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## **Standing Committee on Transport, Infrastructure and Communities**

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**EVIDENCE**

**Tuesday, September 26, 2006**

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**Chair**

**Mr. Merv Tweed**

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## Standing Committee on Transport, Infrastructure and Communities

Tuesday, September 26, 2006

•(1545)

[English]

**The Chair (Mr. Merv Tweed (Brandon—Souris, CPC)):** Welcome back, everybody. I do want to thank you for the opportunity to serve as your chair again, I welcome Mark to our committee, and I look forward to sharing some of the highlights.

Pursuant to the order of reference of Thursday, September 21, 2006, Bill C-11, an act to amend the Canada Transportation Act and the Railway Safety Act and to make consequential amendments to other acts, we are fortunate today to have the minister joining us. I would ask the minister to take the floor and make his presentation.

Mr. Cannon, please.

**Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities):** Thank you very much, Mr. Chairman.

First of all, I wish to extend my congratulations on the exceptional choice that the members have made to reconfigure, or re-elect, or push you into the position of chair. I want to congratulate also the two vice-chairs.

I'm accompanied by Helena Borges, who is the director general of surface transportation policy, and Brigita Gravitis-Beck, who is director general of air policy.

I appreciate the opportunity to address the members of the committee. I would like to open by reiterating the government's overall approach to amending the Canada Transportation Act. The act is a legislative framework for economic activities related to air and rail transportation in Canada and covers a number of general matters such as the role and responsibility of the Canadian Transportation Agency.

The act, which came into effect in 1996, included a requirement for a statutory review. The panel was appointed in June 2000 and undertook extensive consultations across Canada before submitting its report in June 2001.

In the five years since that review, amendments to the legislation have been introduced through bills tabled in Parliament twice: Bill C-26, in 2003; and Bill C-44, in 2005. Both of these bills died on the order paper.

[Translation]

The government recognizes that there have been extensive consultations and consensus-building with stakeholders over this, and that there was considerable support for many of the provisions that were in Bill C-44.

Stakeholders are anxious for the government to move forward with improvements to the CTA. The government wishes to proceed with CTA amendments on which there is consensus using the former Bill C-44 as the base, with appropriate revisions.

In order to expedite passage of the amendments, the government has decided to split C-44 into three more manageable components. As you know, Mr. Chairman, Bill C-3, an Act respecting international bridges and tunnels and making a consequential amendment to another act, is presently before the Senate.

Bill C-11 is the second component and deals with the air provisions, rail passenger provisions, railway noise, the grain revenue cap as well as a number of general provisions.

[English]

The third component will deal with shipper protection provisions. Consultations are under way with shippers and the railways on potential changes to those provisions. The intent is to table a bill later this fall.

Allow me to highlight some of the amendments contained in Bill C-11.

Section 5 of the act contains the national transportation policy declaration, which provides a general context for the legislation. You will recall that, in its report, the Canada Transportation Act review panel recommended that the policy statement be updated. Although the underlying principles are well accepted, the panel agreed with many stakeholders who said the statement is too long and too confusing. Furthermore, the statement needs to be updated to add principles related to the environment and security.

The act sets out the powers and responsibilities of the Canadian Transportation Agency. Amendments contained in Bill C-11 will affect the agency's role and structure. There will be a reduction in the number of full-time members, from seven to five, and members will be required to reside in the national capital region. This is expected to reduce its administrative costs without affecting the efficiency and the effectiveness of the agency.

Rather than relying solely on regulatory remedies, the CTA review panel supported the use of alternative dispute resolution mechanisms that emphasized negotiated solutions to disputes between carriers and their customers. Such approaches are often quicker, less costly, less confrontational, and more effective than regulatory measures.

In June 2000, the agency launched a pilot project based on mediation. This has proven quite successful. Bill C-11 will give the agency formal authority to engage in mediation on demand with respect to matters under its jurisdiction.

Bill C-11 also introduces a new merger review process that extends to all transportation carriers and service providers under federal jurisdiction, notably in the areas of air, rail, marine, buses, trucks, airports, and marine ports. This process would build on the strengths of the existing merger review process currently in place for the airlines.

Bill C-11 contains a number of important provisions related to air travel. In this regard, I want to emphasize that this government is committed to promoting competition in the air transportation sector and offering increased consumer choice to the travelling public. It is my intention to set out a more comprehensive air policy later on.

The bill contains several measures to enhance consumer protection. Among these is the obligation for carriers to display their terms and conditions of carriage more prominently at their business offices and on their Internet sites. Consumers are entitled to know the terms and conditions of the air service before they book a flight, to help them make informed travel choices. Amendments also help to ensure that consumers obtain fair airfare advertising that is clear, transparent, and not misleading.

[*Translation*]

Mr. Chairman, allow me to expand briefly on this last element: air fare advertising.

