic Growth and Social Development	A Safe and Secure Transportation System	Protect the Physical Environment	
Policy	485,422	-	-	<b>485,422</b>
Programs and Divestiture	116,771	-	8,754	<b>125,525</b>
Safety and Security	214	722,408	855	<b>723,477</b>
Departmental Administration	76,798	34,908	4,654	<b>116,360</b>
<b>Total</b>	<b>679,204</b>	<b>757,316</b>	<b>14,264</b>	<b>1,450,784</b>

Due to rounding, columns may not add to totals shown.

1. The Total Actual Spending column includes the actual amounts received or transferred as a result of the December 12, 2003 reorganization.

## 5.6 Revenues : Respendable and Non-Respendable

Business Line (\$000s)	Actual 2001-02 <sup>1</sup>	Actual 2002-03 <sup>1</sup>	2003-04		
			Planned Revenues	Total Authorities	Actual Revenues
<b>Respendable Revenues</b>					
<i>Policy</i>					
• Air Service Forecasts	262	274	160	160	<b>225</b>
• Rental revenue	117	111	-	118	<b>122</b>
• Miscellaneous internal and external revenues	202	349	398	398	<b>417</b>
	581	734	558	676	<b>764</b>
<i>Programs and Divestiture</i>					
• Harbours and ports revenues (net of commissions)	14,265	11,535	9,126	7,474	<b>9,763</b>
• Airports operating revenues	14,867	18,889	11,380	12,952	<b>14,103</b>
• Airports — Lease and chattel payments	248,271	299,551	268,909	265,075	<b>214,441</b>
• Miscellaneous internal and external revenues	1,004	336	327	126	<b>178</b>
	278,406	330,311	289,742	285,627	<b>238,485</b>
<i>Safety and Security</i>					
• Aviation regulatory and inspection revenues	11,851	12,810	10,118	10,380	<b>9,938</b>
• Aviation training revenues	-	-	809	-	<b>138</b>
• Internal and external revenues for aircraft services	33,723	26,026	26,397	26,648	<b>28,862</b>
• Internal and external marine regulatory and inspection revenues	7,591	8,464	7,329	7,744	<b>9,371</b>
• Revenues from the Registrar Imported Vehicles Program	-	-	475	475	<b>1,526</b>
• Lease payments from the Motor Vehicle Test Centre	-	-	280	280	<b>195</b>
• Short line rail inspections and other rail safety revenues	135	112	63	90	<b>208</b>
• Internal and external revenues from research and development activities	5,204	3,757	2,420	5,326	<b>3,870</b>
• Miscellaneous internal and external revenues	1,333	1,311	35	946	<b>1,479</b>
	59,838	52,479	47,926	51,889	<b>55,587</b>

Due to rounding, columns may not add to totals shown.

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## Revenues (continued)

Business Line (\$000s)	Actual 2001-02 <sup>1</sup>	Actual 2002-03 <sup>1</sup>	2003-04		
			Planned Revenues	Total Authorities	Actual Revenues
<b>Departmental Administration</b>					
• Internal revenue for training and systems support	234	124	-	-	-
• Internal and external lease and concession revenues	927	972	932	762	930
• Miscellaneous internal and external revenues	182	670	119	322	184
	1,344	1,765	1,051	1,084	1,114
<b>Total Responsible Revenues</b>	<b>340,170</b>	<b>385,289</b>	<b>339,277</b>	<b>339,277</b>	<b>295,950</b>
<b>Non-responsible revenues</b>					
<b>Non-tax revenues:</b>					
• St. Lawrence Seaway Management Corporation	4,802	4,856	4,300	-	(295)
• Hopper car leases	13,936	15,432	12,000	-	18,664
• Canada Port Authority stipends	10,402	9,765	10,446	-	10,716
• Return on investments	32	21,410	-	-	22,958
• Refunds of previous years' expenditures	1,143	1,057	-	-	1,999
• Adjustments to previous years' payables	4,433	5,323	-	-	1,729
• Privileges, licences and permits	49	60	-	-	5,220
• Fines	1,169	1,063	-	-	974
• Proceeds from sales	1,826	796	-	-	548
• Proceeds from the disposal of surplus Crown assets	5,284	4,108	-	-	2,760
• Miscellaneous	396	1,256	-	-	423
• CTMA Traversier Ltée	-	833	-	-	-
• Old Port of Montreal	-	2,315	-	-	2,404
• Gulf War Compensation against Iraq	-	420	-	-	-
• Great West Life – Canada Ports Refund	-	95	-	-	-
<b>Total Non-responsible Revenues</b>	<b>43,473</b>	<b>68,789</b>	<b>26,746</b>	<b>-</b>	<b>68,100</b>

Due to rounding, columns may not add to totals shown.

- As result of an internal financial management review, revenues are now grouped differently than in the 2001-02 and 2002-03 Departmental Performance Reports, but the totals are unchanged.

## 5.7 Statutory Payments

Business Line (\$000s)	Actual 2001-02	Actual 2002-03	Planned Spending	2003-04	
				Total Authorities <sup>1</sup>	Actual Spending <sup>2</sup>
<b>Policy</b>					
• Employee benefit plans	2,738	3,126	2,944	3,176	<b>3,176</b>
<b>Programs and Divestiture</b>					
• Employee benefit plans	4,552	4,928	4,769	4,502	<b>4,502</b>
• Payments to Canadian National — Victoria Bridge	3,072	3,300	3,300	3,244	<b>3,244</b>
• Northumberland Strait Crossing subsidy	48,325	48,956	50,400	51,147	<b>51,147</b>
• Proceeds from the sale of surplus Crown assets	25	-	1,900	983	<b>983</b>
• Payments in respect of St. Lawrence Seaway agreements	1,496	1,742	-	397	<b>397</b>
• Refunds of previous year's expenditures	-	40	-	-	-
	57,470	58,966	60,369	60,273	<b>60,273</b>
<b>Safety and Security</b>					
• Proceeds from the sale of surplus Crown assets	4,223	294	40,511	42,359	<b>42,359</b>
• Employee benefit plans	34,230	39,116	-	-	-
• Payments to the Canadian Air Transport Security Authority <sup>3</sup>	-	259,477	-	-	-
	38,453	298,887	40,511	42,359	<b>42,359</b>
<b>Departmental Administration</b>					
• Employee benefit plans	8,992	11,194	10,623	10,730	<b>10,869</b>
• Minister's allowances	68	67	67	69	<b>69</b>
• Proceeds from the sale of surplus Crown assets	2,094	2,798	-	4,811	<b>2,735</b>
	11,154	14,059	10,690	15,610	<b>13,673</b>
<b>TOTAL STATUTORY PAYMENTS</b>	<b>109,814</b>	<b>375,039</b>	<b>114,514</b>	<b>121,418</b>	<b>119,481</b>

Due to rounding, columns may not add to totals shown.

1. The Total Authorities column includes the authorities received or transferred for the EBP as a result of the December 12, 2003 reorganization.
2. The Actual Spending column includes the actual amounts received or transferred for the EBP as a result of the December 12, 2003 reorganization.
3. In 2003-04 the Canadian Air Transport Security Authority (CATSA) received its own Vote. TC payments to CATSA ceased after fiscal year 2002-03.



## 5.8 Transfer Payments

**Table 1 Summary of Transfer Payments by Program/Business Line**

Business Line (\$000s)	2003-04					
	Actual 2001-02	Actual 2002-03	Main Estimates	Planned Spending	Total Authorities <sup>1</sup>	Actual Spending <sup>2</sup>
<b>GRANTS</b>						
• Policy	122,272	23,377	23,987	23,987	23,987	23,975
• Programs and Divestiture	19,800	-	-	-	-	-
• Safety and Security	9,069	100	-	-	1,142	1,102
• Departmental Administration	-	-	-	-	-	-
<b>Total Grants</b>	<b>151,141</b>	<b>23,477</b>	<b>23,987</b>	<b>23,987</b>	<b>25,129</b>	<b>25,077</b>
<b>CONTRIBUTIONS</b>						
• Policy	35,722	41,061	49,766	49,766	142,240	103,023
• Programs and Divestiture <sup>3</sup>	194,168	212,388	362,972	362,972	359,843	212,104
• Safety and Security	13,378	39,624	18,523	18,523	19,860	17,312
• Departmental Administration	-	100	-	-	-	-
<b>Total Contributions</b>	<b>243,269</b>	<b>293,173</b>	<b>431,261</b>	<b>431,261</b>	<b>521,943</b>	<b>332,439</b>
<b>TOTAL TRANSFER PAYMENTS</b>	<b>394,410</b>	<b>316,649</b>	<b>455,248</b>	<b>455,248</b>	<b>547,072</b>	<b>357,516</b>

Due to rounding, columns may not add to totals shown.

1. The Total Authorities column includes the authorities received or transferred as a result of the December 12, 2003 reorganization.
2. The Actual Spending column includes the actual amounts received or transferred as a result of the December 12, 2003 reorganization.
3. Includes statutory payments for the Victoria Bridge in Montreal and the Northumberland Strait Crossing subsidy.

