



Transport  
Canada

Transports  
Canada

# Atlantic Region

## BUSINESS PLAN



# 2005-2006

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# Message From the Regional Director General

I am pleased to present the Atlantic Region's Business Plan for 2005/6. This annual publication summarizes our accomplishments during the past year and establishes our goals for the coming year. Transportation remains one of this country's key economic enablers. Despite its importance, most Canadians take our transportation system for granted. The investment and expertise required to move goods and people to the right place at the right time are sometimes forgotten.

Transport Canada's goal is to establish a transportation system that is safe and secure, efficient and environmentally responsible. This vision of a sustainable transportation system requires that we find the correct balance between the social, economic and environmental imperatives that we face. We must not only ensure the highest practicable safety and security of life and property, we must do so in a manner that promotes the efficient movement of goods and people while respecting the environmental legacy of future generations of Atlantic Canadians. No small task! and one that can only be achieved through the dedication and commitment displayed by the employees of the Atlantic Region.

As we embark upon another year, the accomplishments of our highly qualified and professional employees must once again be acknowledged. With the continued support of our dedicated staff and the continued cooperation of our stakeholders, we will realize our goals and objectives.



Gerry Berigan  
Regional Director General  
Transport Canada, Atlantic Region

## OUR VISION

The best transportation for  
Canada and Canadians

## OUR MISSION

To develop and administer  
policies, regulations and pro-  
grams for a safe, efficient and  
environmentally responsible  
transportation system

## OUR VALUES

Respect  
Professionalism  
Teamwork  
Client Services

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# Atlantic Canada Overview

## ECONOMIC OVERVIEW

Real Gross Domestic product (GDP) in Canada grew by 2.5% in 2004. The economy began on a strong note with the export sector being able to remain competitive in US and global markets in the first half of the year notwithstanding the rising Canadian dollar. However, buoyed by rising commodity prices (i.e. oil) the dollar continued to rise over 80 cents US causing exports to decline and imports to increase, dampening growth over the latter part of 2004. Employment increased by 1.7% in 2004 and somewhat slower growth in the labour force led to a fall in the unemployment rate to 7.2%.

The most significant and persistent shock to the economy last year was the appreciation of the dollar and the resulting negative impact on exports in the last half of the year. As in 2003 the appreciation of the dollar reflected higher interest rates (compared to the U.S.), rising commodity prices and a weakness in the U.S. dollar. The Canada/U.S. exchange rate rose from about 79.5 cents at the start of 2004 to a peak near 85 cents late in 2004. In some cases world commodity prices increased enough to offset the rise in the dollar, but many Canadian exporters struggled in 2004 in their efforts to maintain profit margins. Some of the upward pressure on the dollar may be alleviated by the robustness of the US economy that is expected to grow by 4.4% in 2005. The Canadian dollar is expected to average roughly 79 cents U.S. this year.

The Canadian economy is expected to grow by 2.5% in 2005 aided by a strong U.S. economy, low interest rates, a slightly lower exchange rate, rising commodity prices and further employment gains. The strength of the Canadian economy in the near term is once again expected to come from consumption, business investment, and, to a lesser degree, exports. Employment growth is not expected to keep pace with GDP growth as businesses strive to increase productivity. On average, forecasters expect employment to increase by 1.5%, down from 1.7% growth in 2004, however, the unemployment rate is expected to improve to 7.1%.

The Newfoundland and Labrador economy slowed markedly in 2004 with real GDP growth of about 0.3%, however, some improvement is expected in 2005 with GDP forecast to grow about 2.0% driven mainly by consumer spending and investment. Employment will only grow by 0.3% in 2005 but the unemployment rate is expected to decline to 15.5%. As a result real personal disposable income (PDI) will increase by 3.2%. Inflation is expected to remain steady at about 1.9%

Retail sales are expected to increase by 3.7% to \$5.9 billion; however, housing starts are forecast to decline to about 2,100 units with demand for new homes down significantly from 2004. Non-residential investment is expected to decrease slightly in 2005 before declining significantly in 2006 as the major construction projects (e.g. Voisey's Bay, Terra Nova and Whiterose) are completed

Offshore oil production is forecast to be slightly higher in 2005 with increased production from Terra Nova offsetting a slight decline in Hibernia production. Production from the Whiterose project is expected near the end of 2005 with full production being reached in 2006.

**The Canadian economy is expected to grow by 2.5% in 2005 aided by a strong U.S. economy**

## Atlantic Canada Overview

Tourism performance is expected to hold steady in 2005. Both resident and non-resident tourism should approximate 2004 levels where the number of visitors increased by an estimated 5.9% and expenditures by 10%. The number of cruise ship visits may be up slightly since preliminary schedulings are ahead of last year's pace.

Modest population declines are expected. This is predicated on shrinking natural population growth and less-robust economic growth. A slight downward trend is expected over the next decade.

The Prince Edward Island economy was restrained through 2004 with real GDP growth of 1.7% and similar performance is expected in 2005. The province's unemployment rate increased to 11.5% in 2004 but is expected to decline to about 11% in 2005. Employment is expected to improve marginally with 2.1% growth. Retail sales are forecast to increase by 1.6% in 2005 following a 0.35 decline in 2004.

The decline in the housing boom is expected to continue in 2005 with new starts falling from 975 units in 2004 to about 730 units in 2005. While this will be offset to some extent by activity on the non-residential sector, overall construction activity is expected to drop 1.2% in 2005.

In 2005 tourist visitations dropped below one million for the first time since the completion of the Confederation Bridge. A rebound in the U.S. and Canadian economies can be expected to ensure an increased number of tourists in 2005 and tourist visitations are projected to increase by 3.4%.

The New Brunswick economy will lead the Atlantic provinces in 2005 with real GDP growth of 2.5% up from only 1.2% in 2004. As the economy continues to expand, employment growth will resume at a more moderate pace with solid gains in manufacturing supported by renewed growth in the service and construction sectors. As a result, the unemployment rate is expected to decline from 10% in 2004 to about 9.5% in 2005. However, inflation is expected to increase with the CPI increasing by 1.8%.

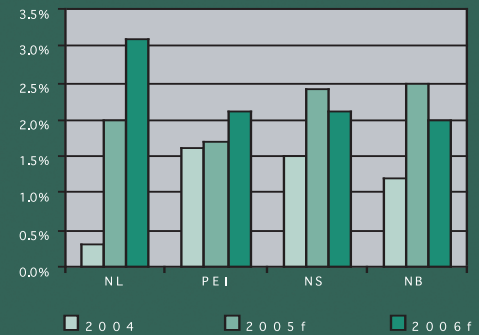
Capital investment in the province is expected to show growth with new projects in the energy and paper industries. The twinning of the Trans-Canada Highway, the Irving Oil LNG project and capital spending on health, education and municipal infrastructure will offset any dampening effect from reduced residential construction.

Stronger demand from Canadian, US and other foreign markets will support real export growth, despite some dampening effects in the US markets from the stronger Canadian dollar. The momentum will ease as 2005 progresses with weakening pulp and lumber prices and a general decline in North American residential construction affecting the forest products sector.

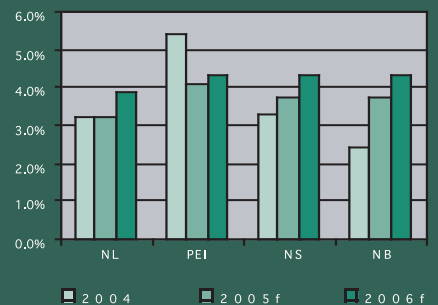
The number of people in New Brunswick increased for a third consecutive year. The provincial population was estimated at 751,384 as of September 2004, a 0.1% rise from the previous year; however, little population growth is expected beyond 2005.

Nova Scotia's economy did not grow significantly in 2004 with real GDP growth of only 1.5%; however, the economy is expected to grow by 2.4% in 2005 fueled by strong performances in the service and manufacturing sectors. The latter will be offset slightly by weak residential construction activity and reduced natural gas output.

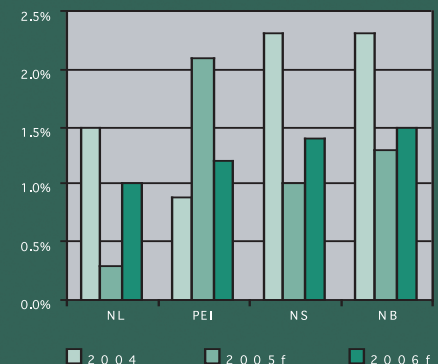
### Real GDP Growth



### PDI Growth



### Employment Growth



## Atlantic Canada Overview

Although the economy will continue to expand in 2005, employment will grow only moderately (+1.0%). However, labour force growth will also be negligible and the unemployment rate is expected to decline to 8.6%.

Natural gas production will continue to decline in 2005 and offshore exploration activity has also moderated significantly. The stronger Canadian dollar will dampen export growth; however, with the exception of the fish products sector, all key exporting sectors experienced solid growth in 2004 and this is expected to continue in 2005 with a 2.7% growth in manufacturing output. The transportation sector will continue to do well with cargo being diverted from the congested Port of Vancouver to the Atlantic coast and air traffic at Halifax airport also increasing.

As was the case in PEI, a rebound in the U.S. and Canadian economies is expected to ensure an increased number of tourists in 2005. On a less positive note, the population of Nova Scotia is forecast to decline slight (-0.1%) in 2005

## TRANSPORTATION OVERVIEW

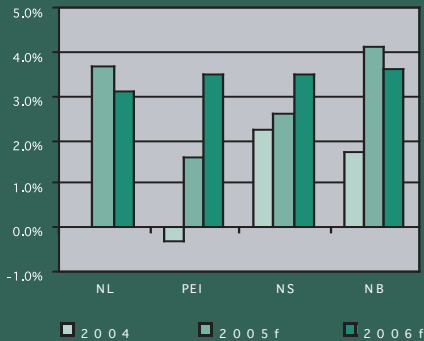
Safety and security continue to be the top priorities for Transport Canada. Security concerns will continue to be an issue for the foreseeable future as new measures are introduced to protect citizens, equipment and infrastructure. Customs and border programs continue to evolve to enhance security while attempting to minimize the impact on commercial activity. Also over the past year a number of initiatives have been undertaken to ensure that Canada's transportation system continues to be sustainable, both environmentally and economically.

### Surface

In September 2004 the Council of Ministers unanimously agreed to significant expansion of the National Highway System. The expansion includes an immediate addition of 2,718 kilometres (approximately 10%) to the first tier and an agreement in principle to the creation of a second tier that will also be eligible for federal/provincial cost sharing. A Task Force has been established to finalize criteria for the second tier.

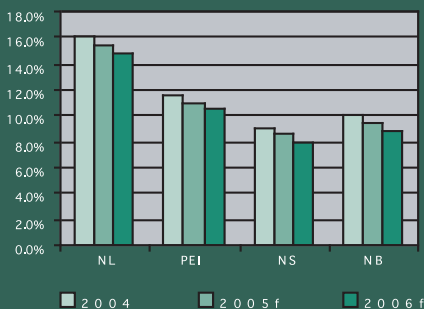
A number of highway improvement projects were announced during the past year. Much of the funding came from the Strategic Highway Infrastructure Program (SHIP) which is a five-year joint contribution agreement to fund improvements on the National Highway System. In Nova Scotia the federal government will contribute \$17.1 million for projects on Highway 101 and Highway 125. Also in Nova Scotia, under the Canada Strategic Infrastructure Fund (CSIF), the Government of Canada will contribute \$30.5 million to fund improvements on Highway 101 and Highway 104. In Newfoundland and Labrador under the SHIP agreement, the Government of Canada and the Provincial Government are providing joint funding of \$23 million until 2006 for highway improvement projects in the province. PEI's share of the SHIP joint funding agreement was set at \$11.6 million. In September of 2004 a \$2.3 million project was approved under the program to upgrade an intersection and widen part of Trans-Canada Highway at Charlottetown. In 2003 the governments of Canada and New Brunswick agreed on a joint \$400 million commitment to complete the twinning of the Trans-Canada Highway in New Brunswick with work expected to be completed by 2008. Also in 2003 the two governments announced a total investment of up to \$95 million towards the improvements at the St. Stephen and Woodstock border crossings.