Good information helps Canadians make informed choices. Consumers want to be able to compare different airlines, advertised prices and to know, upfront, how much they will pay for air services when setting out to purchase airline tickets. Carriers are realizing this, and it is reflected in their changing practices today. Consumers are also becoming smarter as evidenced in the increasing use of the Internet for ticket sales.

However, concerns have been raised by some consumers that price advertisements, whether in newspapers or on Internet sites, still do not contain complete or clear pricing information. For that reason, the amendment proposed in the bill would give the minister, where required, the power to authorize the making of regulations respecting transparency in the advertising of prices of air services, regardless of the medium used.

[*English*]

The amendments provide guidance regarding what types of costs should be included in the base price of an airfare and what costs may be advertised separately. The regulations, should they become necessary, would be enforced by the agency and would ensure that the standards would be consistently applied across the industry.

The Office of the Air Travel Complaints Commissioner was created, you'll recall, in 2000 as part of a specific amendment to the act. It has served a useful function during the transition period of the last few years; however, the complaints function has become integrated into the regular work of the agency. With changes in the marketplace since 2000 and more competition, especially from low-cost carriers, the number of complaints against Air Canada and other

carriers has stabilized to what we would call a normal level, approximately consistent with their market share. In addition, complaints now increasingly relate to matters that fall within the core functions of the agency.

Since the fall of 2004 the function of the commissioner has been entrenched in the agency through the implementation of the air travel complaints program. The agency has been able to continue to adequately respond to consumers' complaints in an informal manner and consistent with its ongoing mandate. The proposed amendments would therefore make permanent and transparent the complaints resolution function of the agency by integrating this function into the regular operations of the agency.

Bill C-11 also addresses the need of publicly funded passenger rail services. It will implement a more effective mechanism to resolve disputes during contract negotiations between passenger service providers and the freight railways.

● (1550)

[*Translation*]

VIA Rail, commuter rail authorities and other publicly funded passenger rail operators prefer to conclude commercial agreements with infrastructure owners. If negotiations prove unsuccessful, publicly funded passenger rail service providers will be allowed to seek adjudication from the agency on the terms and conditions of operations on federal rail lines, including access fees and charges for services provided by the railways. Adjudication will be precluded for existing commercial contracts except for resolving train priority issues under the existing VIA Rail agreements.

In addition, the line transfer and abandonment provisions will be extended to include urban corridors, passenger stations, and urban transit authorities.

I want to emphasize that the proposed improvements to the rail passenger provisions are strongly endorsed by the commuter rail operators in Vancouver, Toronto, and Montreal. They would like to see these changes implemented as soon as possible.

[*English*]

Bill C-11 also addresses the issue of railway noise. The agency used to consider complaints about noise from railway operations. However, in December 2000 the Federal Court of Appeal ruled that the agency lacked jurisdiction to hear noise complaints. Therefore, no federal regulatory body is presently mandated to regulate railway noise. Bill C-11 will amend the act to require that railways not cause unreasonable noise when constructing or operating a railway, taking into consideration the requirements of railway operations and the interests of affected communities. As well, the agency would be granted authority to resolve noise complaints if a voluntary settlement cannot be reached between the parties. The noise provisions have strong support from interested parties, including a number of members of Parliament.

Bill C-11 contains a provision that will enable the Minister of Transport to make a one-time-only request to the agency to adjust the revenue caps for grain movements to reflect current maintenance costs of hopper cars. This will provide for an adjustment that is not dependent upon a disposal. This amendment is widely supported by western Canadian grain producers.

Many of you may be curious about how Bill C-11 amends the Railway Safety Act. Let me explain in a couple of seconds. Under Bill C-11 the CTA is being amended to repeal the provisions that grant police powers to railway companies and to incorporate comparable provisions in the Railway Safety Act. In addition, amendments to the Railway Safety Act will require that the railways establish an independent review mechanism for responding to public complaints against railway police. The review mechanism will be filed with the minister for approval.

• (1555)

[*Translation*]

Before I close, Mr. Chairman, I would like to flag one other provision. Bill C-11 introduces a new provision that authorizes the transport minister to enter into an agreement with a provincial authority under which the provincial authority would regulate a railway in the same manner as the minister. This is aimed at facilitating the introduction of expanded O-Train service in Ottawa, which falls under federal jurisdiction and is therefore subject to federal safety regulations.

The city plans to convert the existing rail corridor into a dedicated two-track electrified streetcar-type light-rail train (LRT). However, since LRT typically operates with different control systems and different braking characteristics, LRT equipment and operations do not need the majority of the rules, regulations and standards currently set out pursuant to the Railway Safety Act.

A tentative agreement has been reached with the city and the province under which the city would assume all applicable responsibilities for the Ottawa LRT system.