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**Transfer Payments (continued)**

**Table 2 Details of Transfer Payments by Program/Business Line**

GRANTS	2003-04						
	Business Line (\$000s)	Actual 2001-02	Actual 2002-03	Main Estimates	Total Planned Spending	Total Authorities <sup>1</sup>	Actual Spending <sup>2</sup>
<b>Policy</b>							
<ul style="list-style-type: none"> <li>Grant to the Province of British Columbia in respect of the provision of ferry and coastal freight and passenger services</li> </ul>	22,954	23,377	23,987	23,987	23,987	<b>23,975</b>	
<ul style="list-style-type: none"> <li>Grant to Canadian airlines and specialty air operators, as payments of financial assistance in respect to losses incurred due to the temporary closure of Canadian air space as determined by the Minister of Transport</li> </ul>	99,318	-	-	-	-	-	
<b>Total Policy Grants</b>	<b>122,272</b>	<b>23,377</b>	<b>23,987</b>	<b>23,987</b>	<b>23,987</b>	<b>23,975</b>	
<b>Programs and Divestiture</b>							
<ul style="list-style-type: none"> <li>Grants to Canadian airports, as payments of financial assistance in respect to heightened security and policing at airports, as determined by the Minister of Transport</li> </ul>	19,800	-	-	-	-	-	
<b>Total Programs and Divestiture Grants</b>	<b>19,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

(Continued on next page)

**Transfer Payments** *(continued)*

**Table 2**      **Details of Transfer Payments by Program/Business Line**

GRANTS	2003-04						
	Business Line (\$000s)	Actual 2001-02	Actual 2002-03	Main Estimates	Total Planned Spending	Total Authorities <sup>1</sup>	Actual Spending <sup>2</sup>
<b>Safety and Security</b>							
• Grant to the International Civil Aviation Organization for the Safety oversight program	100	100	-	-	-	-	-
• Grants to Canadian airlines to implement immediate improvements to airport pre-board screening practices, as determined by the Minister of Transport	7,589	-	-	-	-	-	-
• Grants to Canadian airports for the installation of selected explosive detection systems	1,130	-	-	-	-	-	-
• Grant to the International Civil Aviation Organization (ICAO) - ICAO Universal Security Audit	250	-	-	-	-	42	42
• Grant to close grade crossings	-	-	-	-	-	100	60
• Grant to the Ottawa Macdonald-Cartier International Airport for security enhancements	-	-	-	-	-	1,000	1,000
<b>Total Safety and Security Grants</b>	9,069	100	-	-	-	1,142	1,102
<b>TOTAL GRANTS</b>	<b>151,141</b>	<b>23,477</b>	<b>23,987</b>	<b>23,987</b>	<b>23,987</b>	<b>25,129</b>	<b>25,077</b>

*(Continued on next page)*

## Transfer Payments *(continued)*

**Table 2 Details of Transfer Payments by Program/Business Line**

CONTRIBUTIONS	2003-04						
	Business Line (\$000s)	Actual 2001-02	Actual 2002-03	Main Estimates	Total Planned Spending	Total Authorities <sup>1</sup>	Actual Spending <sup>2</sup>
<b>Policy</b>							
• Contributions for non-VIA Rail passenger services:							
○ Quebec North Shore & Labrador Railway	2,000	2,000	-	-	2,333	<b>2,334</b>	
○ Quebec North Shore & Labrador Railway - Capital	-	173	-	-	150	<b>150</b>	
○ Algoma Central Railway Inc.	2,100	2,100	525	525	2,100	<b>2,100</b>	
○ Ontario Northland Transportation Commission	2,500	2,500	-	-	2,500	<b>2,500</b>	
• Contributions for ferry and coastal passenger and freight services	7,895	8,027	8,036	8,036	8,036	<b>8,036</b>	
• Payment to the Canadian Wheat Board for the acquisition and leasing of hopper cars for the transportation of grain in Western Canada	16,416	16,045	17,495	17,495	13,851	<b>12,913</b>	
• Allowances to former employees of Newfoundland railways, steamships and telecommunications services transferred to Canadian National Railways	1,016	964	987	987	892	<b>891</b>	
• Transportation Association of Canada	182	91	188	188	188	<b>113</b>	
• Contribution to Canadian National Railways towards the Quebec bridge restoration program	600	600	600	600	600	<b>600</b>	
• Toronto Waterfront revitalization project	500	5,200	4,400	4,400	622	<b>622</b>	

*(Continued on next page)*

## Transfer Payments *(continued)*

**Table 2 Details of Transfer Payments by Program/Business Line**

CONTRIBUTIONS	2003-04						
	Business Line (\$000s)	Actual 2001-02	Actual 2002-03	Main Estimates	Total Planned Spending	Total Authorities <sup>1</sup>	Actual Spending <sup>2</sup>
• Toronto Waterfront Revitalization Corporation in support of the Toronto waterfront revitalization initiatives	-	-	-	-	-	20,278	<b>5,555</b>
• Contribution to the Greater Toronto Airports Authority for the air rail link	-	-	-	-	-	19,450	<b>6,863</b>
• Strategic highway infrastructure program:							
o Highway component	-	-	3,035	3,035	900		<b>308</b>
o Border Crossing - Planning and integration	-	330	4,000	4,000	3,560		<b>959</b>
o Intelligent Transportation Systems	-	1,264	10,500	10,500	10,500		<b>1,092</b>
• Payment to Ridley Terminals Incorporated for repayment of outstanding loans	-	-	-	-	-	77,000	<b>64,000</b>
• Ferry service operating agreements with NFL Holdings Ltd:							
• Saint John-Digby service	806	783	-	-	-	-	-
• Intelligent Transportation Systems -Deployment and Integration Plan	1,494	758	-	-	102		<b>89</b>
• Intelligent Transportation Systems Society of Canada	125	188	-	-	-	-	-
• Intelligent Transportation Systems Outreach Program	34	-	-	-	-	-	-
• Contribution to the St-Lawrence Seaway Management Corporation	54	38	-	-	-	-	-

*(Continued on next page)*

**Transfer Payments** *(continued)*

**Table 2**      **Details of Transfer Payments by Program/Business Line**

CONTRIBUTIONS	2003-04						
	Business Line (\$000s)	Actual 2001-02	Actual 2002-03	Main Estimates	Total Planned Spending	Total Authorities <sup>1</sup>	Actual Spending <sup>2</sup>
• Contribution to the St.-Lawrence Economic Development Council	-	-	-	-	-	8	5
• Contribution to the University of British Columbia for transportation research studies	-	-	-	-	-	50	50
• Contribution to the International Civil Aviation Organization for the establishment of an International Registry	-	-	-	-	-	20	20
• Transferred to Human Resources and Skills Development for the Toronto Waterfront Revitalization initiative as a result of Dec. 12, 2003 reorganization						(20,900)	(6,177)
<b>Total Policy Contributions</b>	<b>35,722</b>	<b>41,061</b>	<b>49,766</b>	<b>49,766</b>	<b>49,766</b>	<b>142,240</b>	<b>103,023</b>
<b>Programs and Divestiture</b>							
• Contributions for the operation of municipal or other airports:							
○ Original program	2,196	1,752	1,591	1,591	2,878	2,877	
○ Non National Airport System airports under the National Airports Policy	50	-	-	-	-	-	-
○ Airports capital assistance program	43,314	32,386	44,000	44,000	39,113	32,210	

*(Continued on next page)*

## Transfer Payments *(continued)*

**Table 2**      **Details of Transfer Payments by Program/Business Line**

CONTRIBUTIONS	2003-04						
	Business Line (\$000s)	Actual 2001-02	Actual 2002-03	Main Estimates	Total Planned Spending	Total Authorities <sup>1</sup>	Actual Spending <sup>2</sup>
<ul style="list-style-type: none"> <li>• Newfoundland and Labrador - Construct runways and related facilities in Labrador (Davis Inlet, Charlottetown Square Island, Black Tickle, Paradise River, Fogo Island, Fox Harbour, Cartwright, Makkovik, Mary's Harbour, Nain, Rigolet, Port Hope Simpson, Postville, Hopedale and Williams Harbour)</li> </ul>		1,938	588	-	-	1,000	<b>933</b>
<ul style="list-style-type: none"> <li>• Contributions to provinces toward highway improvements to enhance overall efficiency and promote safety while encouraging, from a regional economic perspective, industrial development and tourism:               <ul style="list-style-type: none"> <li>○ New Brunswick</li> <li>○ Outaouais Road Development Agreement</li> <li>○ Nova Scotia</li> <li>○ Newfoundland and Labrador regional trunk roads</li> <li>○ TransCanada Highway Agreement - Newfoundland and Labrador</li> <li>○ Contribution to Prince Edward Island for Greenwich Road Improvement</li> </ul> </li> </ul>		14,927	38,382	39,452	39,452	37,889	<b>37,889</b>
		4,193	2,302	2,571	2,571	5,129	<b>5,129</b>
		1	-	-	-	-	-
		14,110	9,829	-	-	3,300	<b>3,265</b>
		33,784	16,303	3,957	3,957	5,469	<b>5,372</b>
		-	1,100	-	-	63	<b>26</b>