Retail Sales Growth (%)



**Security concerns will continue to be an issue for the foreseeable future as new measures are introduced to protect citizens, equipment and infrastructure**

Unemployment Rate (%)



## Atlantic Canada Overview

Transport Canada continues to work with stakeholders to improve the efficiency and sustainability of Canada's transportation system. In recent years there has been a growing recognition of the need to encourage cooperation among the various modes of transportation to optimize the efficiency of the system thereby reducing congestion and greenhouse gas emissions. In October 2004 the Halifax Regional Municipality and the Halifax Port Authority received \$80,000 through Transport Canada's Transportation Planning and Modal Integration Initiatives program. The funds are being used to complete a feasibility study that will investigate two concepts for reducing truck traffic through Halifax's downtown core in accessing the port's terminals.

Canadian National Railways (CN) provides the only rail connection between the Port of Halifax and the rest of North America. The two parties continue to work to optimize the movement of freight through the port. The company, the Province and other stakeholders have undertaken to keep the line operational for the next five years.

The Atlantic Canada Opportunities Agency and the government of Newfoundland and Labrador funded a \$350,000 study to examine the technical and economic feasibility of building a fixed link between Newfoundland and Labrador. The study concluded that a 20-kilometre link across the Strait of Belle Isle is technically possible however, given the volume of traffic expected, the estimated \$1.7 billion cost is quite high. The province has indicated that will not proceed further with the project in the foreseeable future.

In recent years, Intelligent Transportation Systems (ITS) has played an increasingly important role in improving the safety and efficiency of Canada's transportation system. In September 2004, the Transport Minister signed two contribution agreements with the Government of Nova Scotia. One will provide funding for the acquisition and installation of Road Weather Information Systems (RWIS) on the National Highway System (NHS). The second agreement will provide funds for RWIS stations on non-NHS roads, as well as the installation of weigh-in-motion technology on Trans-Canada Highway 104 at the Auld's Cove Weigh Station. Also in September, the Minister signed two contribution agreements with the province of New Brunswick for ITS in the province. The first agreement will fund RWIS stations on the NHS and the second will assist in the establishment of a National Centre for Rural ITS Research and Development.

### **Air**

Canada's air transportation sector is continuing to evolve and although stakeholders have become more accustomed to change there are still occasional shocks to the system which catch many people by surprise. One recent example was the cessation of operations of discount carrier Jetsgo. The sudden withdrawal of service from the market left passengers stranded and competitors scrambling to fill the void. Most other changes have been less dramatic. Air Canada announced that effective May 3, 2005 service to several centres will be provided exclusively by Air Canada Jazz. In the Atlantic Region the cities affected by the change include Charlottetown, Fredericton, Saint John and Moncton. While this announcement was not welcomed by Air Canada employees or by the affected municipalities, the traveling public should not feel a significant impact.

**Intelligent Transportation Systems (ITS) has played an increasingly important role in improving the safety and efficiency of Canada's transportation system**



## Atlantic Canada Overview

Recent comments by the Minister of Transport indicating his intention to begin discussing an "Open Skies" agreement with the United States have generated generally positive reaction from Atlantic Region airport officials. Another development which should improve the efficiency of air travel is the United States decision to extend pre-clearance to Halifax. Halifax will become the eighth Canadian airport to offer pre-clearance as soon as the airport's new pre-clearance facility is completed. This will allow travelers and their goods to be inspected by U.S pre-clearance officers and will enable the travelers to be treated as domestic passengers on arrival in the U.S. This will result in shorter and easier connections to other U.S. cities and access to U.S. airports that have no customs and immigration inspection facilities.

The Government of Canada is committed to fulfilling the objectives of the National Airports Policy and with this goal in mind, on March 31, 2005 the Transport Minister announced the extension of the Regional and Small airport Divestiture Program to March 31, 2007. Only two airports in the Atlantic Region, Wabush and St. Anthony, have not yet been divested and efforts to transfer these facilities will continue.

Several airports in the Region received funding through the Airport Capital Assistance Program (ACAP) in 2004/2005. Churchill Falls Airport will receive \$872,050 for the purchase of a variety of safety and maintenance equipment and Deer Lake Airport will receive \$784,621 for a runway lighting system upgrade and wind direction indicators. Sydney Airport will also receive \$178,200 towards a safety improvement project which includes the replacement of 33 airside panels on the apron in front of the air terminal building. The Government of Canada is also contributing \$983,000 for improvement projects that will be carried out at seven airstrips in fiscal year 2005-2006 under the existing Labrador Coast Airstrips Restoration Program.

In December 2004, the Deer Lake airport announced a \$5-million expansion of its terminal building and a \$3-million runway extension. The airport welcomed its first weekly charter flight from Gatwick, England in December 2004. The Halifax International Airport Authority has also begun an improvement program which involves a \$70 million investment to expand aviation facilities and services. In Fredericton a \$1.1 million terminal expansion will accommodate the airport's new security system.

### Marine

Immediately following the September 11th terrorist attacks a great deal of focus was placed on improving security at airports. It was quickly recognized however, that greater awareness of security issues was needed across all modes within the transportation system. One resulting initiative is the International Ship and Port Facility Code (ISPS) that came into effect on July 1, 2004. The ISPS establishes a framework for international cooperation to detect and take preventative measures against security incidents affecting ships and port facilities involved in international trade. All Transport Canada ports in the Atlantic Region have met the ISPS code.

To assist ports and marine facilities with security enhancements, the Government of Canada created the three-year, \$115 million Marine Security Contribution Program as part of the National Security Policy. In March 2005 a total of twenty cost-shared projects were announced in the Atlantic region under this program.

**Halifax will become the eighth Canadian airport to offer pre-clearance as soon as the airport's new pre-clearance facility is completed**

**To assist ports and marine facilities with security enhancements, the Government of Canada created the three-year, \$115 million Marine Security Contribution Program**



## Atlantic Canada Overview

There are currently 18 ports remaining under Transport Canada ownership and operation. This includes 11 ports in Newfoundland and Labrador, 1 in New Brunswick, 2 in Nova Scotia and 3 in Prince Edward Island. Negotiations are ongoing for the divestiture of these ports. In November of 2004 Transport Canada transferred the ownership of the port of Corner Brook to the Corner Brook Port Corporation. The transfer agreement includes a financial contribution from the Government of Canada to be used exclusively for operational and maintenance costs over the next 15 years.

An advisory committee was formed in November 2004 to study a wide range of issues currently facing Marine Atlantic and to identify long-term strategies for stabilizing the company's ferry service operations. Consultations were held with stakeholders and Marine Atlantic Representatives in January 2005 and a final report was provided to the Minister of Transport on March 31, 2005. On December 22, 2004 the Government of Canada announced a two-year freeze on rates charged by Marine Atlantic, effective from January 1, 2005 to December 31, 2006.

In March 2005 Transport Canada reached an agreement with Northumberland Ferries Ltd to extend the company's contribution agreement until 2010. This agreement will allow Northumberland Ferries to maintain a two-ship operation and its traditional level of service.

Several ports in the region (e.g. Saint John, Sydney) are planning to upgrade and expand facilities in order to attract and accommodate more cruise traffic. Also, various levels of government and industry partners will contribute \$726,000 over two years to market the region as a cruise destination. The Saint John Port Authority (SJPA) is currently seeking expressions of interest for the design and construction of a new cruise ship facility. Development of the facility was postponed one year but construction is now expected to begin in November of 2005.

### **Sustainable Transportation**

As previously noted, enhanced safety and security, economic efficiency and environmental sustainability are the key goals shaping transportation policy. A common requirement for achieving these goals is timely, accurate information. As a consequence, an overarching trend in transportation is the movement toward greater integration both of activities and of information systems. We can expect to see increased use of technology for reporting and monitoring both passenger and freight movements. This will also result in private and public sector stakeholders shifting their focus to recognize transportation in Canada as a system. Recognition of the system as a whole and recognizing that the various modes of transportation have a role to play within that system is a significant step in providing the best transportation system for Canada and Canadians.

The Moving On Sustainable Transportation (MOST) program is an innovative Transport Canada funding program that provides financial support to help organizations conduct projects that will produce the kinds of education, awareness and analytical tools necessary to make sustainable transportation a reality. Eligible organizations include environmental groups, community associations, academic institutions, Aboriginal organizations, and business and professional associations.

**An advisory committee was formed in November 2004 to study a wide range of issues currently facing Marine Atlantic and to identify long-term strategies for stabilizing the company's ferry service operations**

**The Moving On Sustainable Transportation (MOST) program is an innovative Transport Canada funding program that provides financial support to help organizations conduct projects that will produce the kinds of education, awareness and analytical tools necessary to make sustainable transportation a reality**



## Atlantic Canada Overview

The program seeks to encourage the development of innovative methods for decreasing the impact of transportation on the environment, to achieve quantifiable results and to provide Canadians with practical information and tools to apply sustainable transportation thinking to their daily lives.

The first phase of the MOST program started in 1999, with more than \$1 million to be allocated over three years. In response to ongoing demand, the program was recently extended to 2007, with an additional \$2.5 million to be allocated over five years.

Individual projects may receive up to a maximum of \$100,000 over two years. In keeping with the Government of Canada's commitment to partnership, applicants must also demonstrate that 50 per cent of their eligible net costs are provided by other sources. Project proposals are screened against detailed eligibility criteria. Proposals that meet the initial requirements are sent to an independent advisory committee for further review and recommendations. Transport Canada makes the final decision on funding requests.

Transport Canada is committed to contributing to a sustainable transportation system. Through MOST, the department is helping to find ways to meet today's transportation needs while protecting the environment for future generations of Canadians.

The Urban Transportation Showcase Program (UTSP), with a budget of \$40 million over five years, is designed to promote alternative strategies for reducing greenhouse gas emissions from transportation in municipalities. The program is part of the Government of Canada's Action Plan 2000 on Climate Change, which puts Canada firmly on the path to meet its Kyoto commitment. Transport Canada will provide one-third of eligible project costs.

- Urban transportation showcases are multi-year initiatives that demonstrate and evaluate integrated approaches to reducing GHG emissions. Showcases must include several coordinated measures within a transportation and land use planning framework. The keys to a successful showcase will be innovation in planning and implementation, integration of measures, and the creation of valuable information.

The showcases seek to bring together technology, urban design, infrastructure and social marketing to enhance transportation efficiency and reduce greenhouse gas emissions. Information from the showcases and other sustainable transportation best practices will be shared with cities across Canada through a national information network.

The 'UTSP Halifax Showcase' project will see the implementation and impact measurement of two Bus Rapid Transit (BRT) corridors that will maximize the use of existing infrastructure to provide a higher order of bus transit. The BRT corridors will link downtown Halifax and Dartmouth to surrounding communities such as Sackville, Burnside and Cole Harbour.

In both corridors, stations will offer real-time bus arrival information based on Halifax's existing automatic vehicle location system. Stations will also include the innovative integration of specialized transit services for persons with disabilities.

**The 'UTSP Halifax Showcase' project will see the implementation and impact measurement of two Bus Rapid Transit (BRT) corridors that will maximize the use of existing infrastructure to provide a higher order of bus transit**



## Atlantic Canada Overview

In 2004-2005 Halifax has awarded contracts for the development of design plans for the stations and bike connection as well as for the purchase of 18 specially equipped air conditioned and low floor buses which will provide comfortable calming interior, bike racks and branded paint designs. Construction is set to start in the course of the summer and the whole project should be fully operational by the end of 2005. The Halifax showcase is eligible for up to \$4.1 million in funding from Transport Canada.