[*English*]

Mr. Chairman, we believe these amendments will greatly improve the CTA and benefit air travellers and communities across the country, urban transit providers, grain producers, and the environment.

Thank you very much, Mr. Chairman and members of the committee.

**The Chair:** Thank you, Mr. Minister.

The minister has a somewhat limited time schedule. What I am going to try to do is allow each party five minutes with response. If there is any time for the minister afterwards, we'll ask him to stay as long as he can.

Mr. McGuinty is next.

**Mr. David McGuinty (Ottawa South, Lib.):** Thank you very much, Mr. Chairman. Congratulations on your re-election.

Mr. Minister, welcome to the committee. It's good to see you again. Thank you for coming to speak on Bill C-11.

Let me thank you as well for your generous comments in the House last week, where you admitted that most of the heavy lifting on Bill C-11 and in fact, for that matter, most of your government's transportation agenda was done by the previous government, by the department, and by transportation stakeholders who have been working on this for over a decade. I appreciate your largesse in that regard.

I'd like to ask you two specific questions, and I want to know how the bill deals with both questions, if I could.

The first has to do with the safety of our airports. You've heard about the incident in Montreal earlier this month; a journalist was able to penetrate six or seven times on the periphery of Trudeau airport. Without identification, he was able to gain access without being stopped. With all due respect, Minister, your comments on this matter have been vague. They have been inconclusive. Canadians are very worried about this. It was compounded today by media reports, Mr. Chairman, about members of criminal organizations, including the Hell's Angels, intimidating security officers at our airports in order to operate—we take from the article—their flourishing drug trade.

How is this bill specifically going to deal with this question, in the first instance, of airport security?

**Hon. Lawrence Cannon:** Well, clearly, Mr. McGuinty, this bill doesn't address that specific issue. On the alleged infiltration of a reporter into the Trudeau airport in Montreal, of course I acted promptly and swiftly and instructed officials to inquire into the proceedings and to come back to me with information as to whether the system is functioning and did function correctly.

You know well, as I do, that in the case the report comes back, we do have a certain number of measures that can be applied, going from fines that can be levied to very stiff sanctions to the airport authorities as well as to those who play a major role in the security. That is an ongoing process.

As for the question dealing with personnel going into these areas, since 1986—this is not yesterday—the Government of Canada has been doing clearance work for all those people who wish to work in restricted areas of the airports. They are in a position to access information that will determine whether the individual does pose a risk to airport security or aviation security.

In the month of December, we will be putting in place a secure access system that will oblige everybody to have cards with them and to use these cards to access these areas. Those are ongoing.

As you mentioned in your radio interview two weeks ago, a lot has been done over the last three years. We are continuing in that direction. You know as well as I do that the Government of Canada, up to our election, had put in roughly \$2.5 billion, if not \$2.6 billion, into the security following 9/11—particularly in the aviation sector, which got a large chunk—and we have increased that amount of money by supporting CATSA with \$133 million this year in our budget.

We have supported, also, an air cargo design program that I believe Senator Kenny had mentioned during some of his remarks previously, wherein he indicated that the former government should be involved. We've done that, so I feel quite proud of our mandate, and I feel quite proud of what we've done up to now in terms of making sure airport security and safety are uppermost and that Canadians can use that vehicle to go from one destination to another.

•(1600)

**Mr. David McGuinty:** Thank you, Minister. I have a second question I want to put to you. Time is ticking, and I am cognizant of it. It has to do with rail safety.

This committee has committed to examining rail safety when it has the time to get to it. Lately my colleague from North Vancouver, the vice-chair of this committee, Don Bell, has been responding to rail safety issues, particularly in B.C.

We've seen a lot of accidents on CN track. CN derailments jumped 35% last year. Your predecessor, Minister Lapierre, ordered an audit of CN safety management systems. He pledged to make the audit public once it had been completed. We had an election. The audit's been completed. You got it in June; your office received the audit in June, four months ago.

In July, unbeknownst to any member of Parliament, to my knowledge, you secretly issued a ministerial order to CN, under section 32 of the Railway Safety Act—the first time a minister has ever exercised such an extraordinary action and power—after CN reportedly failed to address the safety deficiencies found in the audit. I understand CN is now appealing the order, but there is no reason, to my mind, that you cannot release the audit to us and confirm the details of your subsequent section 32 order against CN, as the previous minister promised.

Can you assure this committee now, today, that you will in fact release both those documents?

**Hon. Lawrence Cannon:** I appreciate your comments and I'm very happy to answer that question, Mr. McGuinty. I know that Mr. Julian has been very preoccupied by this; I've been very preoccupied by this.

Historically, you're absolutely right; my predecessor, Mr. Lapierre, did go forward, and an audit was undertaken. That audit was completed in June. Subsequent to that, before issuing section 32, I did ask for another audit to make sure the findings were substantially correct. We did receive a great deal of push-back from CN in terms of their compliance with it. That's the reason I issued section 32.

