

Appendix 1

The Panel's Mandate and Terms of Reference

Terms of Reference

The *Canada Transportation Act* emphasizes the policy objective of fostering a “safe, economic, efficient and adequate” transportation system for Canadian shippers and travellers. Section 53 of the Act calls for a comprehensive review, to be completed by July 1, 2001, of the operation of this Act and any other Act of Parliament for which the Minister of Transport is responsible that pertains to the economic regulation of a mode of transportation and transportation activities under the legislative authority of Parliament.

Section 53 of the *Canada Transportation Act*

53. (1) The Minister shall, no later than four years after the day this Act comes into force, appoint one or more persons to carry out a comprehensive review of the operation of this Act and any other Act of Parliament for which the Minister is responsible that pertains to the economic regulation of a mode of transportation and transportation activities under the legislative authority of Parliament.
- (2) The person or persons conducting the review shall assess whether the legislation referred to in subsection (1) provides Canadians with an efficient, effective, flexible and affordable transportation system, and, where necessary or desirable, recommend amendments to
- (a) the national transportation policy set out in section 5; and
 - (b) the legislation referred to in subsection (1).
- (3) The review shall be undertaken in consultation with purchasers and suppliers of transportation services and any other persons whom the Minister considers appropriate.
- (4) Every person appointed to carry out the review has, for the purposes of the review, the powers of a commissioner under Part I of the *Inquiries Act* and may engage the services of experts, professionals and other staff deemed necessary for making the review at the rates of remuneration that the Treasury Board approves.
- (5) The review shall be completed and a report of the review submitted to the Minister within one year after the appointment referred to in subsection (1).
- (6) The Minister shall have a copy of the report laid before each House of Parliament on any of the first thirty days on which that House is sitting after the Minister receives it.

The Act's ability to provide the foundation for the kind of transportation system Canadians need stems from the operation of the legislation as well as from the policy objective on which it is based. Both of these elements are considered to be open to review if it is found to be beneficial or required.

Issues Requiring Special Attention

Competitive Rail Access Provisions

The review panel shall consider proposals for enhancing competition in the railway sector, including enhanced running rights, regional railways and other access concepts. These concepts need to be assessed in the broader context of increasing North American integration and ensuring cost effective service for shippers over the long term. The review panel shall submit an interim report on access issues to the Minister of Transport by December 31, 2000.

Other Issues

The following issues shall be considered in connection with any other matters dealt with by the review panel:

- (a) the overall effectiveness of the current legislative and regulatory framework in sustaining the high levels of capital expenditures required to enhance productivity and promote innovation
- (b) the extent to which the current framework supports the efforts of Canadian transportation players to adapt to the new e-business environment and to meet global logistics requirements
- (c) the extent to which the current framework is appropriate for dealing with the public policy issues that may arise from newly emerging industry structures
- (d) the extent to which the current framework provides the government with the necessary powers to support sustainable development objectives
- (e) the advisability of specific measures designed to preserve urban rail corridors for future mass transit use in the rail line abandonment process
- (f) whether the Canadian Transportation Agency should have the powers to set "maximum" as opposed to "actual" interswitching rates (This matter has been raised by the Standing Joint Committee for the Scrutiny of Regulations).