*(Continued on next page)*

**Transfer Payments** *(continued)*

**Table 2**      **Details of Transfer Payments by Program/Business Line**

CONTRIBUTIONS	2003-04						
	Business Line (\$000s)	Actual 2001-02	Actual 2002-03	Main Estimates	Total Planned Spending	Total Authorities <sup>1</sup>	Actual Spending <sup>2</sup>
• (S) Payments to the Canadian National Railway Company in respect of the termination of the collection of tolls on the Victoria Bridge, Montreal and for rehabilitation work on the roadway portion of the bridge		3,072	3,300	3,300	3,300	3,244	<b>3,244</b>
• (S) Northumberland strait crossing subsidy payment		48,324	48,956	50,400	50,400	51,147	<b>51,147</b>
• Contribution to the province of Prince Edward Island for policing services in respect of the Confederation Bridge		227	230	230	230	230	<b>230</b>
• Contribution to the Sudbury Airport Community Development Corporation for the cost associated with the improvements/expansion of the Sudbury air terminal building		264	166	870	870	870	<b>870</b>
• Contributions in support of the divestiture of the non-National Airport System		-	-	-	-	50	<b>50</b>
• Contribution to "Ville de Rimouski" for infrastructure projects at Rimouski Airport		-	-	-	-	320	<b>156</b>
• Contribution to the Comox Valley Airport Commission for the construction of airside infrastructure		-	-	-	-	1,900	<b>1,235</b>

(S): Statutory payments

*(Continued on next page)*



**Transfer Payments** *(continued)*

**Table 2**      **Details of Transfer Payments by Program/Business Line**

CONTRIBUTIONS	2003-04						
	Business Line (\$000s)	Actual 2001-02	Actual 2002-03	Main Estimates	Total Planned Spending	Total Authorities <sup>1</sup>	Actual Spending <sup>2</sup>
• Contribution to the Montreal Airports Authority for costs associated with the change in name to the Pierre-Elliott-Trudeau International Airport	-	-	-	-	-	50	<b>50</b>
• Port Divestiture Fund	21,574	22,102	-	-	23,992		<b>1,697</b>
• Moving On Sustainable Transportation	561	95	700	700	515		<b>490</b>
• Transition assistance program re: elimination of the Atlantic region freight subsidies:							
○ Nova Scotia	661	868	-	-	-	-	-
○ Quebec	90	-	-	-	-	-	-
○ Prince Edward Island	-	72	-	-	-	-	-
• Contribution to the City of North Bay towards the costs associated with the expansion or replacement of the North Bay air terminal	2,697	-	-	-	-	-	-
• Provision of a financial contribution to the Hudson Bay Port Company, in consideration of the transfer of the Port of Churchill	19	-	-	-	-	-	-
• Special capital contributions:							
○ Thompson Airport	21	300	2,093	2,093	300		<b>69</b>
○ Stephenville Airport	37	-	-	-	-	-	-
○ Kapuskasing Airport	110	148	-	-	-	-	-
• Strategic Highway Infrastructure Program:							
○ Highway component	1,998	25,802	185,158	185,158	155,008		<b>57,011</b>
○ Border Crossing Transportation Initiative	-	7,667	14,200	14,200	14,200		<b>7,548</b>

*(Continued on next page)*

**Transfer Payments** *(continued)*

**Table 2**      **Details of Transfer Payments by Program/Business Line**

CONTRIBUTIONS	2003-04						
	Business Line (\$000s)	Actual 2001-02	Actual 2002-03	Main Estimates	Total Planned Spending	Total Authorities <sup>1</sup>	Actual Spending <sup>2</sup>
• Action Plan 2000 for climate change:							
○ Urban showcase	-	-	12,950	12,950	12,916	<b>385</b>	
○ Freight initiatives	-	40	1,500	1,500	260	<b>221</b>	
<b>Total Programs and Divestiture Contributions</b>	<b>194,168</b>	<b>212,388</b>	<b>362,972</b>	<b>362,972</b>	<b>359,843</b>	<b>212,104</b>	
<b>Safety and Security</b>							
• National Safety Code:							
○ Newfoundland and Labrador	241	241	181	181	241	<b>241</b>	
○ Prince Edward Island	202	202	151	151	202	<b>202</b>	
○ Nova Scotia	413	413	310	310	414	<b>414</b>	
○ New Brunswick	296	296	222	222	296	<b>296</b>	
○ Quebec	986	986	739	739	986	<b>986</b>	
○ Ontario	1,488	1,488	1,116	1,116	1,488	<b>1,488</b>	
○ Manitoba	-	733	275	275	367	<b>367</b>	
○ Saskatchewan	386	386	290	290	386	<b>386</b>	
○ Alberta	680	680	510	510	680	<b>680</b>	
○ British Columbia	515	516	387	387	515	<b>515</b>	
○ Northwest Territories	175	175	131	131	175	<b>175</b>	
○ Yukon Territory	175	175	131	131	175	<b>175</b>	
• Payments in support of crossing improvements approved under the <i>Railway Safety Act</i>	7,495	7,495	7,495	7,495	7,440	<b>7,440</b>	
• Contributions to the Railway Association of Canada for Operation Lifesaver	200	200	200	200	200	<b>200</b>	
• Payments to other governments or international agencies for the operation and maintenance of airports, air navigation and airways facilities	-	-	385	385	-	-	

*(Continued on next page)*

**Transfer Payments** *(continued)*

**Table 2**      **Details of Transfer Payments by Program/Business Line**

<b>CONTRIBUTIONS</b>	<b>2003-04</b>					
	<b>Business Line (\$000s)</b>	<b>Actual 2001-02</b>	<b>Actual 2002-03</b>	<b>Main Estimates</b>	<b>Total Planned Spending</b>	<b>Total Authorities<sup>1</sup></b>
• Contribution to airlines for security enhancements to aeroplane cockpits	-	25,368	6,000	6,000	6,000	3,452
• Contribution to the Ottawa Macdonald-Cartier International Airport for security modifications	-	-	-	-	103	103
• Contribution to the Canadian Business Aircraft Association	126	269	-	-	-	-
• Received from the Department of Fisheries and Oceans for Rescue Safety and Environmental Response as a result of the December 12, 2003 reorganization					192	192
<b>Total Safety and Security Contributions</b>	<b>13,378</b>	<b>39,624</b>	<b>18,523</b>	<b>18,523</b>	<b>19,860</b>	<b>17,312</b>
<b>Departmental Administration</b>						
• Contribution to Society for 100th Anniversary of Flight	-	100	-	-	-	-
<b>Total Departmental Administration Contributions</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL CONTRIBUTIONS</b>	<b>243,269</b>	<b>293,173</b>	<b>431,261</b>	<b>431,261</b>	<b>521,943</b>	<b>332,439</b>
<b>Total Transfer Payments</b>	<b>394,410</b>	<b>316,649</b>	<b>455,248</b>	<b>455,248</b>	<b>547,072</b>	<b>357,516</b>

Due to rounding, columns may not add to totals shown.

1. The Total Authorities column includes the authorities received or transferred as a result of December 12, 2003 reorganization.
2. The Actual Spending column includes the actual amounts received or transferred as a result of December 12, 2003 reorganization.

## 5.9 Loans, Investments and Advances by Business Line

Business Line (\$000s)	2003-04					
	Balance Actual 2001-02	Balance Actual 2002-03	Main Estimates	Balance Planned Spending	Total Authorities	Balance Actual
<b>Programs and Divestiture</b>						
• Loan to Saint John Harbour Bridge Authority	25,024	24,152	-	23,152	-	<b>23,481</b>
• Loan in Canadian Airport Authorities	-	19,221	-	18,595	-	<b>18,595</b>
• Loans assumed from the former St. Lawrence Seaway Authority	716	692	-	686	-	<b>179</b>
<b>Total Programs and Divestiture - Loans</b>	<b>25,740</b>	<b>44,065</b>	<b>-</b>	<b>42,433</b>	<b>-</b>	<b>42,255</b>
<b>Policy</b>						
• Investment in to Ridley Terminals Inc.	90,000	90,000	-	90,000	-	<b>90,000</b>
<b>Departmental administration</b>						
• Investment in Royal Canadian Mint <sup>1</sup>	-	40,000	-	-	-	-
<b>TOTAL LOANS, INVESTMENTS AND ADVANCES</b>	<b>115,740</b>	<b>174,065</b>	<b>-</b>	<b>132,433</b>	<b>-</b>	<b>132,255</b>

Due to rounding, columns may not add to totals shown.

1. With the transfer of the Royal Canadian Mint from the Minister of Transport to the Minister of National Revenue, the investment in the Royal Canadian Mint is now presented in the Canada Revenue Agency's 2003-04 DPR.