As you know, it's gone in front of the appeals board, and I am limited in being able to comment on that specific issue, but when this whole issue is brought forward at the appeals process, I do intend to make this audit public. I believe there is no reason in the world that we would not want to make it public. I would add, though, that through an ATIP—through the access to information officer—that has been requested. Third party acknowledgement, therefore—in this case, CN—has to be obtained, and CN has refused us the chance, or at least the opportunity, of making this public. Until such time as the official Information Commissioner statutes on this issue, I am bound legally to respect the terms and conditions governing that institution.

This issue is extremely serious. I met last week with Mr. Hunter Harrison, who is the chair, president, and chief operating officer of CN. As a matter of fact, we discussed this issue. I've indicated to him in no uncertain terms that we will go forward with the appeal process and we will not accept systematic obstruction to the rail safety issue. I would further say to you today, and be on record, that I am looking at different options now as to how we can go forward, including a process that would involve this committee.

•(1605)

[*Translation*]

**The Chair:** Mr. Laframboise.

**Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ):** Thank you, Mr. Chairman.

Thank you for appearing before the committee, Minister. I am going to make a comment and ask two questions.

My comment deals with what was said by my Liberal colleague, Mr. McGuinty. You are quite right: Bill C-11 does not deal with security problems, including problems at the Pierre-Elliott-Trudeau airport, and neither did Bill C-44, which was introduced by the Liberal government.

This morning, there were again problems on the tarmac with smuggling. There has been infiltration by organized crime and concerns about employees. I think that this is worrisome, Minister, but I am sure that you will address these problems in upcoming legislation. But that is not the thrust of the bill that we are considering here today.

I will now go to my two questions.

Transit authorities are asking some questions. I know that you understand the situation because of your experience at the municipal level and in the transportation industry. Will this legislation make it possible to somehow force the hand of companies that have abandoned rail lines, so that they can be used for public transit? Could that be done through mediation? It is not because they have abandoned rail lines that companies will necessarily decide to negotiate in good faith. Have you thought about that, or is this something that the committee might look at improving?

**Hon. Lawrence Cannon:** To my knowledge, Mr. Laframboise, the idea would be to enable a public transit authority, like the AMT in Montreal, to negotiate rates for the use of rail lines belonging to CN, CP or some other company, in order to plan its operations better.

As for abandoned rail lines, I will ask the experts to answer your question, more specifically about intentions for legislation.

**Ms. Helena Borges (Director General, Surface Transportation Policy, Department of Transport):** The intention is to give the agency adjudication powers so that freight rail companies and transit authorities can negotiate agreements that meet the needs of those responsible for passenger service.

For urban transit authorities, the process will include giving up branch lines, sidings and passenger stations. That will be included in the process. Transit authorities will be able to submit a bid to the company to purchase it at net value.

**Mr. Mario Laframboise:** And that would apply, even if the company was unwilling to be involved. There would be a negotiation process. That is basically what I understand.

My second question concerns noise regulations. As you no doubt know, it is often people in major urban areas that are affected by this problem. I understand the aim of the bill, which is to give the agency powers that it does not currently have. The court of appeal turned the agency down on that in 2000.

I also come from the municipal level, and I know that there are standards, a decibel level and so on, but that is not the approach taken in this bill. Instead, it takes into account industry needs and where industry is located. I would like to know whether some improvements could be made.

Regarding decibel levels, will it be possible to impose restrictions where the noise level is really too high, or are you going to stick to the industry standards? In that scenario, the agency would be the one to adjudicate and would try to find the solution that best met the needs of everyone concerned.

You know what will happen. I have concerns about that. I am pleased to see the agency being granted this power, but I do not think that it goes far enough. Do you think that we can improve the bill in this area?

• (1610)

**Hon. Lawrence Cannon:** Departmental officials have already consulted the Federation of Canadian Municipalities to find out what concerns they really have about this in urban areas. There is noise, but there is also the problem of vibrations. I think that there are usually vibrations when there is noise. But the reverse is not always true.

For that reason, department staff will use an adjudication process — since there might very well be rail friction or other factors — to identify the nature of the problem and the tools needed to fix it. In some cases, the decibel level might be used, but other techniques may come into play as well.

I think that the legislator's intention is to ensure that in urban areas, when you, I or any other MP receive complaints about noise, we will have the appropriate tools at our disposal to correct and resolve the situation. I would not rule out the idea at this point that the agency might be given the means to fix the problem or make the necessary recommendations to have it fixed.

In my opinion, it would be shortsighted to attempt indirectly to refine things so much that they end up having no application at all. I think that we need to have the courage to implement these tools to fix the problems. I hope that creativity and the appropriate tools can be used to meet those objectives.

**Mr. Mario Laframboise:** So basically, you will not allow any amendments about vibrations. You think that if we deal with the noise problem, that will eliminate the vibration problem?