The Freight Efficiency and Technology Initiative (FETI) is one of five transportation measures under the Government of Canada Action Plan 2000 on Climate Change. The five-year initiative is designed to reduce the growth of greenhouse gas (GHG) emissions from freight transportation. It consists of the following three components:

- demonstrating and encouraging the uptake of innovative technologies and efficient best practices within the freight transportation sector through the Freight Sustainability Demonstration Program (FSDP);
- soliciting the freight transportation industry's participation in emissions reduction initiatives through Voluntary Performance Agreements; and
- increasing fuel efficiency and environmental Training and Awareness amongst freight operators.

The freight initiative is expected to result in approximately 2 megatonnes of GHG emissions reduction by 2010. Transport Canada is leading the \$14 million initiative with the cooperation of Natural Resources Canada.

The FSDP is a five-year, \$4.5 million program designed to encourage the take up of technologies or best practices that can reduce greenhouse gas emissions from all freight modes. To achieve this goal, the FSDP provides funding through a competitive process to companies and not-for-profit organizations who plan to undertake a freight-related demonstration project of an existing or new technology or best practice in the aviation, marine, rail, truck or intermodal sectors.

The program is currently in the process of conducting its fifth round of funding recommendations. To date, 20 projects have been awarded funding with an aggregate price tag of approximately \$1.9 million dollars.

Under the FSDP, the New Brunswick Southern Railway (NBSR) was selected for funding in the amount of \$60,000. NSBR will create an express intermodal train service, in cooperation with Sunbury Transport Limited, between Saint John, NB and Farnham, QC. Intermodal railcars will be equipped to handle loaded tri-axel trailers up to 80,000 pounds. The trailers will be ramped on and off the railcars using tractors and secured in place using collapsible hitch technology. This system will remove trucks from the highway and reduce fuel consumption without affecting operations.

Active transportation (AT) is any form of human-powered transportation. AT includes: walking, running, cycling, in-line skating, skateboarding, wheelchairs, skating, skiing, canoeing/kayaking etc.

Active Transportation is beneficial for two main reasons:

- it contributes to healthier lifestyles, through increasing physical activity; and
- it protects and conserves the environment and air quality, through decreasing the amount of fossil-fueled transportation being used.

AT is also beneficial in increasing street safety, it lessens the burden on building road infrastructure, and has economic benefits including reducing personal costs of fossil-fueled transportation and hidden costs such as health care.

**The Freight Efficiency and Technology Initiative (FETI) is one of five transportation measures under the Government of Canada Action Plan 2000 on Climate Change**



## Atlantic Canada Overview

Transportation is a major part of our life, consuming many hours of our day. We make many different kinds of trips: to work, to school, to do errands/shopping, to visit friends and to transport our children to their recreational activities. Each Canadian makes an average of 2,000 car trips of less than 3 km each year, trips that could be replaced with an active choice of transportation for all or part of the trip.

Over the past year Transport Canada has supported various organizations and initiatives by promoting and participating in regional conferences and workshops focused on AT. These included the Atlantic Canada Active Transportation Conference in Moncton and an Active Transportation Workshop for Halifax Regional Municipality in Halifax.

## Accomplishments

Transport Canada in the Atlantic Region consistently commits to a high standard of safety for the Canadian transportation system.

The various branches of the Department in the region accomplished this high standard through various activities.

### SAFETY AND SECURITY

#### **The Security And Emergency Preparedness branch:**

- ↪ Increased emphasis on marine security including exercises affecting all aspects of land based and sea based assets and facilities. This includes ongoing consultations with partners and stakeholders to help ensure a safe and secure transportation system for Canadians.
- ↪ Continued consultations with partners and stakeholders in aviation security to ensure new measures and legislation are being implemented in a fair and consistent manner across the region.
- ↪ Continued support and regulatory oversight for the new Canadian Air Transport Security Authority (CATSA). (This is helping ensure a smooth transition for all partners and stakeholders during this time of transition to the new authority.)
- ↪ Emergency Preparedness tabletop exercise for Confederation Bridge.
- ↪ Increased Situation Centre training for responders to ensure a continuous state of readiness for multi-modal incidents.
- ↪ Increased consultations with partners and stakeholders, and the private sector in all modes regarding security and emergency preparedness.

### The Marine Safety branch:

- ↪ placed great emphasis on combating marine pollution and reducing the impact of shipping on the marine environment by education and enforcement. The relocation of the TC Dash 8 aircraft in the Atlantic Region from Ottawa and expanded budgets has allowed for more surveillance hours. The use of satellite imagery is another tool in our arsenal to detect pollution. Use is made of private sector surveillance aircraft based in Newfoundland and Labrador to carry out patrols and "ground truth" surface anomalies detected by the satellite. Fines this past year amounted to \$471,500 with some monies being placed in the Environmental Defense Fund managed by Environment Canada. This Fund supports project work in the field of research into mitigation and prevention of pollution. This year also produced another legal precedent involving the reporting of a spill. All legal precedents with respect to oil pollution from ships have been obtained by Atlantic Region, starting in 1984 and fines have risen incrementally up to \$170,000 per event during this period of time;
- ↪ developed pollution enforcement partnerships with the USA and held a successful conference in Halifax involving many US agencies. A follow-up conference was held in Los Angeles and also involved Mexico. We continue to work with our international partners. Our consultations with the "offshore industry" sector continue. Atlantic Region issued the first Mobile Offshore Drilling Unit (MODU) Offshore Installation Manager (OIM) Certificate of Competency. This has allowed Canadian seafarers to pursue their careers in foreign waters;
- ↪ continued to emphasize the small passenger vessel inspection program that was developed in Atlantic Canada, and has since been adopted nationally, This involves self-inspection and annual stickers for the vessels' safety Decal;
- ↪ maintained the Port State Control (PSC) Program at historic levels. This program is now also used as a first line-monitoring tool for the Marine Security program. During the past year, 510 ships were inspected and eight were detained. A total of 310 defects were recorded of which 11 were detainable. While the PSC program calls for a target of 25% inspection, there is a 100% inspection regime for tankers;
- ↪ monitored the delivery of Canada's second Floating Production Storage Offloading (FPSO) from builders in Korea which sailed to the Cow Head facility in Newfoundland for installation of the topsides production modules;
- ↪ carried out the Marine Occupation Safety and Health program (MOSH), on behalf of Labour Canada which resulted in 49 inspections; 65 involving Voluntary Compliance. There were a total of 227 violations; two accident investigations and two Directions issued to employers;
- ↪ inspected new vessel buildings and re-flagging. Inspections of foreign vessel builds/conversions/re-flagging were carried out in Chile; Korea; Singapore, Iceland; Norway, Poland, and Denmark. Approximately 150 inspected vessels were built in Atlantic Canada;
- ↪ certified all Oil Handling Facilities and Response Corporations as part of the three-year re-certification program. This is a new program transferred from the Canada Coast Guard to Transport Canada;



## Accomplishments

- ↳ transferred the Navigable Waters Protection Program from the Canadian Coast Guard. This program deals with ensuring that right of navigation is preserved. Major projects include Voisey's Bay, Labrador Nickel Project, Saint John, NB and Bear Head Nova Scotia LNG Terminals. The \$300 million aquaculture industry is a major program element; and,
- ↳ transferred the Office of Boating Safety (OBS) from Coast Guard. This multi-faceted program involves training, education, demonstrations, boating restriction regulations, pleasure craft sewage pollution prevention regulations, and joint enforcement with police agencies. An OBS officer was assigned to the Goose Bay TCC to further enhance and expand the Boating Safety program in Labrador.

### **The Civil Aviation branch:**

- ↳ created a regional Safety Management Systems (SMS) advisory group to provide coordination, input and advice to regional Civil Aviation divisions regarding the implementation of SMS into regional aviation organizations;
- ↳ supported ongoing national development of regulatory changes regarding SMS for all operational areas;
- ↳ supported national initiatives regarding implementation of an Integrated Management System (IMS) throughout the Civil Aviation branch;
- ↳ continued leadership role in the national Civil Aviation performance measurement project in support of IMS;
- ↳ continued expansion of the use of electronic documentation to replace paper files;
- ↳ expanded aircraft registration responsibilities from Moncton's Transport Canada Centre (TCC) to include Halifax and St. John's TCCs;
- ↳ expanded and improved Pilot Examiner program, approving appropriate external delegates for the authority to conduct Flight Instructor rating renewals;
- ↳ facilitated and chaired semi-annual meetings of the Regional Aviation Safety Council. This continued to be a very active forum for discussion on aviation safety related matters. Active participants of the Council represent all operational areas of the industry (air operators, flight-training units, aircraft maintenance organizations, airport operators, ramp service providers, NAV CANADA and the Transportation Safety Board);
- ↳ expanded the role of System Safety as a focal point for regional safety intelligence;
- ↳ led a safety review of Standard Instrument Departure deviations at Fredericton and Saint John Airports, which identified potential problems and made recommendations to mitigate the identified problems;
- ↳ supported the national Civil Aviation Safety Inspector training program, which included Risk Management Operational training and SMS training;



## Accomplishments

- ✦ continued regulatory oversight of all aviation related companies based in the Atlantic Region, including:
  - 4 international airports
  - 29 domestic airports
  - 26 certified heliports
  - 60 approved maintenance organizations
  - 4 air operators – airline
  - 2 air operators – commuter
  - 38 air operators – air taxi
  - 4 air operators – aerial work
  - 14 flight training units
  - 9 Special Flight Operations Certificates
  - 2 design organizations
  - 4 manufacturers
  - 14 NAV CANADA operational locations
  - 12 private air navigation service providers
  - 12 weather stations;
- ✦ continued nation-wide regulatory oversight of Air Canada Jazz. This oversight is conducted through the Transport Canada Centers in Moncton, Halifax, St. John's, Goose Bay and Calgary, with a maintenance oversight base in London Ontario. This year, significant operational changes to Jazz operations included the approval of Reduced Vertical Separation Minima, Category 3 authorizations, route expansion and fleet changes;
- ✦ continued oversight of Canjet, an air carrier based in Halifax that is in the midst of route expansion across the country and a fleet renewal program;
- ✦ oversaw the expansion of route structures and the addition of large aircraft for Air Labrador and Provincial Airlines.;
- ✦ worked with Cougar Helicopters to oversee the introduction of S-92 helicopter operations in support of offshore oil activities (Cougar is the first operator in Canada to operate the new Sikorsky S-92);
- ✦ participated in Canadian Aviation Regulatory Advisory Council (CARAC) regarding development of new Canadian Aviation Regulations (CAR's);
- ✦ monitored ongoing NAV CANADA level of service review; and,
- ✦ participated in a working group to review the national aerodrome standards manual (TP 312).