## 5.10 Contingent Liabilities

Type of Contingent Liabilities (\$000s)	As at		
	March 31, 2002	March 31, 2003	March 31, 2004
Bond and loan guarantees	64,147	63,000	-
Litigations <sup>1</sup>	8,340	7,855	33,404
<b>TOTAL CONTINGENT LIABILITIES</b>	<b>72,487</b>	<b>70,855</b>	<b>33,404</b>

Due to rounding, columns may not add to totals shown.

1. The 2002-03 DPR presented two types of litigations: Injury or loss of life and breach of contract. As result of an internal financial management review, they are now combined under Litigations and presented as one line item.

## 5.11 Major Regulatory Initiatives

Purpose of Regulatory Initiative	Expected Results	Performance Measurement Criteria	Results Achieved
<b>Review of the Computer Reservation Systems (CRS) Regulations</b> , intended to move to a more deregulated system consistent with rapidly changing market conditions, advancements in technology and developments in other jurisdictions.	Amendments to the 1995 CRS Regulations to reflect new market realities.	Publication of proposed amendments to the CRS Regulations in fall 2003.  Stakeholders consulted and generally in agreement with proposed amendments.  Final amendments reflecting consultations by spring 2004.	Proposed amendments to the CRS Regulations were published in the <i>Canada Gazette</i> Part I in October 2003.  Extensive consultations completed with key stakeholders, other Government departments and officials in other jurisdictions.  Publication of final regulations in Part II of <i>Canada Gazette</i> in May 2004.
<b>Amend the <i>Aeronautics Act</i></b> to address fatigue management, liability insurance, aviation companies' management systems, analysis and reporting of safety data, and new compliance and enforcement tools.	Modernized legislative requirements to respond to industry needs.	Successful passing of the <i>Aeronautics Act</i> Bill by Parliament, which will result in enhanced aviation safety.	Parliament prorogued before the amendment bill was passed. The goal is to introduce the amendment bill in 2004-05.
<b>Reform all regulations, standards and documents under the <i>Canada Shipping Act, 2001</i></b> (CSA 2001).	<u>Phase 1</u> : More than 100 existing regulations will be reformed into approximately 30 regulations by late 2006.  <u>Phase 2</u> : Approximately 35 regulations will be reformed into approximately 11 regulations.	New and amended regulations are approved for final publication in Part II of the <i>Canada Gazette</i> . Resulting regulations are modernized, streamlined and harmonized, and in accordance with the new CSA 2001.	Phase 1 of the CSA 2001 Regulatory Reform Project was in progress throughout the entire 2003-04 reporting period. Anticipated completion of Phase 1 is late 2006.
<b>Amend the Canadian Aviation Security Regulations</b> to expand program for screening of non-passengers.	To restrict access to restricted areas to holders of current passes, or persons subject to screening.	The prevention of non-eligible persons from gaining access to restricted areas.	Increased control of access to restricted areas.

## 5.12 Horizontal Initiatives

<b>Name of Initiative:</b> MARINE SECURITY		<b>Name of lead Department(s):</b> TRANSPORT CANADA	
<b>Start Date:</b> 2001	<b>End Date:</b> Ongoing		<b>Total Federal Funding Allocation:</b> \$172.5 million
<p><b>Description of Initiative:</b></p> <p>The Marine Security Initiative is a major initiative to improve security at Canadian ports, in waterways, and in territorial waters. Elements of the initiative include:</p> <ul style="list-style-type: none"> <li>• Increased surveillance and tracking of marine traffic,</li> <li>• Improved co-ordination and consultations on marine security,</li> <li>• Clearance programs for marine sector employees,</li> <li>• Additional requirements of visas for foreign seafarers joining ships in Canada,</li> <li>• Implementing new detection equipment in Canadian ports to monitor containers,</li> <li>• Additional resources from the RCMP for emergency response and supporting marine security,</li> <li>• Marine Security initiatives will ensure that Canada will meet current international standards and obligations, including those being developed by the International Maritime Organization.</li> </ul> <p>These measures will also ensure that Canada remains competitive with our international trading partners, by meeting their expectations for maritime security.</p>			
<p><b>Shared Outcome(s):</b></p> <p>The following are planned shared outcomes and activities in marine security.</p> <p><u>Key activities include:</u></p> <ul style="list-style-type: none"> <li>• Domain Awareness – increased surveillance and tracking of marine traffic</li> <li>• Responsiveness – Additional resources for emergency response and supporting marine security.</li> <li>• Safeguarding – Includes clearance programs for marine sector employees working in restricted areas, visas for foreign seafarers joining ships in Canada and new detection equipment in Canadian ports to monitor containers.</li> <li>• Collaboration – Improved coordination and consultation on marine security</li> </ul> <p><u>Ultimate Outcome:</u> To improve maritime security at Canadian ports, waterways and territorial waters.</p>			

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**Horizontal Initiatives** *(continued)*

<b>Name of Initiative:</b> MARINE SECURITY	<b>Name of lead Department(s):</b> TRANSPORT CANADA
<p><b>Governance Structure:</b>                      The Government of Canada created the Interdepartmental Marine Security Working Group, chaired by Transport Canada, to identify and coordinate federal government actions in support of Canada’s objectives concerning public security and anti-terrorism in the maritime realm, as well as its international marine security obligations. Under the guidance of the working group, each partnering Department is responsible for the following, as announced in January 2003.</p> <p><b>Transport Canada:</b>                      Leads the government’s initiatives in marine security enhancements. Chairs the Interdepartmental Marine Security Working Group. Regulatory development in support of new International Maritime Organization requirements; Marine Security Oversight and Enforcement (Phase I); and Marine Facilities Restricted Area Access Clearance Program (to be carried out with RCMP and Canadian Security Intelligence Service support).</p> <p><b>Department of Fisheries and Oceans (DFO)/Canadian Coast Guard:</b>                      Contributor to the enhancement of the level of domain awareness within the Canadian exclusive economic zone through increased surveillance activities and the implementation of shore based Automatic Identification System infrastructure and the development of a long range vessel tracking capability. As well, during the reporting period, DFO increased its level of on-water capability for response to marine security incidents. The continuation of LORAN-C, a long-range radio navigation position fixing system, supported collaboration initiatives with the U.S.</p> <p><b>Citizenship and Immigration:</b>                      Imposition of visas for seafarers joining ship in Canada (to be carried out with Canadian Security Intelligence Service support); Enhanced Passenger and Crew Screening.</p> <p><b>Public Safety and Emergency Preparedness Canada:</b>                      Counter-Terrorism Training Exercises.</p> <p><b>Canada Border Services Agency:</b>                      Installation of radiation detection equipment at key ports.</p> <p><b>Royal Canadian Mounted Police:</b>                      National Ports Project; Emergency Response Team training.</p> <p><b>Department of National Defence:</b>                      Contributes to improved collaboration and coordination through a Maritime Information Management and Data Exchange and enhanced domain awareness employing High Frequency Surface Wave Radar network for the surveillance of strategic high traffic coastal areas.</p>	

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**Horizontal Initiatives** *(continued)*

<b>Name of Initiative: MARINE SECURITY</b>						
<b>Federal Partners</b>	<b>Name of Programs</b>	<b>Total Allocation (\$000s)</b>	<b>Forecast 2003-04 Spending (\$000s)</b>	<b>Actual 2003-04 Spending (\$000s)</b>	<b>2003-04 Planned Results</b>	<b>2003-04 Achieved Results</b>
1. Transport Canada	a) Marine Security Coordination Fund	03-04 to 07-08: \$16,200  Ongoing: \$2,000	\$5,100	\$950	The allocation of resources in support of one-time or limited-period projects by departments or agencies that will contribute to the improvement of the coordination of marine security efforts across federal government departments and agencies and with other jurisdictions involved in marine security.	Maritime Information Management and Data Exchange – development of concept of operations in support of definition study in 2004-05.
	b) International Maritime Organization Regulatory Development	\$3,200	\$1,100	\$1,060	Principal outcomes (first 18 months): Implementation of Canada's international commitments, namely amendments to the Safety of Life at Sea Convention and the International Code of Ship and Port Facility Security by July 2004 resulting in a much enhanced marine security posture.	Not available (N/A).
	c) Marine Security Oversight and Enforcement Program	03-04: \$1,000  04-05 to 07-08: \$13,500  Ongoing: \$3,000	\$1,000	\$678	Improve security onboard ships and at marine facilities by establishing minimum security standards.	N/A

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**Horizontal Initiatives** *(continued)*