**Hon. Lawrence Cannon:** Yes, that is essentially my view.

[English]

**The Chair:** Mr. Julian is next.

**Mr. Peter Julian (Burnaby—New Westminster, NDP):** Thank you very much, Mr. Chair. Congratulations on assuming your new role.

Thank you, Mr. Minister, for coming today.

I'll start by doing something I haven't done with you before, and that's compliment you. I'd like to thank you for the decision you made last week on flight attendants. Our concern was that you were right on the edge of a precipice, a cliff, and my understanding is

[Translation]

that even if it did take quite a while for Mr. Fast to ask his question in the House, all the questions about changes and reduced safety on planes are now off the table permanently.

**Hon. Lawrence Cannon:** A future government or a future minister may want to revisit this issue, but as Minister of Transport, Infrastructure and Communities, I do not intend to change the regulations.

I met with the flight attendants' union in my office. That was the first such meeting, as far as I know. I do not believe that my predecessor did that. The representatives expressed their concerns to me and provided me with data. I then asked the departmental officials to review the information.

I have to admit that I was uncomfortable because the answers I received were not satisfactory. They did not tell me what I needed to hear in order to go ahead with that initiative. I would like to see more consultation and then in-depth study. The issue is not on my political agenda for now or the near future.

[English]

**Mr. Peter Julian:** Thank you for that, because it was a matter of some concern to this committee. I appreciate that decision.

I'd like to come back to the issue Mr. McGuinty raised, which was the question of the CN accidents, the safety audit that was done, and the actual decision or order for CN to comply with certain components. It remains outside of the public purview. I would like to say that safety is much better when the public is not kept in the dark.

I understand your reasons for not making that issue open for the moment. However, I would urge you, as I have on previous appearances you've made before this committee, to hold a public inquiry into current railway safety. It is a matter of great concern, particularly in British Columbia. We saw more accidents this summer and tragic loss of life. I believe very strongly that a public inquiry in which people can come forward and raise these concerns, particularly with CN but also with other rail companies, is the only way to really clear the air.

You raised the issue of looking at possible options. Is a public inquiry one of the options you're looking at?

•(1615)

**Hon. Lawrence Cannon:** That's correct, sir. That is part of the options we're looking at. I've asked my officials to look at that and give me a document of pros and cons.

I will tell you, Mr. Julian, at the outset that I'm very preoccupied by what has occurred. The audit will be public. We will find a way when all of these legal challenges are complete. That will happen.

Both the aviation industry and the marine industry have a number of regulations. I can't say as much for the rail industry. We don't necessarily have the same tools spread across the other sectors equally. That's why I've asked my officials to look at that review process. I will be getting back to you and the members of this committee and the House shortly on that.

**Mr. Peter Julian:** Thank you.

I have two questions specifically on Bill C-11. You mentioned in your opening remarks that the pilot project around air traffic complaints raised against the airlines has proven successful. How did you determine that success? What level of complaints are we talking about? How were they dealt with? How were the actual passengers themselves who raised the concerns questioned in terms of whether or not they felt the process had been a valid one? What information or documentation is available to us?

This is very relevant given the changes in Bill C-11, and some concerns should have been raised as to whether or not this is the best approach to take in terms of air traffic complaints.

**Hon. Lawrence Cannon:** Thank you for the questions. I will ask our experts here to respond.

**Ms. Brigita Gravitis-Beck (Director General, Air Policy, Department of Transport):** What I would say is that we look very much at the level of activity in terms of complaints received. We also look at the report made annually by the agency—the most recent report is for 2005 activity—that reported on satisfaction levels in terms of how complaints were handled. In fact, the satisfaction ratings they noted were very high. They were in the order of 90%-plus for level one. There are different categories of complaints. Both categories rated very high in terms of customer satisfaction.

We also looked at the number of complaints that moved from the informal process into the more formal semi-judicial process. That level has remained very small, which gives us a great deal of assurance that, of the thousands of complaints that are looked at annually, only a very small number—for 2005 it was some seven complaints—were not resolved with the informal process and moved to a more semi-judicial process.

Those are two measures. One is that we are noticing that the level of complaint activity has remained relatively constant, that it is very consistent with the market shares of the carriers, which again is what we would expect in a stable market where there would be certain concerns raised with all of the participants for various reasons; the satisfaction rates, which are reported by the agency itself most recently through its annual report; and then how many of those complaints are actually resolved versus how many moved to a more formal process—all of those are considerations we took into account to assess success.

**Mr. Peter Julian:** Can that documentation be made available to the committee—not the individual responses, of course, but the compilation?

**Ms. Brigita Gravitis-Beck:** Most of the documentation is available in the annual report most recently tabled by the Canadian Transportation Agency. It included a chapter on the complaints over the last year. Those are the most recent data available, and the report does provide some year-over-year comparisons. If there's additional specific information, we can certainly make that available as well.