### **The Surface branch:**

- ✦ took a lead role in coordinating the 8th annual Atlantic Region Railway Conference which was held in Moncton in June of 2004. Participants included both federal and provincial railways, province of Nova Scotia and New Brunswick, Railway Association of Canada, Transportation Safety Board, as well as representatives of Transport Canada. An industry supplier exhibit was also held in conjunction with this event;
- ✦ continued to partner with industry, police associations, and provincial safety councils to educate the public with respect to dangers associated with railway operations. In particular this program focused on the dangers present at railway crossings at grade and those associated with trespassing along railway right-of-way. These activities were conducted under the guidance of both Operation Lifesaver and Direction 2006 (D2006) programs;

## Accomplishments

- ↪ was instrumental in starting up a D2006 community trespass prevention project in Sydney, N.S.;
- ↪ worked closely with provincial transportation departments to ensure all legislation relating to provincial shortline railways was consistent with the requirements pertaining to federally regulated railways;
- ↪ carried out inspection and monitoring activities of shortline railways in Nova Scotia and New Brunswick on behalf of those provinces as per a Memorandum of Agreement;
- ↪ completed a "pilot project" for Transport Canada in regards to the integration of rail safety monitoring programs in the areas of engineering, equipment, operations and safety management systems. This integrated approach was used to conduct complete audits of 3 railway companies in Atlantic Canada;
- ↪ conducted a survey of public/railway crossings at grade to determine compliance with sightlines for traveling motorists at these locations. As a result, compliance with regulatory standards at crossings will become a priority in late 2004 and is being carried over to 2005;
- ↪ continued emphasis on the role of safety management systems within the rail industry as the foundation for compliance with rules and regulations;
- ↪ initiated a project in conjunction with railway participation to develop an agreed upon approach towards creating a true safety culture in the rail industry. This project is being expanded upon in 2005;
- ↪ held annual general meetings with key railway companies in the region and presented findings of yearly "Safety Performance Reports" as documented by TC;
- ↪ enhanced our working relationship with the provinces in developing strategies and sharing information and resources to foster compliance with Transportation of Dangerous Goods Regulations for shippers and carriers of dangerous goods products in Atlantic Canada;
- ↪ developed and implemented an education and awareness program designed to assist first responders, such as fire departments and police, in understanding the circumstances and procedures relating to accidents involving dangerous goods;
- ↪ continued to audit "Emergency Response Assistance Plans" (ERAP) for those companies whose involvement with dangerous goods require same as per the regulations;
- ↪ partnered with provincial inspectors and the RCMP to conduct "Commercial Vehicle Safety Awareness" (CVSA) blitz exercises at various locations throughout the region; and,
- ↪ continued use of "Time and Activity Tracking System" for both rail safety and TDG programs to better illustrate the allocation of resources during the year.



### Programs and Divestiture

With the National Airports Policy and National Marine Policy nearing completion, there have been more organizational adjustments in the region, including maturing of the environmental organization, as well as progression toward the full amalgamation of Airports and Harbours and Ports activities.

#### These branches:

- ↪ continued to operate the 28 remaining ports and produced gross revenue of over \$6.0 million for the fiscal year. Transferred the ports of Miramichi and Corner Brook to local control;
- ↪ implemented a comprehensive Port Monitoring Database System for CPAs and those Regional/Local ports that have been transferred with Operating Obligations to provide an efficient and effective means of ensuring that Port Authorities maintain their long-term commitments to Transport Canada;
- ↪ the Port Monitoring Database System developed in Atlantic Region has been adopted Nationwide as an effective and efficient tracking tool for both internal and external Program delivery results and requirements;
- ↪ continued to promote the Atlantic Canada Airports Association as an effective forum for the exchange of information and pursuit of common objectives by independent airport authorities and commissions;
- ↪ approved projects totaling \$1.9 million under the Airports Capital Assistance Program (ACAP) for safety related projects at various airports in the Atlantic Region;
- ↪ contributed \$1.0 million under the Labrador Coast Airstrip Restoration Program for restoration projects at various Labrador airstrips. This funding is intended to ensure the airstrips continue to meet Transport Canada Aerodrome Certification requirements and provide safe and accessible access to air transportation for the communities they serve;
- ↪ actively participated as a member of the National Committee tasked with preparation for renewal of the National Airports Policy which was successfully renewed effective April 1, 2005;
- ↪ maintained a comprehensive lease-monitoring program for transferred NAS Airports to provide an efficient and effective means of working with the airport authorities in managing their long-term ground lease obligations with Transport Canada;
- ↪ ensured that working relationships with airport authorities and commissions at previously transferred airports continued to mature and evolve in a positive manner;



## Accomplishments

- ↪ contributed \$5.4 million under the Airport Infrastructure Safety Fund to various NAS airports for 2004/05 in support of upgrades and improvements to airside infrastructure facilities and upgrade and purchase of airside heavy equipment;
- ↪ invested \$0.8 million in Capital Restoration projects at Wabush and St. Anthony Airports supporting Life Cycle Management of the facilities;
- ↪ invested approximately, \$6.1 million in support of environmental remediation for 2004-05. \$2.1 million of this investment came from the Federal Contaminated Site Accelerated Action Fund;
- ↪ invested approximately \$620K in support of Environmental Site Assessments and the management of contaminated sites for 2004-05. \$121K of this investment came from the Federal Contaminated Site Accelerated Action Fund. Requested an investment of \$238K for 2005-06;
- ↪ completed Environmental Remediation at 2 NAV CANADA sites in Atlantic Region;
- ↪ participated in the Regional Inter-Department Working Group on Contaminated Sites;
- ↪ achieved the target established in the SDS of promoting Active Transportation by attending and promoting Active Transportation at regional conferences and workshops focused on Active Transportation. These included the Atlantic Canada Active Transportation Conference in Moncton, and an Active Transportation Workshop for Halifax Regional Municipality in Halifax;
- ↪ participant on the Sustainable Development in Government Operations (SDGO) Pan-Atlantic Interdepartmental Working Group;
- ↪ developed a Site Specific Environmental Management Plan for the Port of Fortune in Newfoundland and Labrador;
- ↪ arranged various stakeholder meetings and briefings to consult on the departments 2004-06 SDS and promote HQ funded programs such as Urban Transportation Showcase program, Freight Subsidy Program and MOST;
- ↪ currently managing 87 contaminated Sites within Atlantic Canada. This number is down from 107 reported in 2004-05 and the number will continue to decline as the Contaminated Sites Management Program moves forward;
- ↪ ensured Environmental Assessments (EA) pursuant to the Canadian Environmental Assessment Act (CEAA) were carried out including EAs related to the Navigable Waters Protection Act (NWPA) which was transferred to Transport Canada on April 1st, 2004. To this end Environmental Affairs has reviewed approximately 270 projects, of which 208 resulted in the completion of an environmental assessment (screening, comprehensive study or panel review) under the CEAA. Of note are the EAs currently underway associated with the remediation activities related to the Sydney Tar Ponds and those related to the White's Point Rock Quarry, Nova Scotia and the Keltic Petrochemical and LNG facility in Goldboro, Nova Scotia;



## Accomplishments

- ↳ Transport Canada, in association with Fisheries and Oceans Canada, is currently participating in the completion of two Replacement Class Screenings related to aquaculture development in Tabusintac Bay and Richibucto Harbour located in southeastern New Brunswick;
- ↳ initiated activities to come into compliance with the 'Species at Risk Act'. Participated as a 'Sustaining Member' in support of the Atlantic Canada Conservation Data Centre (ACDC) in Sackville, New Brunswick;
- ↳ reduced Green House Gas (GHG) Emissions for internal operations through the purchase of an additional hybrid (gas/electric) vehicle to bring the total number of hybrid vehicles in the region to 4. It is estimated that 35,000 kilograms of CO2 gas emissions were saved through the use of these vehicles, since they were put into service; and,
- ↳ provided support and advice on Environmental Issues associated with the management of the Confederation Bridge.

### **The Corporate Services branch:**

- ↳ provided financial, human resource and communication services to support the many initiatives of the region including the divestiture of two ports; and,
- ↳ provided communications services in support of the department's program announcements such as Airports Capital Assistance Program projects in our Region, the Labrador Coast Airstrips Restoration Program, the transfer of the Port of Corner Brook and the Port of Newcastle, and various events for highway announcements..



# Facts and Trends

## AIR

As of April 2005, there were 1,290 aircraft registered in the Atlantic Region a slight decrease from the previous year. Of the total, 895 were private, 371 commercial and 24 state. They include 928 fixed-wing aeroplanes, 67 helicopters, 256 ultra-light aeroplanes, 28 gliders, 4 gyroplanes, and 7 balloons.

As of April 2005, there were 4012 people holding flight crew or air traffic controller licenses in the Atlantic Region. Of this total, 2,420 were fixed-wing aeroplane licenses consisting of 1366 Private, 488 Commercial, and 566 Airline Transport. There were also 230 helicopter licenses consisting of 17 Private, 131 Commercial and 82 Airline Transport. Also within the Region, there were 349 air traffic controller licenses, 6 flight engineer licenses, 508 glider licenses, 6 balloon licenses, 121 ultra-light aeroplane permits, 66 recreational permits and 306 student pilot permits.

In 2003, passenger service to Atlantic Region airports was provided by eight Canadian airlines operating scheduled domestic service, four international airlines providing scheduled international service, and four charter carriers.

There are 27 airports in the Atlantic Region that provide scheduled passenger service. Of these, 12 airports are privately run, the government of Newfoundland and Labrador operates 13 and the two remaining airports still operated by Transport Canada are at different stages of being divested to private operators.

Table 1 provides enplaned and deplaned passenger activity at Atlantic Region airports for the 2002-04 period.

In 2004, there were 344,674 aircraft movements at Atlantic airports. Of this number 282,384 were air carrier movements and 61,990 were general aviation and local movements.

	2002	2003	2004
Halifax	2,853.8	2,932.2	3,242.4
St. John's	868.6	949.9	1,083.2
Saint John	192.6	175.3	179.9
Moncton	391.0	464.8	499.9
Charlottetown	158.7	163.5	169.0
Deer Lake	150.6	171.6	201.0

Source: Compiled by Transport Canada

## SURFACE

There are approximately 2,400 kilometres of main railway tracks in the Atlantic Region, of which 925 kilometres are operated by CN. In addition, there are approximately 950 kilometres of spur and yard trackage.

There are eight federal railways and five provincial short-line railways that are monitored by our Transport Canada inspectors. There are a total of 2,056 highway-rail crossings, 195 of which are grade separated, 1,135 are private or farm crossings, and the remaining 726 have various combinations of warning devices.

There are approximately 64,000 kilometres of highway in the Atlantic Region of which 2,880 kilometres (out of 24,400 across Canada) have been designated part of the National Highway System. In 2001 there were 1,336,512 road motor vehicles registered in the Atlantic Region, which constitutes 74% of the Canadian total. Of these, 95 percent or 1,266,556 were vehicles weighing less than 4500 kg, 42,138 weighed more than 4500 kg, 5921 were buses and 21,897 were motorcycles. In addition to the motor vehicles there were 145,905 trailers and 188,825 off-road, construction and farm vehicles.

### MARINE

The cruise ship industry continues its impressive growth in the Atlantic Canada as indicated in Table 2. An anticipated decrease in the number of vessel calls did not occur in 2004 and in fact, the number actually increased by almost 67%. While Halifax and Saint John continue to represent the greatest proportion of the activity, other ports of call are also seeing significant growth. The Atlantic Canada Cruise Association estimated that in 2002 (the latest year for which such data is available), cruise passengers and crew spent \$26.0 million in Atlantic Canada.

Table 3 provides traffic information with respect to the Marine Atlantic ferry service for the period 2002-04.

In 2004, the Atlantic Pilotage Authority recorded 11,848 pilotage assignments, an indication of the number of vessel calls at Atlantic ports. This was an decrease over the previous record level of 12,510 assignments recorded in 2003.

Table 4 provides information with respect to cargo traffic at the major ports in Atlantic Canada. Total traffic at the Port of Saint John increased slightly from the previous year.

Traffic at the Port of St. John's was virtually unchanged for 2004, hovering just above 1.6 million tonnes for the second year in a row.

Total traffic at the Port of Halifax dropped only slightly in 2004. Table 5 provides information with respect to container traffic at ports of Halifax, Saint John and St. John's.

