

Office des transports du Canada

# The Canadian Transportation Agency's Marine Mandate







#### INTRODUCTION

The Canadian Transportation Agency (the Agency) was created when Parliament enacted the *Canada Transportation Act* (CTA) in July 1996. The Agency continued the National Transportation Agency. Its mandate is to serve as a quasi-judicial tribunal in the economic regulation of transportation under federal jurisdiction.

While this mandate arises largely from the CTA, the Agency also has responsibilities under the Coasting Trade Act, and responsibilities related to marine complaints and investigations under the Canada Marine Act (CMA), the Pilotage Act and the Shipping Conferences Exemption Act, 1987.

In carrying out its marine mandate, the Agency shares jurisdiction and interacts with Transport Canada, the Bureau of Competition Policy, Fisheries and Oceans, the Canada Customs and Revenue Agency (CCRA), Foreign Affairs and International Trade, and Finance Canada. The Agency also deals with the following sectors of the marine industry: associations representing the interests of Canadian and foreign shipowners; associations representing shippers' interests; Canadian and foreign ship owners and operators; Canadian port authorities and port users; Canadian pilotage authorities; marine pilots; bridge corporations: the St. Lawrence Seaway Management Corporation; and shipping conferences. As well the Agency deals with the general public since, under the legislation. any person may file an application with the Agency.

Upon application, the Agency investigates certain issues arising among various players in the marine industry. For example, it determines whether an applicant can use a foreign vessel for commercial purposes in Canadian waters;

whether tariffs proposed by pilotage authorities are in the public interest; and whether fees fixed by port authorities, the St. Lawrence Seaway Management Corporation and the Federal Bridge Corporation Limited are unjustly discriminatory. Also, a shipper moving goods with a northern resupply marine carrier may ask the Agency to conduct a final offer arbitration. Finally, the Agency administers the Shipping Conferences Exemption Act, 1987 (SCEA).

#### THE CANADA MARINE ACT

Under the CMA, the Agency investigates complaints about user fees charged by Canadian port authorities and the St. Lawrence Seaway Management Corporation to determine if they are unjustly discriminatory.

## THE PILOTAGE ACT

The *Pilotage Act* requires each pilotage authority to establish, operate, maintain and administer efficient and safe pilotage services in its region. Pilotage authorities can set fair and reasonable user charges that allow the authorities to sustain themselves financially.

Pilotage authorities must give notice in Part I of the *Canada Gazette* of any proposed pilotage charges. Interested parties opposed to proposed pilotage charges have 30 days after this notice appears to file an objection with the Agency. If someone files an objection within the 30-day period, the Agency must determine whether the pilotage authority has based its fees to continue operations on a self-sustaining financial basis, and whether the proposed user charges are fair, reasonable and in the public interest.

#### THE COASTING TRADE ACT

Under the *Coasting Trade Act*, Canadian coasting trade is reserved for Canadian-registered vessels, except in cases where a suitable Canadian ship is not available to carry out the activity. The Agency maintains a detailed data bank of Canadian-registered vessels that it updates continuously.

Anyone who wishes to use a foreign-registered ship in Canadian coasting trade must simultaneously apply to the Canada Customs and Revenue Agency (CCRA) and the Canadian Transportation Agency to obtain a licence. The Agency determines whether a suitable Canadian ship is available to carry out the activity described in the application. If the applicant wishes to use the foreign vessel to carry passengers, the Agency must also determine whether operators of Canadian vessels offer adequate, similar passenger services. The CCRA cannot license anyone to use a foreign-registered ship until the Agency issues its ruling.

# THE SHIPPING CONFERENCES EXEMPTION ACT, 1987

The SCEA allows shipping conferences to operate into and out of Canadian ports without contravening the *Competition Act*. To be eligible for the exemption granted by the SCEA, shipping conferences must file certain documents with the Agency. These include a copy of the agreement that sets out the aspects of service and pricing that the shipping lines have agreed to carry out jointly. Conferences must also file a copy of all common tariffs, and file notice of any tariff increases at least 30 days before raising the tariff.

### OTHER ACTIVITIES

The Minister of Transport may ask the Agency to look into matters related to federally regulated transportation, and to report to the Minister. For example, from time to time the Minister has asked the Agency to review specific issues and to make recommendations.

The Agency regularly participates in marine industry functions and activities in Canada and abroad, such as conferences, trade shows and special committees.



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This sheet has been prepared for information purposes only. In all cases, the language of the legislation is the final authority.

Further information about the Marine Division, as well as the Agency, its responsibilities, decisions, and orders, can be found on the Agency's Internet site at the following address: http://www.cta.gc.ca