<b>Name of Initiative: MARINE SECURITY</b>						
<b>Federal Partners</b>	<b>Name of Programs</b>	<b>Total Allocation (\$000s)</b>	<b>Forecast 2003-04 Spending (\$000s)</b>	<b>Actual 2003-04 Spending (\$000s)</b>	<b>2003-04 Planned Results</b>	<b>2003-04 Achieved Results</b>
	d) Marine Facilities Restricted Area Access Clearance Program	03-04 to 07-08: \$11,800  Ongoing: \$2,000	\$3,600	\$1,323	Implementation of the infrastructure required to process the Marine Facilities Restricted Area Access Clearances will be completed by fall 2004.  Transportation Security Clearances will be processed at a rate of 10,000 clearances per annum.	N/A
2. Department of Fisheries and Canadian Coast Guard	a) Automatic Identification System and Long Range Vessel Identification and Tracking	03-04: \$1,500 04-05: \$4,500 05-06: \$11,500 06-07: \$8,500 07-08 & ongoing: \$1,500	\$1,500	\$1,500	Funding received through preliminary project approval in 2003-04 to develop effective project approval document and continuation of test bed projects.	Effective project approval granted by Treasury Board. Test bed projects completed.
	b) Air Surveillance Flights (DFO)	03-04 & ongoing: \$2,000	\$2,000	\$2,000	<ul style="list-style-type: none"> <li>• Increase in patrol hours.</li> <li>• Support information exchange between government departments.</li> <li>• Enhance interoperability.</li> </ul>	<ul style="list-style-type: none"> <li>• Patrol hours increased by approximately 40%.</li> <li>• DND provided with enhanced information.</li> </ul>

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**Horizontal Initiatives** *(continued)*

<b>Name of Initiative: MARINE SECURITY</b>						
<b>Federal Partners</b>	<b>Name of Programs</b>	<b>Total Allocation (\$000s)</b>	<b>Forecast 2003-04 Spending (\$000s)</b>	<b>Actual 2003-04 Spending (\$000s)</b>	<b>2003-04 Planned Results</b>	<b>2003-04 Achieved Results</b>
3. Citizenship and Immigration Canada & the Canadian Security Intelligence Service	a) Passenger and Crew Screening	\$3,600	\$3,600	\$2,800	<ul style="list-style-type: none"> <li>• Design and implement marine security training.</li> <li>• Assign Marine Security Officers in various regions including B.C., Atlantic, Newfoundland and Quebec, a total of 21 full time officers.</li> <li>• Develop policy and procedures manual for officers.</li> <li>• Research and obtain specialized equipment for Marine Security Officers including floater vests, no-spark flashlights, footwear, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• 21 full time officers hired in Atlantic, B.C., and Quebec.</li> <li>• Marine security training course developed and delivered to new officers.</li> <li>• Officers equipped with specialized equipment for marine security.</li> <li>• Policy and procedures manual developed for officers.</li> </ul>
	b) Visas for seafarers joining ships in Canada	\$500	\$700	\$500	<ul style="list-style-type: none"> <li>• Significant reduction in the number of seafarers attempting to illegally enter Canada.</li> <li>• Reduction of 90% of the 51 persons posing as crewmen arriving in Canadian airports annually.</li> <li>• Reduction of 90% in the 85 persons intercepted while attempting to travel to Canada under fraudulent documents.</li> </ul>	<p>Removal of visa exemption into force June 11, 2003.</p> <p>No data captured.</p>

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**Horizontal Initiatives** *(continued)*

<b>Name of Initiative: MARINE SECURITY</b>						
<b>Federal Partners</b>	<b>Name of Programs</b>	<b>Total Allocation (\$000s)</b>	<b>Forecast 2003-04 Spending (\$000s)</b>	<b>Actual 2003-04 Spending (\$000s)</b>	<b>2003-04 Planned Results</b>	<b>2003-04 Achieved Results</b>
4. Public Safety and Emergency Preparedness Canada	Counter-Terrorism Training exercises	\$174	\$174	\$40  A number of factors in FY 2003-04 affected the work schedule and planned spending for this initiative. Chief among these was the completion in April/May of the Canada-US exercise TOPOFF 2 which was a national priority; the completion of a counter-terrorism marine incident protocol, a necessary prerequisite before work on the marine exercise could begin, as it sets out roles and responsibilities; and creation of the new Department of Public Safety and Emergency Preparedness. Creation of this new Department also forced renewed work on the marine incident protocol as it established a new command and control structure for the Government of Canada.	<ul style="list-style-type: none"> <li>• Create awareness of federal counter-terrorism responsibility resources and arrangement amongst first responders, other levels of government and international partners.</li> <li>• Promote best practices in counter-terrorism response.</li> <li>• Identify vulnerabilities and areas of improvement and ensure that national counter- terrorism arrangements are consistent with the evolving threat environment.</li> <li>• Build stronger linkages between all organizations in Canada that have counter-terrorism responsibilities.</li> <li>• Reassure international partners as to Canada's capacity to respond effectively to marine-based incidents.</li> </ul>	Established work schedule, planning milestones, and strategic scope and goals for this, the first two maritime exercises.

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**Horizontal Initiatives** *(continued)*

<b>Name of Initiative: MARINE SECURITY</b>						
<b>Federal Partners</b>	<b>Name of Programs</b>	<b>Total Allocation (\$000s)</b>	<b>Forecast 2003-04 Spending (\$000s)</b>	<b>Actual 2003-04 Spending (\$000s)</b>	<b>2003-04 Planned Results</b>	<b>2003-04 Achieved Results</b>
5. Canada Border Services Agency	Radiation Detection Equipment	\$9,500	\$5,300	\$500  4 carborne systems	Implementation of radiation detection technology at marine ports of Vancouver, Montreal, Halifax and Saint John to screen 100% of marine containers entering Canada.	One carborne radiation detection system implemented at each port; procurement process begun for portal radiation detection systems.
6. Department of National Defence	High Frequency Surface Wave Radar (HFSWR) at four-five sites	N/A	N/A	N/A	Establish a network of four to five High Frequency Surface Wave Radar (HFSWR) sites (which will be integrated with the two existing HFSWR sites).	Project established.
7. Royal Canadian Mounted Police	Emergency Response Team Training	\$2,600	\$600	\$600	<ul style="list-style-type: none"> <li>• New funding for Emergency Response Team Armed Ship Boarding.</li> <li>• Assessment of training needs.</li> <li>• Development of Course Training Standards and National Guidelines.</li> <li>• Training of instructors.</li> <li>• Deliver training by fiscal year 2004-05.</li> </ul>	N/A
<b>TOTAL</b>		N/A	N/A	N/A		

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## Horizontal Initiatives *(continued)*

<b>Name of Initiative:</b> MARINE SECURITY
<b>Comments on Variances:</b>  Considerable progress has been noted on most of the projects approved under the Marine Security Coordination Fund. However, few projects require further developmental work, as their impacts on departmental operations are far more complex than initially anticipated. Further assessment and analytical work is currently being carried out by departments to ensure that all issues (i.e.; technological and legal) are being dealt with diligently to ensure a quick and smooth implementation.
<b>Results Achieved by Non-Federal Partners:</b>  N/A
<b>Contact:</b>  Gerry Frappier, Director General, Marine Security, Transport Canada

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**Horizontal Initiatives** *(continued)*

<b>Name of Initiative:</b> ROAD SAFETY VISION 2010		<b>Name of lead Department(s):</b> TRANSPORT CANADA
<b>Start Date:</b> 2000	<b>End Date:</b> 2010	<b>Total Federal Funding Allocation:</b> \$21.2 million
<p><b>Description of Initiative:</b></p> <p>Road Safety Vision 2010 is the national road safety plan that aims to make Canada’s roads the safest in the world by 2010. All ministers responsible for transportation and highway safety endorsed the plan in the fall of 2000.</p> <p>The principal difference between Road Safety Vision 2010 and its predecessor (Road Safety Vision 2001) is the inclusion of a quantitative national target (30 % decreases in fatalities and serious injuries by 2010) and several sub-targets that address the key road safety issues (e.g., seat belt and proper child restraint use, drinking and driving, rural road safety and commercial vehicle safety). To achieve our national target, traffic fatalities and serious injuries must decrease by 900 and 5,500, respectively, by 2010. In 2002, Canada’s fatality rate was eighth-lowest among Organisation for Economic Co-operation and Development member countries.</p> <p>More detailed information on Canada’s efforts to have the world’s safest roads can be found at <a href="http://www.tc.gc.ca/roadsafety/vision/menu.htm">www.tc.gc.ca/roadsafety/vision/menu.htm</a></p>		
<p><b>Shared Outcome(s):</b></p> <p>All partnering efforts support one or more of the four strategic objectives of Road Safety Vision 2010 — raising awareness of road safety issues; improving communication, cooperation and collaboration among road safety agencies; enhancing enforcement measures; and improving national road safety data quality and collection — and will result in safer road travel for all Canadians.</p>		
<p><b>Governance Structure:</b></p> <p>A framework for accountability, which involves task forces comprised of stakeholders from the federal, provincial/territorial governments as well as key public and private sector agencies, has been established to develop and implement initiatives to meet the target objectives. Each year, the Council of Deputy Ministers is provided with a report that summarises activities carried out and progress made towards achievement of the targets of the Vision.</p>		

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**Horizontal Initiatives** (continued)

<b>Name of Initiative:</b> ROAD SAFETY VISION 2010						
<b>Federal Partners</b>	<b>Name of Programs</b>	<b>Total Allocation (\$000s)</b>	<b>Forecast 2003-04 Spending (\$000s)</b>	<b>Actual 2003-04 Spending (\$000s)</b>	<b>2003-04 Planned Results</b>	<b>2003-04 Achieved Results</b>
1. Transport Canada	Road Safety Vision 2010 Program	\$21,235	TC forecasted spending pertains to the overall Road Safety Vision 2010 programs - \$21,235.	TC actual spending pertains to the overall Road Safety Vision 2010 programs - \$21,235	The national target calls for a 30% decrease in the average number of road users killed or seriously injured during the 2008-2010 period compared with 1996-2001 average figures.	2003-04 Data not yet available.
2. Royal Canadian Mounted Police	Data not available.					
3. Health Canada						
Total		N/A	N/A	N/A		
<b>Comments on Variances:</b> N/A						
<b>Results Achieved by Non-Federal Partners:</b> N/A						
<b>Contact:</b> Paul Gutoskie, Manager, Road Safety Vision, Transport Canada						



## 5.13 Procurement and Contracting

### **Role played by procurement and contracting in delivering programs:**

Procurement and contracting are critical in supporting Transport Canada's programs. Procurement allows the Department to complement existing expertise with specialized knowledge and services in support of its mandate.