	2002	2003	2004
Passengers	327,850	345,800	479,100
Ships	277	285	428

Source: Compiled by Transport Canada

	2002	2003	2004
Passengers	529	457.2	419.2
Passenger Vehicles	172.7	151.2	137.3
Commercial Vehicles	79.1	81.2	85.7

Source: Marine Atlantic Annual report

Port	2002	2003	2004
Halifax	12,844.0	13,857.6	13,815.9
St. John's	1,415.3	1,608.4	1,617.0
Saint John	25,727.0	26,090.0	23,300.0

Source: Compiled by Transport Canada

Port	2002		2003		2004	
	Cargo (t)	TEUs	Cargo (t)	TEUs	Cargo (t)	TEUs
Halifax	4,274.0	524.3	4,603.3	541.7	4,497.3	525.6
St. John's	423.3	98.3	438.2	99.5	434.0	102.5
Saint John	228.0	37.9	274.0	45.6	279.0	48.7

Source: Compiled by Transport Canada

### TOURISM

Approximately 5.6 million people visited the Atlantic Region in 2004 spending, unofficially, \$3.0 billion. There was a dramatic increase in tourist visits to the Atlantic region between 1996 and 2002. In 1996, it is estimated that there were 3.7 million non-resident visits to Atlantic Canada. In spite of declines in 2003-2004, the 2004 figure is reported to be 5.6 million, an overall increase of 40% over 1996. Prince Edward Island has shown the most dramatic growth, increasing from 788,000 visits in 1996 to peak at 1,271,100 in 1999 (a 61% increase) before declining to 1,105,000 in 2004. Preliminary 2004 numbers for the other provinces and the change from 2000 are 465,000 (+9.2%) for Newfoundland and Labrador, 2,247,000 (+3.2%) for Nova Scotia and 1,770,000 (+22.4%) for New Brunswick.



# Business and Service Overview

## SAFETY AND SECURITY

The Atlantic Region will continue to promote the safety and security of the national transportation system through the administration of safety and security regulations and standards.

### Marine Safety

Marine Safety's mandate encompasses the full spectrum of responsibilities related to the safety of ships, the protection of life, goods and the environment. It is responsible for the inspection of ships operating within the limits of our region. The mandate is discharged through the provision of the following services: ship surveys and inspections; plan approvals; certification of shipboard personnel; pollution prevention and enforcement; Port Warden services; registration of ships; monitoring of shipments of dangerous goods and hazardous materials; inspection of foreign ships under international Conventions and Port State Control; investigation of marine accidents and enforcement; promotion of safe practices; and the application of occupational safety and health programs for both mariners and stevedores; preservation of navigation through the Navigable Waters Protection Program; Environmental Contingency Planning Oversight; safety of pleasure craft and boaters.

### Goals and Priorities

The goals and priorities of the Marine Safety branch are:

- continued emphasis will be placed on pollution prevention activities including an awareness campaign directed at foreign vessels and their crews. Enforcement activity will be maintained at a high level. Tanker inspections will continue to insure that substandard vessels do not try to operate in Eastern Canadian waters. The aerial surveillance program will be enhanced with the fitting of more sophisticated equipment in the Dash 8. This equipment will also be more efficient;
- continue to work closely with both the Canada Newfoundland Offshore Petroleum Board and the Canada Nova Scotia Offshore Petroleum Board. With the establishment of viable offshore oil and gas developments on the east coast of Canada and the world situation regarding oil and gas assets, we expect a continuation of exploration work including deep water drilling off Nova Scotia and Newfoundland;
- continue discussions with the fishing industry on the small fishing vessel regulatory initiative that deals with vessel construction and safety and personnel certification of the fishers;
- continue work in the area of the current delegated authority to administer the Marine OSH regulations on behalf of Labour Canada. The current program has been revised to meet the new goals and objectives Labour Canada under the LA 2000 program and work will continue in this area;
- continue to train and equip inspectors to ensure their personal safety;
- facilitate the consultation process of Phase I of Regulatory Reform, which is planned for the next two years.
- carry out oversight and inspection of new construction, including: completion of the MV Sea Rose FPSO; one 100,000 DWT shuttle tanker; one 38,000 DWT coastal tanker, two large offshore supply vessels, several tugs, one large deep-water clam vessel. Re-flagging will include one coastal tanker and four large fishing vessels. The small vessel construction program for inspected vessels is expected to continue at its present pace.
- participate in national working groups relating to Regulatory Reform, Small Fishing Vessels, Ship Inspection Reporting System, Small Passenger Vessels, etc. Participating will bring operational experience and the views of the Atlantic Canada client groups to these fora;
- deal with sectoral issues and provide input, where appropriate, into national fora. Of prime importance is uniformity of inspection standard throughout Atlantic Canada. Other groups will deal with small passenger vessels, small fishing vessels, standby vessel standards, helicopter deck standards for ships, standards for offshore marine personnel certification and occupational safety and health;

## Business and Service Overview

- continue work as a member of the Atlantic Ballast Water Working Group, along with our counterparts in the northeast states of the USA to mitigate the effect of ballast water discharge in Canadian waters;
- complete final Navigable Waters Protection Act (NWPA) approval pending the conclusion of maneuvering studies for the LNG Terminals in Saint John and Bear Head. Final NWPA approval for Voisey's Bay will be given this year.

### Goals and Priorities

The goals and priorities of the Civil Aviation branch are to:

- implement Safety Management Systems within affected sectors of the Civil Aviation Industry. In Flight 2005: A Civil Aviation Safety Framework for Canada, Transport Canada committed to the implementation of safety management systems in aviation organizations. At the most fundamental level the aim is to improve safety through pro-active management rather than reactive compliance with regulatory requirements. In the years to come, holders of Transport Canada-issued Air Operator Certificates will be required to implement a Safety Management System in their organizations. The expected result of this initiative is the improvement of safety practices fostering stronger safety cultures within the civil aviation industry. Within the 2005-2006 year, the organizations affected are Airline Operations and associated Approved Maintenance Organizations (i.e., airline operations conducted under Canadian aviation regulation subpart 705) and International Airports;
- work with the Quality and Resource Management Branch to implement an Integrated Management System into our regional operations and therefore foster continuous improvement of the regional Civil Aviation Program;
- Identify hazards, conduct risk assessments and implement safety recommendations throughout the region;
- Share aviation safety intelligence throughout the Civil Aviation Branch;
- continue communication and working relationships with federal and provincial enforcement agencies;
- provide assistance to airport and airline operators to gain a better understanding on the reporting of runway surface condition reporting through workshops involving airline operators and airport operators;
- brief regional airport personnel on new regulations regarding bird and wildlife control, winter maintenance, fire fighting and emergency response;
- work with CanJet and Jazz as they continue to expand their aircraft fleets and route structures;
- continue to monitor the ongoing NAV CANADA level of service review, and the attendant aeronautical studies, to ensure a continued acceptable level of safety in this service;
- follow-up on the safety review conducted of airspace surrounding Lourdes-de-Blanc-Sablon;
- follow-up on the safety review of Standard instrument departures at Fredericton and Saint John Airports;
- provide visible presence and conduct surveillance, investigations, presentations and interaction with the Civil Aviation community;
- continue training our inspectors to deal with new technologies and changes to the industry;
- meet Civil Aviation level of service goals;

### Civil Aviation

The Civil Aviation branch is responsible for the safety oversight of the Canadian Aviation System. In the Atlantic Region, approximately 60 Civil Aviation Inspectors carry out oversight activities including audits, inspections, assessments and surveillance. Other branch activities related to Aviation Safety include the qualifying of aeronautical products, individuals and organizations, rulemaking, education, promotion, and the investigation and enforcement of contraventions to the Canadian Aviation Regulations. Improving the impressive Canadian Aviation safety record is a shared responsibility. To that end we are working closely with our industry partners to promote a safety culture through the integration of Safety Management Systems throughout the aviation industry.

## Business and Service Overview

- maintain oversight and meet the Civil Aviation Frequency of Inspection Policies regarding aviation organizations active within the Atlantic Region;
- continue to support the Airport Capital Assistance Program;
- continue to facilitate and chair bi-annual meetings of the Regional Civil Aviation Safety Council; and,
- actively participate in the Canadian Aviation Regulatory Advisory Council.

### Surface

The role of the Surface branch is to assure a high level of safety in rail transport and in the transportation of dangerous goods by road or rail. Industry practices are monitored through inspections and audits in order to ensure compliance with standards, rules and regulations.

#### Railway Safety

The Atlantic Region Surface branch is responsible for the management of all railway safety functions, including strategic and operational planning to administer regionally the Railway Safety Act, the Transportation of Dangerous Goods Act and Part II of the Canada Labour Code. The branch also liaises and consults with industry, provinces, municipalities and other government departments to promote railway safety.

#### Transportation of Dangerous Goods (TDG)

The branch is responsible for the management of all functions including strategic and operational planning to administer the Transportation of Dangerous Goods Act in the Region, as well as liaising and consulting with industry, provinces, municipalities and other government departments to promote TDG safety.

### Goals and Priorities

The goals and priorities of the Surface branch are to:

- continue to focus this year on partnership collaboration, both with industry and other government agencies, in an effort to achieve optimal benefit from the following initiatives;
- continue our presence as the driving force behind the organization of the 9th annual Atlantic Region Railway Conference scheduled for June 7th & 8th in Moncton, N.B.;
- increase emphasis on public education and awareness with respect to railway crossing and trespassing on railway property. This will be done through partnership with provincial safety councils, police associations, and industry involvement. Programs are delivered in conjunction with Operation Lifesaver and Transport Canada's Direction 2006 initiative;
- enhance our role with provincial counterparts in seeking compliance to regulations relating to the transport of dangerous goods in Atlantic Canada;
- develop, in conjunction with the provinces, improved compliance and enforcement tools for the monitoring of shortline railways that come under provincial jurisdiction. At the same time maintain close harmonization of provincial and federal rules and regulations;
- continue to stress upon the railway industry the importance of developing a strong safety management system within their companies to create and promote a "safety culture" within the industry. In support of this initiative, the Railway Safety group in the Atlantic Region will serve as a "pilot project" for Transport Canada in stressing the implementation and adherence to the components outlined in the "Safety Management System Regulation", and,
- increase emphasis on education and awareness of industry with respect to the compliance of regulations for the transportation of dangerous goods in Atlantic Canada. This will include partnering with other government agencies, provincial counterparts, and industry representatives.



### Goals and Priorities

The goals and priorities of the Security and Emergency Preparedness branch are to:

- conduct inspections of air carriers, airports, vessels, port facilities and rail operations and facilities to ensure compliance with federal security regulations and memoranda of agreement;
- interface with internal groups, other federal departments, other levels of government, non-governmental organizations and industry stakeholders to participate in exercises on regional emergency response and critical infrastructure protection;
- maintain the departmental Regional Situation Centre in a state of readiness for effective incident management and communications in the event of an emergency;
- ensure compliance with mandatory requirements of the Government Security Policy through the use of security surveys, threat and risk assessments, and security awareness presentations;
- conduct increased awareness sessions to ensure all partners and stakeholders are kept abreast of new legislative changes to the Aeronautics Act and all applicable legislation, and to ensure they remain vigilant in their everyday operations;
- work with our partners and stakeholders to ensure a seamless and transparent implementation of the new Marine Transportation Security Regulations, and the International Ship and Port Facility Security Code and SOLAS Amendments 2002 (ISPS) Code within the industry; and,
- increase participation with our partners and stakeholders in the surface transportation sector to ensure there is a clear understanding of the roles and responsibilities of the Security and Emergency preparedness Branch within the industry (rail security is increasingly becoming a priority in the Region).

### Security And Emergency

#### Preparedness

The Atlantic Region Security and Emergency Preparedness mandate is to ensure industry compliance with security legislation in all modes of transportation; regional departmental capability to respond to industry, regional and national emergencies affecting transportation; and regional departmental compliance with the Government Security Policy that includes corporate security and emergency preparedness.

Start up of the Marine Security Operations Centre in Halifax (MSOC) that will bring to bear all civil and military resources necessary to detect, assess and respond to marine security threats; will help establish a robust marine security infrastructure that is key to increasing the security of the national transportation system. This initiative is aimed at safeguarding coastal marine infrastructure by having appropriate enforcement tools to intercept and apprehend would-be terrorists and/or their devices, and enhancing awareness activities of the vessels, cargo, crews and passengers destined for or within Canada's marine system. A risk management strategy was used to evaluate threat potential, vulnerability and likely impact of terrorist incidents. Broadly, risk mitigation measures were based on the level of risk assigned to the security gaps.