•(1620)

**Mr. Peter Julian:** Thank you.

**The Chair:** You have 30 seconds.

**Mr. Peter Julian:** My final question is again on Bill C-11.

In the merger review provisions there is an indication that public interest is being considered in the merger reviews, but I have not seen any specific recommendation or specific reference to how the public might be involved in the merger review process. It seems to be set by the minister. What provisions could be made, or what provisions exist—perhaps I've missed them—that actually allow the public to get involved, particularly when we're talking about air traffic in regions of the country where a merger could have fairly significant repercussions?

**Hon. Lawrence Cannon:** I'll ask Ms. Borges to answer that question.

**Ms. Helena Borges:** The process allows the minister, if he determines there are public interest considerations, to ask a person or a group of persons—a committee, for example—to investigate what those public issues may be. That opportunity would allow the public to come forward and explain what the impacts—through air, rail, or whatever—may be on their communities.

It also allows for other members of the industry. For example, if you have something happening in rail, it could affect ports, or it could affect one of the passenger rail lines. It allows for all those concerns to be brought forward. Right now that mechanism does not exist at all.

**The Chair:** We have time for one short question from Monsieur Blaney.

[*Translation*]

**Mr. Steven Blaney (Lévis—Bellechasse, CPC):** Thank you Mr. Chair.



I am new at parliamentary work. I would like to thank the minister for attending the meeting. I believe that the key questions have been asked this afternoon, and we appreciate the respect you have for the committee's work, as you have shown with regard to the issue of flight attendants, and, particularly within Bill C-11, the issue of noise, which is an issue that is of particular concern for my constituency. This is something that is included in the legislation.

It is also interesting that you were able to split up this bill compared with the previous version. It has been improved, which is why we are able to move forward more rapidly.

Discussions this afternoon have been very constructive. I also want to salute your courage with regard to railway safety. We really get the sense that you want to deal with this issue, which is one that I believe is shared by committee members.

That is all I have to say. You said that your appearance would last 30 minutes, and yet you have been here for over 50 minutes. I therefore want to thank you for having accepted the committee's invitation. I believe that your appearance will help guide our work going forward.

Of course, before moving on to the clause-by-clause consideration of Bill C-11, we will hear from witnesses. I think that the names of the witnesses that we wish to call for this consultation have already been submitted to the chair.

**Hon. Lawrence Cannon:** Thank you very much for your comments, Mr. Blaney.

I heard my friend, the Liberal Party critic, tell me that bills, etc., came about thanks to the exceptional work by the previous government. I would not be so bold as to say such a thing. I believe that we were able to choose measures, actions and initiatives, which all parliamentarians here subscribed to and expressed their opinion on. Needless to say, it is up to the government and a minister to introduce the initiatives, but I would humbly suggest that they are the result of the productive work that committee members have done over the years. Members properly defined, identified and improved the legislative measures included in the bill.

We simply gave careful consideration to the elements on which there had been a consensus in order to move things forward, rather than introducing legislation left and right, which could have led to resistance. We believe that it was important to move forward with issues for which there was a general consensus. And the consensus was reached thanks to members sitting on this committee.

It is always a pleasure to work with members of Parliament, because it reminds me of my beginnings. I sat on a number of parliamentary commissions at the National Assembly to discuss several bills. Basically, the role of members is to examine these issues and to add their views, which are extremely important because we will have to explain these issues to our constituents later on.

Thank you very much for hearing me out today. Mr. Chair, I remain available for you if you feel the need to call me back here again. Thank you.

•(1625)

[English]

**The Chair:** Thank you very much, Mr. Minister. We do appreciate your taking the time to be here.

We will continue with questions outside of the minister. We'll get the technical details, if that's all right.

Mr. Hubbard.

**Hon. Charles Hubbard (Miramichi, Lib.):** Thank you, Mr. Chair.

The minister alluded in his presentation to a vast amount of consultations. With that, I guess, we have assurances from him and from the department that things are looking very good for this bill, and we've had very few people, or very few groups, presenting concerns.

Could you indicate to our committee what concerns have been expressed and, as of this day, what concerns need to be addressed, not from your point of view but from the point of view of those sending you letters, those wanting to make presentations to the minister's office?

**Ms. Helena Borges:** I will respond on behalf of the surface mode, and I'll let my colleague respond on behalf of the air mode.

The issue on which we have received by far the most concerns in letters has been related to railway noise. It dates back to 2000, when the Federal Court of Appeal overruled that the agency had any authority to engage in disputes of this nature.

We've consulted, going back to 2001, with the Federation of Canadian Municipalities. We've had communities write in. We've had individual constituents write in. We've had numerous members of Parliament; there were even opposition days when we responded to this issue. Basically, this is why it is such an important element of this legislation, a brand new power for the agency. This power does not exist for any of the other modes. It's really specific here to rail.