### **Overview of the contracting management processes and strategy within the Department:**

Transport Canada operates in a decentralized environment with procurement specialists located at both headquarters and regional offices. In addition, Transport Canada delegates varying levels of procurement authority to managers and to designated departmental contracting specialists. The low dollar value procurement authority delegated to managers enables them to meet immediate operational requirements. Procurement specialists who have a high degree of expertise and experience with more complex requirements handle all other procurement requirements.

Transport Canada's delegation framework is aimed at facilitating procurement in the Department.

A departmental contract review committee reviews for compliance to Treasury Board Secretariat policies, guidelines and directives, and approves all proposed non-competitive contracts above \$25,000.

On average, Transport Canada awards 7,000 contracts with an approximate value of \$35.5 million per year. These numbers do not include call-ups under Public Works and Government Services Canada (PWGSC) standing offers or contracts awarded by PWGSC on Transport Canada's behalf.

### **Progress and new initiatives enabling effective and efficient procurement practices:**

The Department maintains an Intranet site for managers and staff which contains bulletins on a variety of procurement subjects, a materiel and contracting guide specific for the use of managers, and information documents specific for the use of contracting specialists. Several courses on contracting have also been developed and are being delivered to managers and staff on a regular basis.

## 5.14 External Charging Information

To be consistent with previous external charging reports, this table was prepared using the *2002-03 Departmental Performance Report* instructions and the Treasury Board Secretariat's External Charging Policy as guides. We understand that the External Charging Policy is under review as a result of the new *User Fee Act* that came into force on March 31, 2004. However, at the time of preparation there was no government-wide interpretation of how to apply the new Act. Transport Canada has **shaded** those external charges that we believe may be "user fees" as defined in the *User Fee Act*. Please note that the **unshaded** items are exceptions to the External Charging Policy and, in our opinion at this time, are not "user fees" as defined in the *User Fee Act*.

Revenue/Fee Activity	Revenue/Fee Type	Revenue/Fee Setting Authority	2003-04 Forecast Revenue <sup>1</sup> (\$000s)	2003-04 Actual Revenue (\$000s)	Est. Full Cost <sup>2</sup> (\$000s)	Service Standard	Performance Results	Consultations & Analysis	Dispute Management
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### PROGRAMS AND DIVESTITURE

Airports — Concessions	Lease and Use of Public Property	<i>Federal Real Property and Federal Immovables Act</i> <a href="http://laws.justice.gc.ca/en/F-8.4/index.html">laws.justice.gc.ca/en/F-8.4/index.html</a>	Not available (N/A)	855	N/A	N/A	N/A	Concession contracts are tendered.	N/A
Airports — Sales	Sales of goods and information products	<i>Financial Administration Act</i> <a href="http://laws.justice.gc.ca/en/F-11/index.html">laws.justice.gc.ca/en/F-11/index.html</a>	N/A	112	N/A	N/A	N/A	N/A	N/A

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**External Charging Information** (continued)

Revenue/Fee Activity	Revenue/Fee Type	Revenue/Fee Setting Authority	2003-04 Forecast Revenue <sup>1</sup> (\$000s)	2003-04 Actual Revenue (\$000s)	Est. Full Cost <sup>2</sup> (\$000s)	Service Standard	Performance Results	Consultations & Analysis	Dispute Management
Airports — Rentals	Lease and use of Public property	<i>Federal Real Property and Federal Immovables Act</i> <a href="http://laws.justice.gc.ca/en/F-8.4/index.html">laws.justice.gc.ca/en/F-8.4/index.html</a>	N/A	5,282	N/A	N/A	N/A	Land leases are negotiated pursuant to the Real Property policy. Space leases are similarly established within terminal buildings.	N/A
Airports — General Terminal Fees, Landing Fees, Aircraft Parking Charges ASCR fees located at: <a href="http://www.tc.gc.ca/acts-regulations/General/A/aa/regulations/120/aa129a/aa129a.html">www.tc.gc.ca/acts-regulations/General/A/aa/regulations/120/aa129a/aa129a.html</a>	Services of a non-regulatory nature	Section 4.4 (2) of the <i>Aeronautics Act</i> ( <a href="http://laws.justice.gc.ca/en/A-2/index.html">laws.justice.gc.ca/en/A-2/index.html</a> ), and Section 2 of the Ministerial Regulations Authorization Order – Air Services Charges Regulations	N/A	4,518	20,231  Full Direct Beneficiary Services Costs (FDBSC) <sup>3</sup> : 18,008	N/A	N/A	Industry associations are provided information on proposals to change fees, & are invited to comment. Airport staff discuss site-specific proposals with clients. Proposals & Regulatory Impact Analysis Statements are pre-published in Part 1 the <i>Canada Gazette</i> . Stakeholders are kept informed throughout the process.	N/A

(Continued on next page)

**External Charging Information** (continued)

Revenue/Fee Activity	Revenue/Fee Type	Revenue/Fee Setting Authority	2003-04 Forecast Revenue <sup>1</sup> (\$000s)	2003-04 Actual Revenue (\$000s)	Est. Full Cost <sup>2</sup> (\$000s)	Service Standard	Performance Results	Consultations & Analysis	Dispute Management
Airports — Vehicle Parking Charges Fees located at: <a href="http://www.tc.gc.ca/acts-regulations/GENERAL/A/aa/regulations/130/aa131/aa131.html#COU40H.KE.NORP.84YVFE.2">www.tc.gc.ca/acts-regulations/GENERAL/A/aa/regulations/130/aa131/aa131.html#COU40H.KE.NORP.84YVFE.2</a>	Services of a non-regulatory nature	Section 4.4(2) of the <i>Aeronautics Act</i> ( <a href="http://laws.justice.gc.ca/en/A-2/index.html">laws.justice.gc.ca/en/A-2/index.html</a> ) and Section 2 of the Ministerial Regulations Authorization Order, <i>Airport Vehicle Parking Charges Regulations</i>	N/A	225	1,856	N/A	N/A	Fees and Regulatory Impact Analysis Statements are pre-published in Part I of the <i>Canada Gazette</i> .	N/A
Airports — Airport Authority Payments	Lease and Use of Public Property	<i>Federal Real Property and Federal Immovables Act</i> <a href="http://laws.justice.gc.ca/en/F-8.4/index.html">laws.justice.gc.ca/en/F-8.4/index.html</a>	240,918 FY 04-05: 283,438 FY 05-06: 292,961 FY 06-07: 301,012	213,393	N/A	N/A	N/A	N/A	N/A

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**External Charging Information** (continued)

Revenue/Fee Activity	Revenue/Fee Type	Revenue/Fee Setting Authority	2003-04 Forecast Revenue <sup>1</sup> (\$000s)	2003-04 Actual Revenue (\$000s)	Est. Full Cost <sup>2</sup> (\$000s)	Service Standard	Performance Results	Consultations & Analysis	Dispute Management
Airports — Airport Authority Chattel Payments	Sales of goods and information products	<i>Financial Administration Act</i> <a href="http://laws.justice.gc.ca/en/F-11/index.html">laws.justice.gc.ca/en/F-11/index.html</a>	1,298 FY 04-05: 1,298 FY 05-06: 3,181 FY 06-07: 3,611	1,298	N/A	N/A	N/A	N/A	N/A
Ports — Rental	Lease and Use of Public Property	<i>Federal Real Property and Federal Immovables Act</i> <a href="http://laws.justice.gc.ca/en/F-8.4/index.html">laws.justice.gc.ca/en/F-8.4/index.html</a>	N/A	2,374	N/A	N/A	N/A	Leases are negotiated based upon the PWGSC appraised value of the property pursuant to the Real Property Policy.	N/A

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**External Charging Information** (continued)