### PROGRAMS AND DIVESTITURE

Programs and Divestiture in the Atlantic Region will continue with the transfer and divestiture of airports, harbours and ports, while ensuring the continued existence of adequate, safe, secure, efficient and environmentally responsible transportation systems.

#### Airports

Airport transfers have proceeded in the Atlantic Region at a progressive rate with over 90 percent now under local control. The National Airports Policy Airport Divestiture Program was renewed effective April 1, 2005 and the Region remains active as negotiations continue for the remaining facilities.

#### *Goals and Priorities*

The goals and priorities of the Airports branch are to:

- manage, in a safe, cost effective and environmentally responsible manner, Transport Canada airports in the Atlantic Region that have not yet been transferred while continuing efforts to transfer these airports to local operators;
- deliver the Airports Capital Assistance Program (ACAP) in the Atlantic Region to assist Regional/Local airports serving scheduled passenger traffic in financing capital projects;
- deliver the Labrador Coast Airstrips Restoration Program (LCARP) in co-ordination with the Province of Newfoundland and Labrador to ensure the coastal communities of Labrador have access to year round transportation facilities;
- protect public investment and interest in the seven National Airport System (NAS) Airports in the Atlantic Region through: effective oversight, monitoring and lease management; monitoring environmental management; and maintaining dialogue and working relationships with Local Airport Authorities.
- continue to co-ordinate the Atlantic Region's remaining \$ 2.0 million of upgrades and improvements to airside infrastructure facilities and upgrade and purchase of heavy airside mobile equipment. Airport Infrastructure Safety Fund to several NAS airports in support of safety related airside facility improvements;
- participate in the implementation of Transport Canada's 3rd Sustainable Development Strategy;
- continued work on the delivery of goals and targets outlined in the 2004 – 2006 Atlantic Region Environmental Management System (EMS);
- on-going development of Environmental Management Plans for Port aux Basques, Newfoundland and Labrador and Port of Georgetown, PEI.;
- continue to update, on an annual basis, site specific Environmental Emergency Plans at all Transport Canada Facilities;
- provide leadership in the transportation sector, within Transport Canada and the federal government in promoting sustainable transportation in Canada, meeting Canada's climate change commitments and reducing the environmental impacts of transportation;

## Business and Service Overview

- promote environmental awareness throughout the Department to increase awareness and to ensure the Department's activities are carried out in an environmentally sustainable manner;
- continue to conduct Environmental Assessments in pursuant to CEAA in support of Airports, Harbours and Ports and Marine Safety;
- promote Regional Awareness of TC National Environmental Programs among stakeholders. Programs such as Moving on Sustainable Transportation (MOST), Urban Transportation Showcase, Freight programs, etc.; and,
- continue to manage the Region's Contaminated Sites through site assessments, site-specific monitoring programs, establishment of priorities, the development of Remedial Action Plans and active remediation, pending national priorities and the availability of funding.

### **Goals and Priorities**

The goals and priorities of the Harbours and Ports branch are to:

- transfer regional and local ports in the Atlantic Region to local operators who can more effectively match local needs and aspirations with local economic realities;
- carry out implementation of the International Ship and Port Facilities Security Code (ISPS) requirements and continue to oversee the management of those Transport Canada ports within the Atlantic Region that have not yet been transferred to local operators;
- manage post-transfer issues and refinements with respect to ports; and,
- monitor regional Canada Port Authorities.

## **DEPARTMENTAL ADMINISTRATION**

### **Corporate Management/Corporate Services**

The Atlantic Region's Departmental Administration continues to provide efficient and effective executive services, as well as support services to Atlantic Region clients and stakeholders.

### **Goals and Priorities**

The goals and priorities of the Regional Director's Office are to:

- foster the "Building Transport Canada Together" working environment in the Region; and,
- liaise with provincial governments on transportation issues.

### **Goals and Priorities**

The goals and priorities of the Finance and Administration branch are to:

- support and promote stewardship and accountability in the region;
- provide enhanced access to financial and records management systems, and the means to leverage the information therein; and,
- ensure continued availability of regional IT infrastructure through proactive risk assessment and equipment management.

### **Harbours And Ports**

The Atlantic Region Harbours and Ports branch is proceeding with the implementation of the Divestiture program as outlined in the National Marine Policy, while continuing to operate the remaining sites in a safe, responsible and efficient manner, thereby responding to the needs of a diverse client base and enhancing the potential for future transfers.

### **Regional Director General's Office**

The Regional Director General's Office will continue to provide leadership and management of all regional activities and represent the Minister and the Department in the four Atlantic Provinces.

### **Finance and Administration**

The Finance and Administration branch offers efficient financial and administrative services to all the regional components. This includes the services necessary to support legislated and operational requirements such as accounting services, financial management, contracting, asset management, information and systems management, as well as administrative policy advice.

## Business and Service Overview

### Communications

The Communications branch is responsible for the development and implementation of the regional external and internal communications plans. The branch provides communications-related services and advice to the other branches in the region.

### Goals and Priorities

The goals and priorities of the Communications branch are to:

- provide written or verbal responses to public inquiries;
- act as a focal point for media inquiries;
- prepare and implement communications plans to promote departmental programs, services, policies and initiatives;
- coordinate and/or provide creative services such as writing, editing and photography; and,
- prepare and implement communications plans to promote better employee communications. (employee newsletters, internal and external Web sites)

### Human Resources

The Human Resources branch provides assistance and advice to managers. It deals with job classification, staffing, job transfers, staff relations, employment equity, diversity, human resources planning, health and safety issues, training and organizational development, Official Languages, facilities management, as well as Access to Information and Privacy.

### Goals and Priorities

The Human Resources branch's goals and priorities are to:

- ensure human resource services are provided to all managers in the Region in order to assist them in the achievement of their operational objectives;
- provide a full human resource service to regional employees in all disciplines;
- contribute to the department's Building TC Together initiatives by providing support required to managers as well as program administration and co-ordination; and,
- promote the business case for Diversity and assist managers to achieve/maintain a representative workforce.

### Coordination and Policy Advice

The Atlantic Region Coordination and Policy Advice branch will continue to provide support to the Regional Director General in managing and coordinating a wide range of services.

### Goals and Priorities

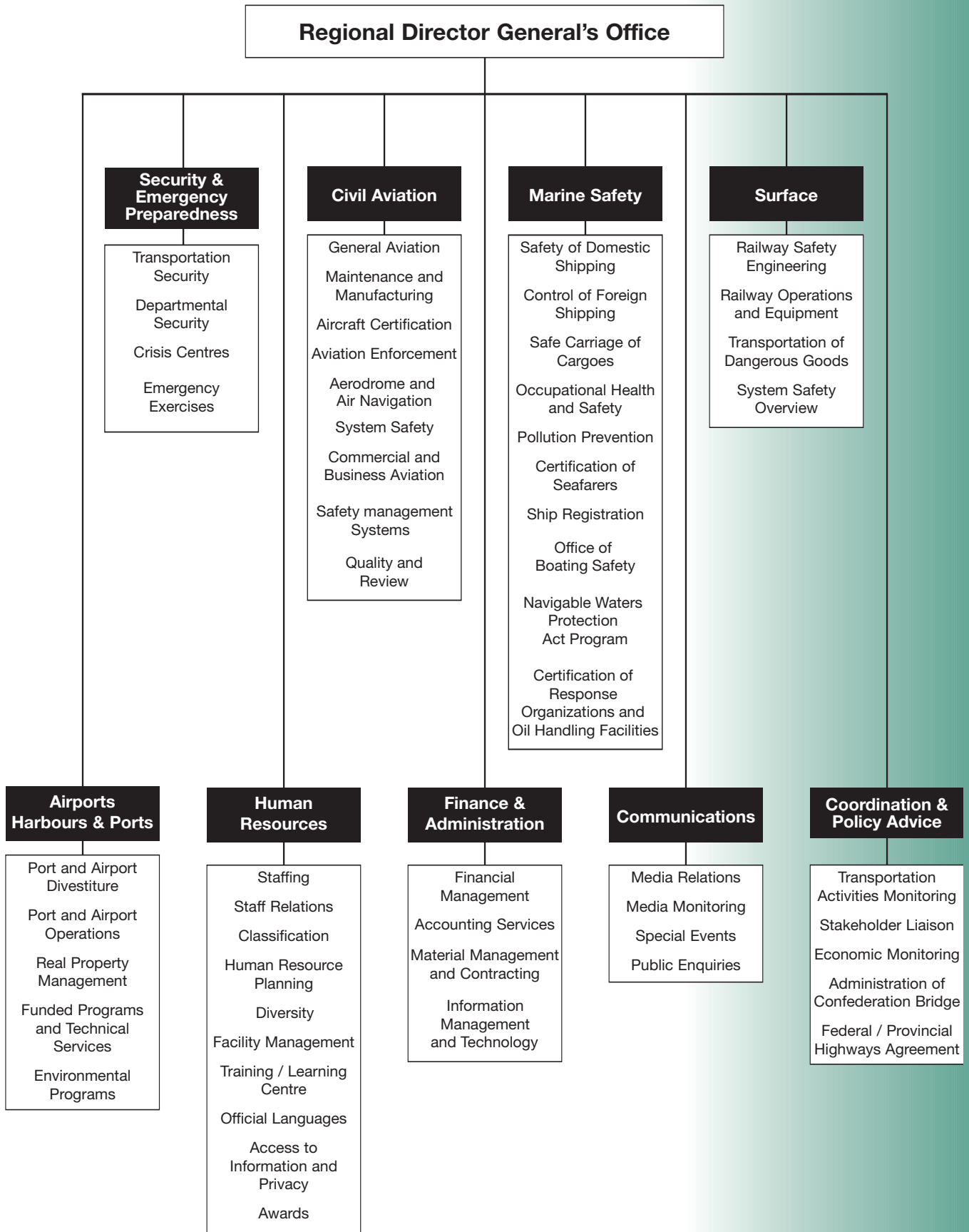
The goals and priorities of the Coordination and Policy Advice branch are to:

- monitor economic and transportation-related developments in Atlantic Canada;
- consult and coordinate with our partners, such as federal councils and industry; and,
- administer the Confederation Bridge agreement and contracts.

The Coordination and Policy Advice branch is responsible for relations with the major stakeholders in the transportation sector and for regional participation in the development of transportation policies. It also produces economic analyses and monitors activities in the Atlantic transportation industry. The branch is also responsible for the administration of various agreements for the Confederation Bridge.