On that one by far we've tried our best to address the concerns put forward to us. We believe the solution will allow for hopefully a cooperative approach to be taken, but if not, the agency has the power to order a solution and to try to correct the problem.

I'd say that the second issue we heard most about was related to the commuter rail operators and urban transit operators, about access to rail corridors that are being abandoned, and making sure that those corridors remain available for urban transit purposes. We are strengthening the current provisions in the act, which outline a very detailed and rigorous abandonment and discontinuance process. We're including them in the process and also broadening it to include rail sidings, rail spurs, and rail stations, which can continue to be used for urban transit purposes.

As well, the commuter rail operators came to us numerous times. We had several meetings with them. With us they helped craft the provisions in the act about publicly funded passenger service providers. The new adjudication mechanism we included in the bill was designed with them. We consulted with the railways, of course, to determine the impact. The railways are okay, I think, with the provisions in there. As the minister said, those groups are very interested in getting this through, and I think they would be very happy to come before the committee to talk about that.

Those are the three big areas in which we've had extensive consultation and requests.

**Hon. Charles Hubbard:** Any others?

**Ms. Brigita Gravitis-Beck:** On the air side, I would refer to two areas.

To begin my remarks, I would say that we've worked closely with the air industry in terms of its associations. We've worked closely with the agency in terms of its experience with carriers in a range of areas, and we have tried to build in responses to the kinds of issues they have raised.

The one area where we have had concerns raised—from this committee but also from stakeholders—relates to consumer group concerns about adequate protection in the case of airfare advertising. In that case, again, this legislation includes a specific component, a specific element, that would allow the minister to enable the agency to pass regulations, if needed, with respect to airfare advertising. It would put into place, for the first time, specific guidelines in terms of expectations of behaviour from carriers in Canada with respect to airfare advertising. So we feel that we have addressed the concerns while retaining sufficient flexibility to respond to changing market circumstances with respect to airfare advertising.

The second area in which consumer groups have expressed some concern is the intent to not renew the commissioner of air travel complaints. I know that has generated some interest in a number of quarters. We have emphasized very strongly through this legislation that the informal complaints resolution function, which has really become a core function of the agency, should continue, should be made permanent. We feel that this responds to the need from passengers to have a sounding board without necessarily having the head, the individual, in that particular role.

• (1630)

**Hon. Charles Hubbard:** I just want to make a very small point here on railbed abandonment. There was a tremendous amount of that some 10 years ago, or maybe within a year or two of that.

Is much of that former railbed within the control of our legislation, or has it been spun off by CN and CP to outside agencies and is therefore beyond the grasp of our Parliament and our government?

**Ms. Helena Borges:** In 1996 when it was passed, the Canada Transportation Act put in a process to facilitate the abandonment of rail lines. Since then we've had the creation of a large number of short-line railways across the country. I think there's a total of 60 across Canada right now.

CN and CP have kept the primary highways and quite an extensive network in western Canada, so the majority of the network remains in the hands of Canadian Pacific and Canadian National.

Several of the short-line railways are also under federal jurisdiction if they cross provincial boundaries, so they would be subject to this process. If they are under provincial jurisdiction, they would not be subject to this process.

**Hon. Charles Hubbard:** Are railbeds that have been completely turned over within or without?

**Ms. Helena Borges:** Once they are no longer part of the railway they are under the jurisdiction of municipalities. They are a piece of property like any municipal piece of property.

**The Chair:** Mr. Carrier.

[*Translation*]

**Mr. Robert Carrier (Alfred-Pellan, BQ):** Thank you for attending our committee meeting.

I am very concerned by the urban transit authorities and the much-talked about commuter trains that need to be refurbished. I am wondering whether the agency will be at the mercy of businesses. It is stated that: "A railway company shall prepare and keep up to date a list of the sidings and spurs that it plans to dismantle." Therefore, the agency remains dependent on these prepared lists.

How could the agency check to make sure whether the list is up to date?

**Ms. Helena Borges:** Railway companies are required to maintain their lists. Bill C-11 provides that when a company wants to make changes to a list, either by adding or removing elements, it has to notify the agency, Transport Canada, as well as communities through which the railway runs. This is becoming clearer. The railway has to be on the list for a period of 12 months, giving sufficient time to notify the people concerned.

**Mr. Robert Carrier:** How can we be sure that companies have updated their lists? How can you make sure whether all sidings that are available really appear on the list?

**Ms. Helena Borges:** A company cannot abandon a siding before it puts it on a list. Moreover, companies will only place those sidings they wish to abandon on the list.

**Mr. Robert Carrier:** I have another question on the same issue. Could the bill have included negotiations with respect to the sharing of railways? Rather than only being concerned about it once the railway or siding has been abandoned, could we provide negotiations to allow for a commuter rail service? This is not included at present.