Revenue/Fee Activity	Revenue/Fee Type	Revenue/Fee Setting Authority	2003-04 Forecast Revenue <sup>1</sup> (\$000s)	2003-04 Actual Revenue (\$000s)	Est. Full Cost <sup>2</sup> (\$000s)	Service Standard	Performance Results	Consultations & Analysis	Dispute Management
Ports — Public Port Revenues: Utility Charges, Wharfage, Berthage, Storage and Harbour Dues Public Ports Fees at: <a href="http://www.tc.gc.ca/programs/ports/menupublicportfees.htm">www.tc.gc.ca/programs/ports/menupublicportfees.htm</a>	Services of a non-regulatory nature	<i>Canada Marine Act</i> <a href="http://laws.justice.gc.ca/en/C-6.7/index.html">laws.justice.gc.ca/en/C-6.7/index.html</a>	N/A	9,000	FDBSC <sup>3</sup> : 50,800	N/A	N/A	Departmental officials notify users and stakeholders of any public port fee adjustments before any such changes are implemented. Notices to stakeholders can be found at <a href="http://www.tc.gc.ca/programs/ports/consultations.htm">www.tc.gc.ca/programs/ports/consultations.htm</a>	N/A
Ports — Leases/Licenses	Services of a regulatory nature	<i>Canada Marine Act</i> (Section 71(1)) <a href="http://www.tc.gc.ca/acts-regulations/GENERAL/C/cma/act/cma-a.html#PART%202">www.tc.gc.ca/acts-regulations/GENERAL/C/cma/act/cma-a.html#PART%202</a>	N/A	63	N/A	N/A	N/A	N/A	N/A

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**External Charging Information** (continued)

Revenue/Fee Activity	Revenue/ Fee Type	Revenue/Fee Setting Authority	2003-04 Forecast Revenue <sup>1</sup> (\$000s)	2003-04 Actual Revenue (\$000s)	Est. Full Cost <sup>2</sup> (\$000s)	Service Standard	Performance Results	Consultations & Analysis	Dispute Management
<b>SAFETY AND SECURITY</b>									
Aviation Safety — Sales	Sales of goods and information products	<i>Financial Administration Act</i> <a href="http://laws.justice.gc.ca/en/F-11/index.html">laws.justice.gc.ca/en/F-11/index.html</a>	242	242	N/A	Civil Aviation Directive #35 at : ( <a href="http://www.tc.gc.ca/CivilAviation/directives/dir35.htm">www.tc.gc.ca/CivilAviation/directives/dir35.htm</a> )	N/A	Through website: <a href="http://www.tc.gc.ca/CivilAviation/publications/publications.htm">www.tc.gc.ca/CivilAviation/publications/publications.htm</a>	See website: <a href="http://www.tc.gc.ca/CivilAviation/QualityAssurance/QA/complaints/menu.htm">www.tc.gc.ca/CivilAviation/QualityAssurance/QA/complaints/menu.htm</a>
Aviation Safety — Regulatory Fees	Services of a regulatory nature	<i>Aeronautics Act</i> ( <a href="http://laws.justice.gc.ca/en/A-2/index.html">laws.justice.gc.ca/en/A-2/index.html</a> ), <i>Canadian Aviation Regulations</i> (CARs) CARS fees located at: <a href="http://www.tc.gc.ca/civilaviation/regserv/affairs/cars/menu.htm">www.tc.gc.ca/civilaviation/regserv/affairs/cars/menu.htm</a>	9,736	7,962	265,314 FDBSC <sup>3</sup> : 74,868	Civil Aviation Directive #35 ( <a href="http://www.tc.gc.ca/CivilAviation/directives/dir35.htm">www.tc.gc.ca/CivilAviation/directives/dir35.htm</a> ) Service Standards information at: <a href="http://www.tc.gc.ca/CivilAviation/LevelsOfService.htm">www.tc.gc.ca/CivilAviation/LevelsOfService.htm</a>	N/A	Consultation through the Canadian Aviation Regulation Advisory Council (CARAC). Proposals and & Regulatory Impact Analysis Statements are pre-published in Part I of the <i>Canada Gazette</i> .	See website: <a href="http://www.tc.gc.ca/CivilAviation/QualityAssurance/QA/complaints/menu.htm">www.tc.gc.ca/CivilAviation/QualityAssurance/QA/complaints/menu.htm</a>

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**External Charging Information** (continued)

Revenue/Fee Activity	Revenue/Fee Type	Revenue/Fee Setting Authority	2003-04 Forecast Revenue <sup>1</sup> (\$000s)	2003-04 Actual Revenue (\$000s)	Est. Full Cost <sup>2</sup> (\$000s)	Service Standard	Performance Results	Consultations & Analysis	Dispute Management
Aviation Safety — Training	Sales of goods and information products	Civil Aviation Directive #3 ( <a href="http://www.tc.gc.ca/CivilAviation/directives/dir3.htm">www.tc.gc.ca/CivilAviation/directives/dir3.htm</a> )	809	108	N/A	Civil Aviation Directive #35 ( <a href="http://www.tc.gc.ca/CivilAviation/directives/dir35.htm">www.tc.gc.ca/CivilAviation/directives/dir35.htm</a> )	N/A	Through website: <a href="http://www.tc.gc.ca/civilaviation/training/Courses/menu.htm">www.tc.gc.ca/civilaviation/training/Courses/menu.htm</a>	See website: <a href="http://www.tc.gc.ca/CivilAviation/QualityAssurance/QA/complaints/menu.htm">www.tc.gc.ca/CivilAviation/QualityAssurance/QA/complaints/menu.htm</a>
Aviation Safety — Inspections Cost Recovery	Services of a regulatory nature	<i>Canadian Aviation Regulations</i> , Subsection 104 ( <a href="http://laws.justice.gc.ca/en/A-2/SOR-96-433/1220.html#rid-1236">laws.justice.gc.ca/en/A-2/SOR-96-433/1220.html#rid-1236</a> ), and Civil Aviation Directive #3 ( <a href="http://www.tc.gc.ca/CivilAviation/directives/dir3.htm">www.tc.gc.ca/CivilAviation/directives/dir3.htm</a> )	1,935	1,935	N/A	Civil Aviation Directive #35 ( <a href="http://www.tc.gc.ca/CivilAviation/directives/dir35.htm">www.tc.gc.ca/CivilAviation/directives/dir35.htm</a> )	N/A	<i>Canada Gazette</i> and Website <a href="http://www.tc.gc.ca/CivilAviation/directives/dir3.htm">www.tc.gc.ca/CivilAviation/directives/dir3.htm</a>	See website: <a href="http://www.tc.gc.ca/CivilAviation/QualityAssurance/QA/complaints/menu.htm">www.tc.gc.ca/CivilAviation/QualityAssurance/QA/complaints/menu.htm</a>
Aircraft Services — Flight Training Services	Services of a non-regulatory nature	Ministerial contracting authority	N/A	2,029	N/A	Service described in the contract	N/A	According to Procurement and Materiel Management Contracting Guidelines	N/A

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**External Charging Information** (continued)

Revenue/Fee Activity	Revenue/Fee Type	Revenue/Fee Setting Authority	2003-04 Forecast Revenue <sup>1</sup> (\$000s)	2003-04 Actual Revenue (\$000s)	Est. Full Cost <sup>2</sup> (\$000s)	Service Standard	Performance Results	Consultations & Analysis	Dispute Management
Marine Safety — Fees for inspections, surveys, services, etc.  Date last modified: 1995-96	Services of a regulatory nature	Various regulations under the <i>Canada Shipping Act</i> ( <a href="http://laws.justice.gc.ca/en/S-9/index.html">laws.justice.gc.ca/en/S-9/index.html</a> ) incl. the <i>Board of Steamship Inspection Scale of Fees; Ships Registry and Licensing Fees Tariff; etc.</i> <a href="http://www.tc.gc.ca/acts-regulations/general/c/csa/menu.htm">www.tc.gc.ca/acts-regulations/general/c/csa/menu.htm</a>	7,800 FY 04-05: 7,800 FY 05-06: 7,800 FY 06-07: 7,800	9,393	64,393 FDBSC <sup>3</sup> : 42,464 FY 04-05: 64,393 FY 05-06: 64,393 FY 06-07: 64,393	N/A	N/A	Consultations through the Canadian Marine Advisory Council. Proposals Regulatory Impact Analysis Statements are pre-published in Part I of the <i>Canada Gazette</i> . Follow-up with stakeholders throughout the process as necessary.	Information at <a href="http://www.tc.gc.ca/acts-regulations/general/c/csa/act-parts/part-vi.html#COU40H.KENORP.HBNXNE.8V">www.tc.gc.ca/acts-regulations/general/c/csa/act-parts/part-vi.html#COU40H.KENORP.HBNXNE.8V</a>
Marine Safety — Inspections Cost Recovery	Services of a regulatory nature	<i>Canada Shipping Act</i> <a href="http://laws.justice.gc.ca/en/S-9/index.html">laws.justice.gc.ca/en/S-9/index.html</a>	N/A	17	N/A	N/A	N/A	N/A	N/A
Road Safety — Research and Development	Services of a non-regulatory nature	Research Agreements	N/A	384	N/A	N/A	N/A	N/A	N/A