# Transport Canada

## ATLANTIC REGION ORGANIZATION

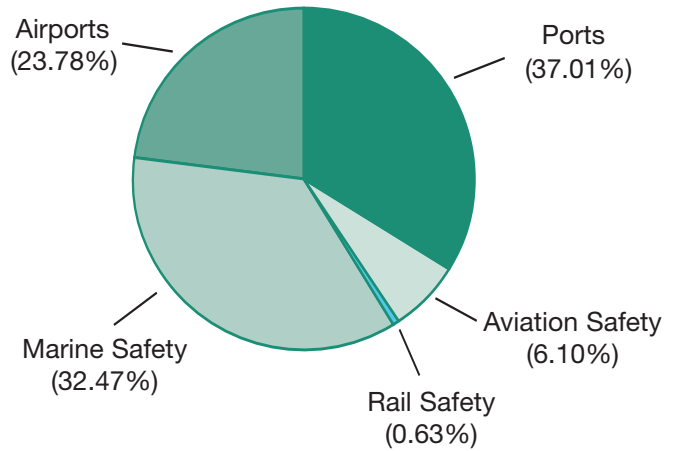


# Budget 2005-2006<sup>1</sup>

by Departmental Business Line  
(in thousands of dollars as of May 27, 2005)

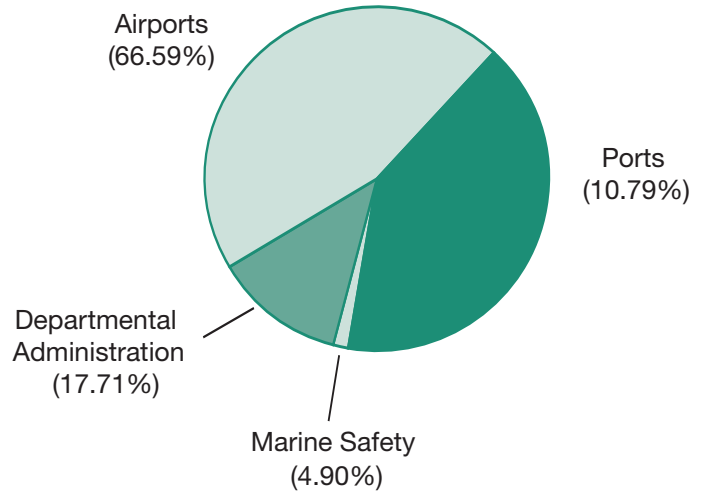
## REVENUES AND COST RECOVERY

<b>Safety and Security</b>	
Marine Safety	2,575
Aviation Safety	484
Rail Safety	50
<b>Programs and Divestiture</b>	
Ports	2,935
Airports	1,886
<b>TOTAL</b>	<b>\$7,930</b>



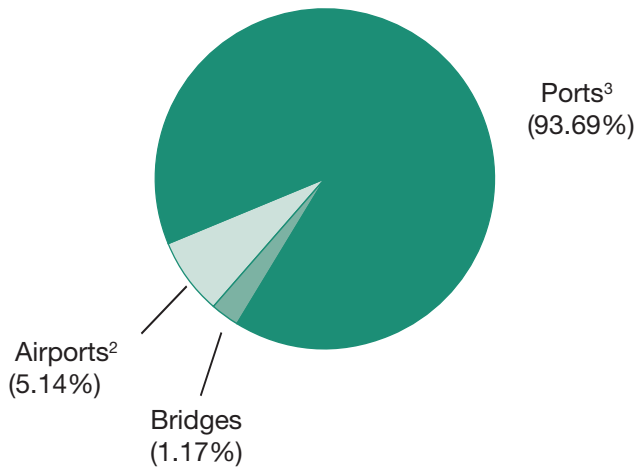
## CAPITAL

<b>Safety and Security</b>	
Marine Safety	175
<b>Programs and Divestiture</b>	
Airports	2,376
Ports	385
<b>Departmental Administration</b>	
	632
<b>TOTAL</b>	<b>\$3,568</b>



<sup>1</sup> Financial information is presented in accordance with the Planning, Reporting and Accountability Structure (PRAS) policy framework. For 2006-2007 and future years, financial information will conform to the new Program Activity Architecture (PAA) framework established in April 2005.

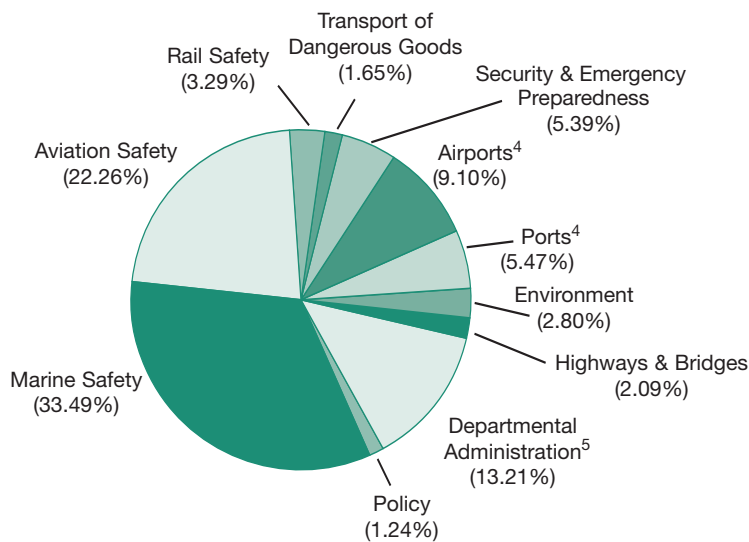
## SUBSIDIES AND CONTRIBUTIONS



### Programs and Divestiture

Airports <sup>2</sup>	1,047
Ports <sup>3</sup>	19,085
Bridges	239
<b>TOTAL</b>	<b>\$ 20,371</b>

## OPERATIONS AND MAINTENANCE



### Safety and Security

Marine Safety	13,190
Aviation Safety	8,766
Rail Safety	1,296
Transport of Dangerous Goods	651
Security and Emergency Preparedness	2,122

### Programs and Divestiture

Airports <sup>4</sup>	3,583
Ports <sup>4</sup>	2,155
Environment	1,103
Highways and Bridges	824

### Departmental Administration

Policy	489
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<b>TOTAL</b>	<b>\$39,381</b>
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<sup>2</sup> includes Airports Capital Assistance Program

<sup>3</sup> includes Port Divestiture Funds

<sup>4</sup> excludes Environmental Remediation Funds

<sup>5</sup> includes RDG's Office, Communications, Finance and Administration and Human Resources

# Atlantic Region Transport Canada Centres

## PRINCE EDWARD ISLAND

### Charlottetown

97 Queen Street, Block 1270  
Charlottetown, PEI C1A 7M8  
Ph.: (902) 566-7987

## NEW BRUNSWICK

### Moncton

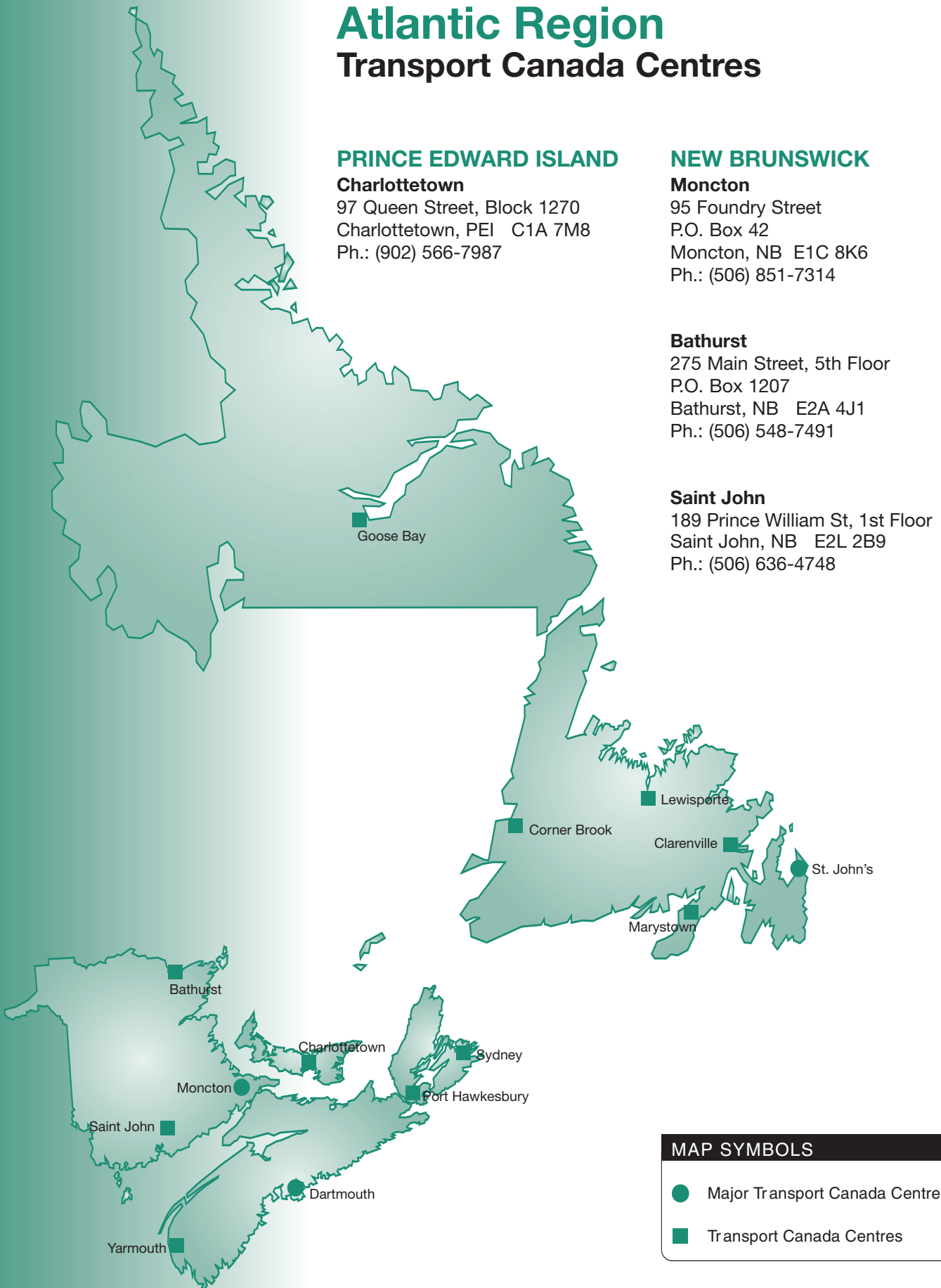
95 Foundry Street  
P.O. Box 42  
Moncton, NB E1C 8K6  
Ph.: (506) 851-7314