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**External Charging Information** (continued)

Revenue/Fee Activity	Revenue/Fee Type	Revenue/Fee Setting Authority	2003-04 Forecast Revenue <sup>1</sup> (\$000s)	2003-04 Actual Revenue (\$000s)	Est. Full Cost <sup>2</sup> (\$000s)	Service Standard	Performance Results	Consultations & Analysis	Dispute Management
Registrar Imported Vehicles Program	Services of a non-regulatory nature	Service Contract	N/A	1,526	N/A	N/A	N/A	N/A	N/A
Motor Vehicle Test Centre	Use of Public Property	Service Contract	N/A	195	N/A	N/A	N/A	N/A	N/A
Rail Safety — Inspection Fees	Services of a regulatory nature	Agreements	N/A	208	N/A	N/A	N/A	N/A	N/A
Research and Development	Services of a non-regulatory nature	User charges made under use of contracts	N/A	997	N/A	N/A	N/A	N/A	N/A

**POLICY**

Rentals	Lease and Use of Public Property	<i>Federal Real Property and Federal Immovables Act</i> <a href="http://laws.justice.gc.ca/en/F-8.4/index.html">laws.justice.gc.ca/en/F-8.4/index.html</a>	N/A	123	N/A	N/A	N/A	N/A	N/A
Air Services Forecasts	Services of a non-regulatory nature	Agreements	N/A	225	N/A	N/A	N/A	N/A	N/A

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**External Charging Information** *(continued)*

Revenue/Fee Activity	Revenue/Fee Type	Revenue/Fee Setting Authority	2003-04 Forecast Revenue <sup>1</sup> (\$000s)	2003-04 Actual Revenue (\$000s)	Est. Full Cost <sup>2</sup> (\$000s)	Service Standard	Performance Results	Consultations & Analysis	Dispute Management
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**DEPARTMENTAL ADMINISTRATION**

Rentals	Lease and Use of Public Property	<i>Federal Real Property and Federal Immovables Act</i> <a href="http://laws.justice.gc.ca/en/F-8.4/index.html">laws.justice.gc.ca/en/F-8.4/index.html</a>	N/A	743	N/A	N/A	N/A	N/A	N/A
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1. *The Forecast Revenues identified for the 2004-05, 2005-06 and 2006-07 fiscal years were approved at the time of the 2004-05 Annual Reference Level Update.*
2. *Costs are estimates and are based on accruals.*
3. *The Full Direct Beneficiary Services Costs is presented to be consistent with method used in the past for the establishment of fees. In this case, the costs are divided between those properly attributable to users (Direct Beneficiary Services) and those to be borne by the taxpayer (Indirect Beneficiary Services). For instance, non-attributable costs may include the cost of establishing and enforcing standards of safety and security, costs of monitoring compliance to safety standards, etc.*

## 5.15 Evaluations and Reviews

### Audits completed in 2003-04:

- Audit of Airports Contribution Programs
- Audit of Operating and Contribution Agreements - Annapolis Royal and Walton Government Wharfs
- Audit of Operating and Contribution Agreements - Hantsport, Iona and Pictou Pier "B" Government Wharfs
- Recipient Audits of Divested Ports
- Audit of Non-VIA Passenger Rail Services
- Audit, Operation Lifesaver Canada
- Audit of Service Contracting
- Various Audits of Ports in the Pacific Region
- ACAP-Regional Audits

The audit reports are available at: [www.tc.gc.ca/corporate-services/audit/menu.htm](http://www.tc.gc.ca/corporate-services/audit/menu.htm)

### Evaluations completed in 2003-04:

- Evaluation of Contributions for Non-VIA Remote Rail Passenger Services
- Evaluation of International Cooperation Program
- Evaluation of Subsidized Ferry Services in Atlantic Canada
- Evaluation of Transport Canada's Contribution Program in Support of the National Safety Code for Motor Carriers
- Evaluation of Operation Lifesaver - Contribution to the Railway Association of Canada
- Evaluation of Port Divestiture Fund
- Evaluation of the Awards and Recognition Program
- Evaluation of Post-secondary Recruitment at TC: A Survey of Hiring Managers
- Evaluation of the Intelligent Transportation Systems (ITS) Deployment and Integration Program
- Evaluation of the Non-NAS Airport Divestiture Program
- Evaluation of the Airports Capital Assistance Program

## Our Offices

### TRANSPORT CANADA HEADQUARTERS

**Web site:**

[www.tc.gc.ca](http://www.tc.gc.ca)

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**Library and Research Services Centre :**

Telephone: (613) 998-5128

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Moncton, New Brunswick  
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**Quebec Region**

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H4Y 1G7  
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**Ontario Region**

4900 Yonge Street  
Toronto, Ontario  
M2N 6A5  
Telephone: (416) 952-2170

**Prairies and Northern Region**

344 Edmonton Street  
Winnipeg, Manitoba  
R3C 0P6  
Telephone: (204) 984-8105

**Pacific Region**

620-800 Burrard Street  
Vancouver, British Columbia  
V6Z 2J8  
Telephone: (604) 666-3518

## Key Links For More Information

Access to Travel: [www.accesstotravel.gc.ca](http://www.accesstotravel.gc.ca)

Acts for which the Minister of Transport is responsible and/or for which he shares responsibility: [www.tc.gc.ca/acts-regulations/listofacts/menu.htm](http://www.tc.gc.ca/acts-regulations/listofacts/menu.htm)

Airports Capital Assistance Program (ACAP): : [www.tc.gc.ca/corporate-services/audit/2003/1577-03-001/menu.htm](http://www.tc.gc.ca/corporate-services/audit/2003/1577-03-001/menu.htm)

Aviation Security: [www.tc.gc.ca/CivilAviation/menu.htm](http://www.tc.gc.ca/CivilAviation/menu.htm)

Border Infrastructure Fund (BIF) and Canada Strategic Infrastructure Fund (CSIF): [www.infrastructure.gc.ca/bif/index\\_e.shtml?menu32](http://www.infrastructure.gc.ca/bif/index_e.shtml?menu32) and [www.infrastructure.gc.ca/csif/index\\_e.shtml?menu33](http://www.infrastructure.gc.ca/csif/index_e.shtml?menu33)

Canadian National Committee for the World Road Association (CNC-PIARC): [www.cnc-piarc-aipcr.ca/En/Piarc\\_Default.htm](http://www.cnc-piarc-aipcr.ca/En/Piarc_Default.htm)

Civil Aviation: [www.tc.gc.ca/civilaviation](http://www.tc.gc.ca/civilaviation)

Contaminated Sites Management Plan: [www.tc.gc.ca/programs/environment/contaminatedsites/menu.htm](http://www.tc.gc.ca/programs/environment/contaminatedsites/menu.htm)

Diversity – Embracing Change: [www.hrma-agrh.gc.ca/ec-fpac/index\\_e.asp](http://www.hrma-agrh.gc.ca/ec-fpac/index_e.asp)

Emergency Preparedness: [www.tc.gc.ca/vigilance/sep/emergency\\_preparedness/menu.htm](http://www.tc.gc.ca/vigilance/sep/emergency_preparedness/menu.htm)

Intelligent Transportation Systems Plan: [www.its-sti.gc.ca](http://www.its-sti.gc.ca)

Management Review for Transport Canada's 2001-2003 Sustainable Development Strategy: [www.tc.gc.ca/programs/environment/sd/review03/menu.htm](http://www.tc.gc.ca/programs/environment/sd/review03/menu.htm)

Marine Initiatives: [www.tc.gc.ca/pol/en/Marine/menu\\_e.htm](http://www.tc.gc.ca/pol/en/Marine/menu_e.htm)

Marine Safety: [www.tc.gc.ca/marinesafety/menu.htm](http://www.tc.gc.ca/marinesafety/menu.htm)

Marine Security: [www.tc.gc.ca/vigilance/sep/marine\\_security/menu.htm](http://www.tc.gc.ca/vigilance/sep/marine_security/menu.htm)

Motor Carrier Standards: [www.tc.gc.ca/pol/en/truck\\_bus/mcpolicy\\_e.htm](http://www.tc.gc.ca/pol/en/truck_bus/mcpolicy_e.htm)

Official Languages Policy Framework: [www.tbs-sct.gc.ca/pubs\\_pol/hrpubs/OffLang/olpf-cplo\\_e.asp](http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/OffLang/olpf-cplo_e.asp)

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## **Key Links For More Information** *(continued)*

Parliamentary Committee Recommendations and Government's Response:  
[www.parl.gc.ca/InfocomDoc/37/2/TRAN/Studies/Reports/tranrp02-e.htm](http://www.parl.gc.ca/InfocomDoc/37/2/TRAN/Studies/Reports/tranrp02-e.htm)  
and [www.parl.gc.ca/common/committee.asp?Language=E](http://www.parl.gc.ca/common/committee.asp?Language=E)

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