### Bathurst

275 Main Street, 5th Floor  
P.O. Box 1207  
Bathurst, NB E2A 4J1  
Ph.: (506) 548-7491

### Saint John

189 Prince William St, 1st Floor  
Saint John, NB E2L 2B9  
Ph.: (506) 636-4748



### MAP SYMBOLS

- Major Transport Canada Centres
- Transport Canada Centres



## **NOVA SCOTIA**

### **Dartmouth**

45 Alderney Drive  
P.O. Box 1013  
Dartmouth, NS B2Y 4K2  
Ph.: (902) 426-7795

- and -

50 Goudey Drive  
Enfield, NS B2T 1K3  
Ph.: (902) 873-1376

### **Port Hawkesbury**

811 Reeves Street, Unit 1  
Port Hawkesbury, NS B9A 2S4  
Ph.: (902) 625-0803

### **Sydney**

196 George Street  
Federal Arts Bldg. 2nd Floor  
Sydney, NS B1P 1J3  
Ph.: (902) 564-7002

### **Yarmouth**

248 Pleasant Street  
P.O. Box 850  
Yarmouth, NS B5A 4K5  
Ph.: (902) 742-6860

## **NEWFOUNDLAND & LABRADOR**

### **St. John's**

10 Barter's Hill  
P.O. Box 1300  
John Cabot Bldg.  
St. John's, NL A1C 6H8  
Ph.: (709) 772-6197

### **Corner Brook**

4 Herald Avenue, Fortis Tower  
P.O. Box 22  
Corner Brook, NL A2H 6C3  
Ph.: (709) 637-4390

### **Goose Bay**

110 Dow Street  
Goose Bay Airport  
P.O. Box 189, Stn. A  
Goose Bay, NL A0P 1S0  
Ph.: (709) 896-6190

### **Lewisporte**

396 Main Street, Chipman Complex  
P.O. Box 237  
Lewisporte, NL A0G 3A0  
Ph.: (709) 535-2503

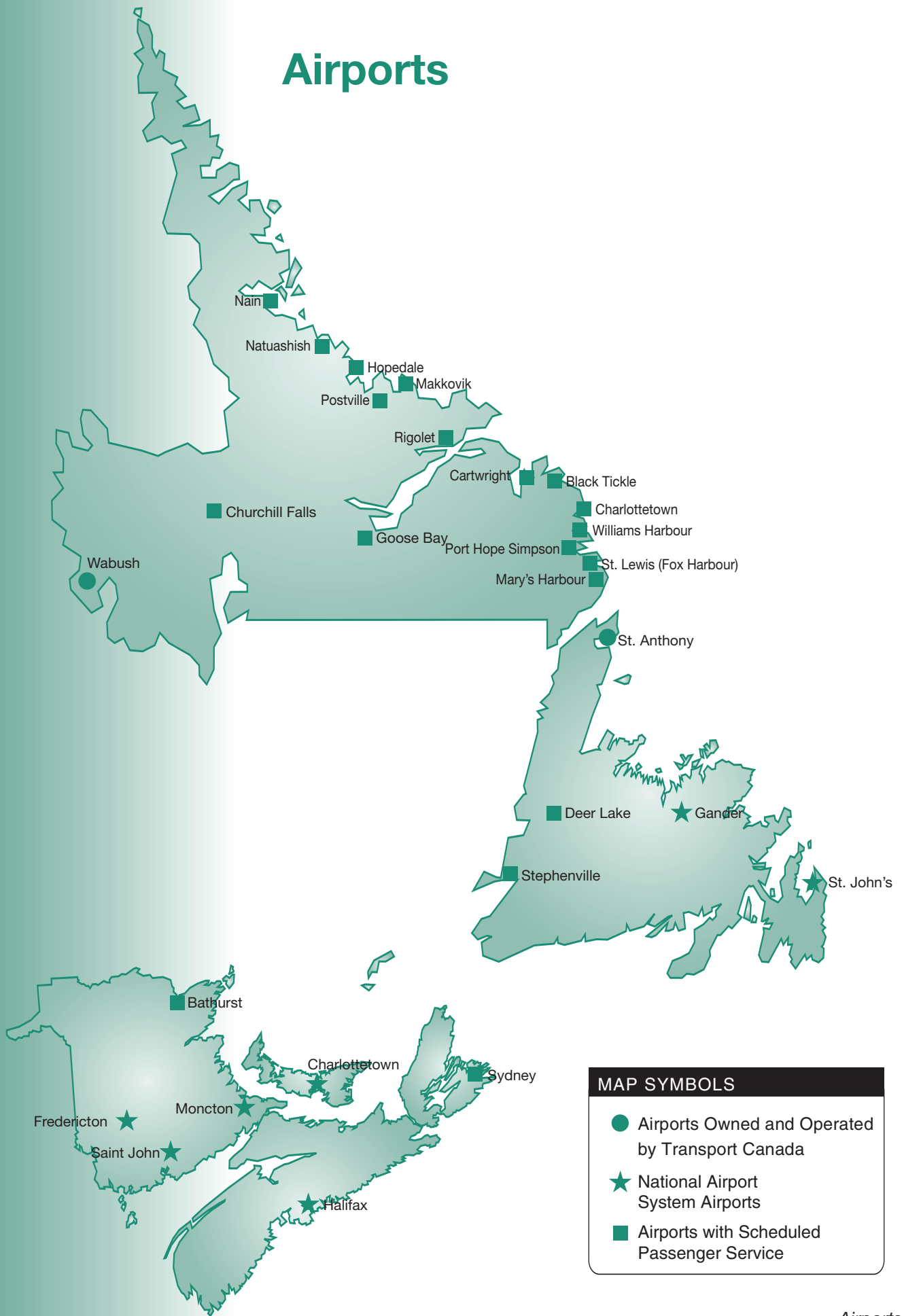
### **Marystown**

Ville Marie Drive  
P.O. Box 1143  
Marystown, NL A0E 2M0  
Ph.: (709) 279-2201

### **Clareville**

8 Myer's Avenue  
P.O. Box 368  
Clareville, NL A0E 1J0  
Ph.: (709) 466-4515

# Airports



# Ports

## New Brunswick, Nova Scotia & Prince Edward Island







### MAP SYMBOLS

- ▲ Ports Transferred
- Remaining Regional/Local Port Facilities Under TC
- ★ Canada Port Authority
- Ports where TC remains the Harbour Authority

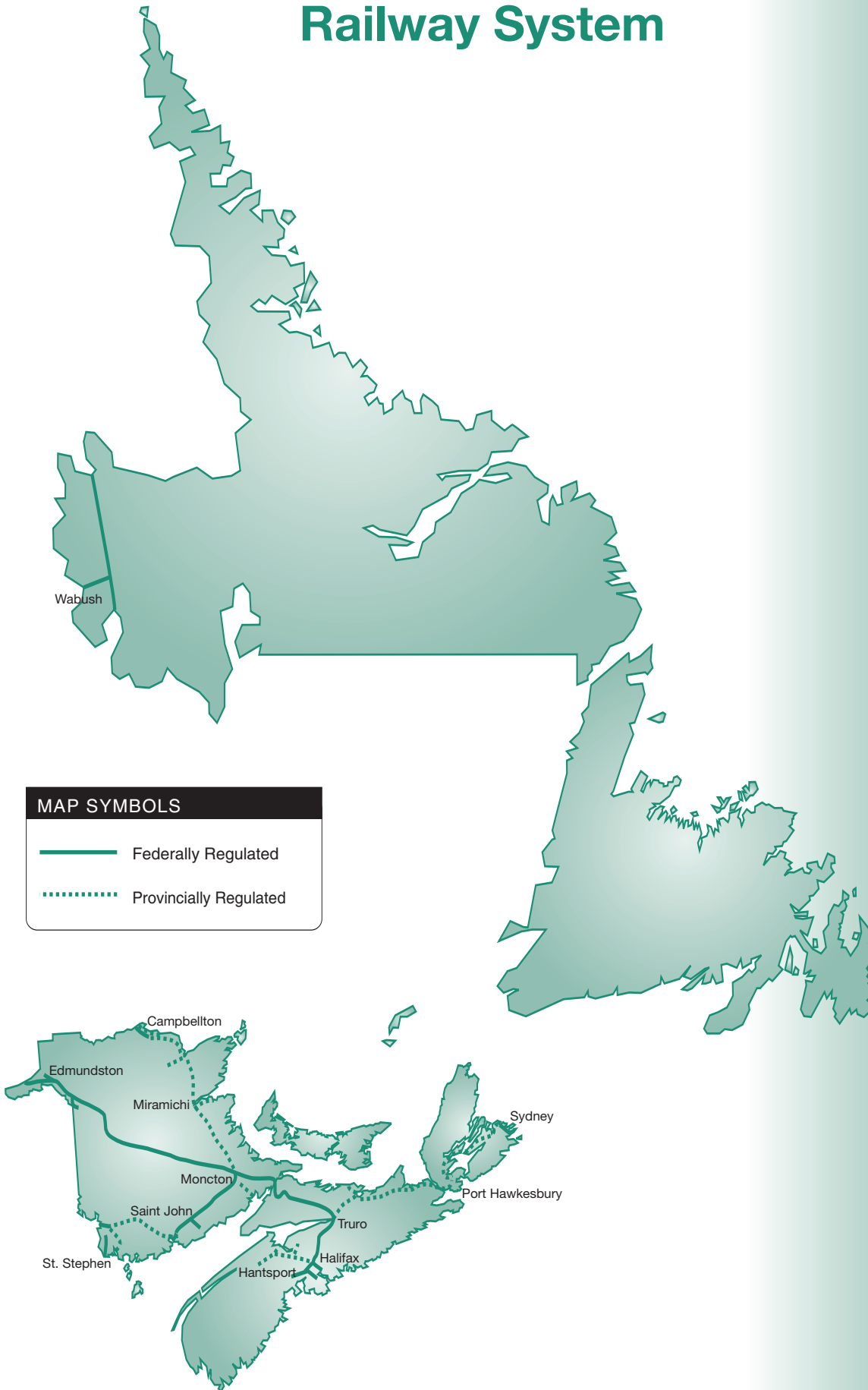
# Ports Newfoundland & Labrador

## MAP SYMBOLS

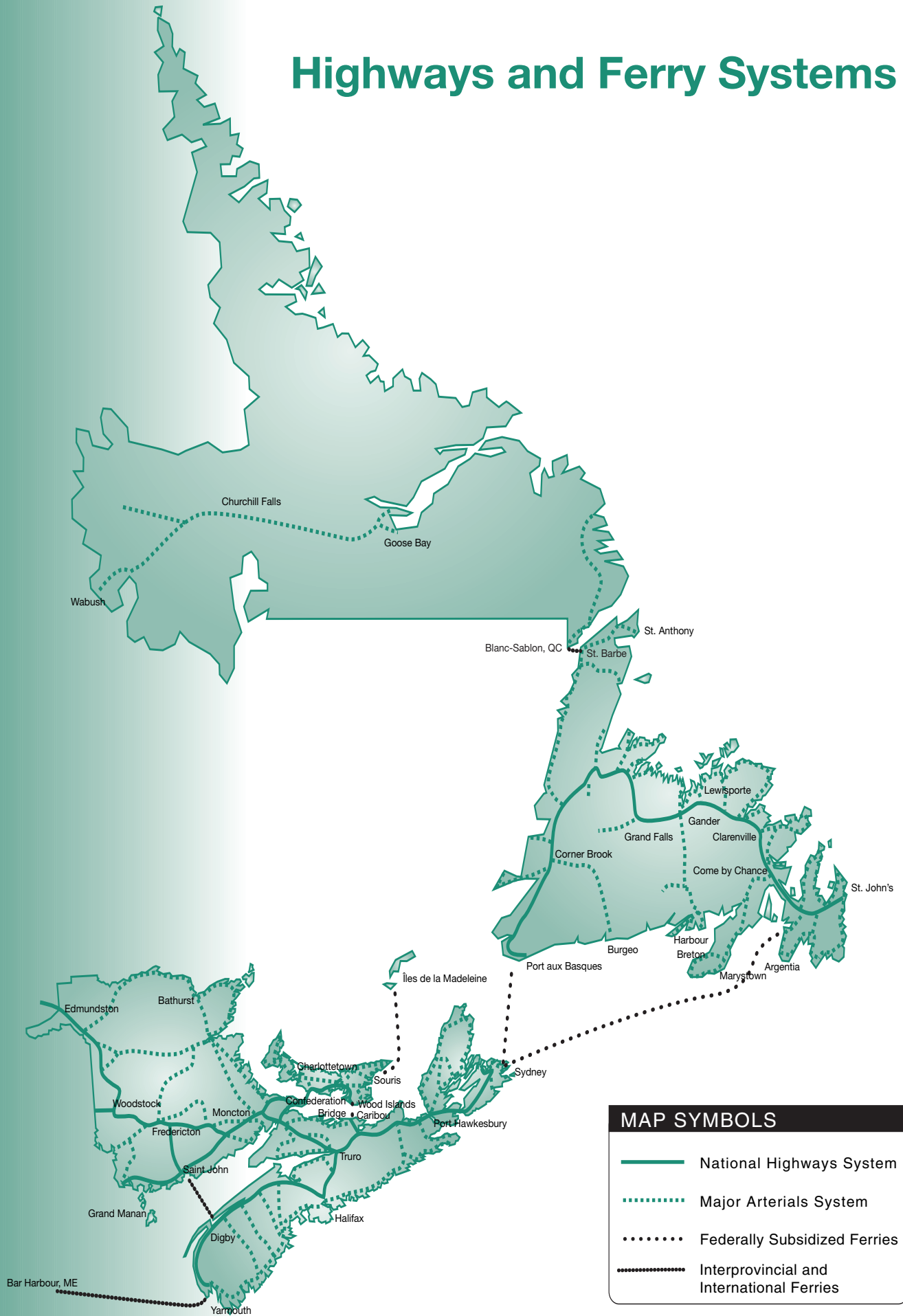
-  Ports Transferred
-  Remaining Regional/Local Port Facilities Under TC
-  Canada Port Authority
-  Ports where TC remains the Harbour Authority



# Railway System



# Highways and Ferry Systems



Highways and Ferry Systems