•(1635)

**Ms. Helena Borges:** Indeed, that is not currently provided for. However, in Bill C-11, the agency is given new powers to arbitrate with commuter rail companies and railway companies to negotiate agreements with respect to the responsibility to determine when they will run passenger service or need to use a special railway. Furthermore, railway access fees will be included.

**Mr. Robert Carrier:** Therefore, generally speaking, it is stated that the agency could arbitrate, but without specifically mentioning railway sharing, which could be subject to arbitration?

**Ms. Helena Borges:** Yes, but these are the terms and conditions to run a passenger service.

**Mr. Robert Carrier:** Earlier, my colleague spoke about the issue of noise included in the bill. However, nearly all members who spoke in the House said that this is open to interpretation, because the bill refers to unreasonable noise.

What is unreasonable noise within the framework of railway operations? Noise might be acceptable to a company, but unreasonable to residents who live nearby. That is why we deplore the lack of standards that companies have to comply with.

Did you dismiss the application of standards?

**Ms. Helena Borges:** Not entirely. The bill allows consultations with individuals affected by the situation, including communities as well as railways, in order to determine standards or guidelines upon which the agency can base its decision. Sometimes the noise impact is different depending on whether an urban or rural community is involved.

We will have to take all these aspects into consideration before making a decision. For its part, the agency will have to visit the sites and see what the best solutions are. Sometimes it is not the level of noise but rather the activity causing the noise that must be changed. The agency has more flexibility when it comes to such cases.

[English]

**The Chair:** Mr. Julian.

[Translation]

**Mr. Peter Julian:** Thank you, Mr. Chair.

I would like to come back to the issue of rail corridors. What you said about urban transportation was very clear. That use remains an option. However, if this option were not available for any reason at all, there is nothing in the bill to ensure that this corridor could be converted into regional trails, bike paths or anything else, at least as far as I understand.

**Ms. Helena Borges:** I am going to answer you in English.

[English]

Currently the process applies to the railway discontinuing operations or abandoning the railway line. Once the railway discontinues operations—it will no longer offer a freight service—it has to offer the line up for sale to another private entity, for example, a short line. If there are no takers, it currently has to go through the process of offering the line to the levels of government. The federal government receives an offer if the line crosses municipal jurisdictions or a first nations reserve; then it goes to

the provincial government, and subsequently to the municipal government. Each level of government has 30 days to decide whether or not it wishes to acquire that corridor for any purpose that the municipality or the level of government would want.

If there are no takers and the municipality, which has the last offer, does not take the line for urban transit purposes, a bicycle path, or whatever, then the railway has the authority to discontinue it. Then it becomes a piece of property like any other that can be sold, as with any piece of property. It is no longer under the process, because it has already followed the thorough discontinuance process.

What we are adding through Bill C-11 is one intermediate step between the province and the municipalities for urban transit authorities that cross multiple jurisdictions—for example, West Coast Express or TransLink in B.C., AMT in Montreal, GO Transit in Toronto. Where they serve multiple municipalities, they would be dependent on getting all the municipalities together to agree to buy that line for them. This allows them, right after the province—because they are provincial creatures—to put in an offer themselves and buy that whole corridor for their urban transit purposes. It in fact makes the process stronger and preserves more of these corridors for potential urban transit or other community uses.

•(1640)

**Mr. Peter Julian:** And if the railway line is pushing for an unreasonable price...?

**Ms. Helena Borges:** It's already in the law that when it's offered to government it's at net salvage value. Net salvage value takes into account the value of the property, but also the environmental remediation or cleanup that has to be done on the property. It is quite a fair value that the government would be getting the asset for.

**Mr. Peter Julian:** Thank you.

I'd like to come back to air travel complaints and airfare advertising from the public's side. I'd appreciate your running through complaints from the public who have concerns about air travel or about a trip they've taken or about airfares they believe are inappropriate in terms of disclosing all the information. How does the public, under this legislation, go through the various hoops in order to get justice?

**Ms. Brigita Gravitis-Beck:** There are a number of recourses. The public can always write to the minister to bring issues to his attention, but the minister will refer to the process that is in place, which allows complainants to go to the agency and to raise concerns. Concerns with respect to particularly prices, terms of carriage, baggage loss, overbookings, a perception of unfairness in terms of treatment, those are all core functions of the agency. The first step is always to approach the carrier. Individuals can choose to do that on their own, or they can choose to go directly to the agency, and the agency will approach the carrier. That's the first step.

**Mr. Peter Julian:** Okay, let's take an example of a constituent in Burnaby—New Westminster—

**The Chair:** Very briefly, Mr. Julian.

**Mr. Peter Julian:**—two fine communities. If an individual in that area has a problem, how do they approach the agency?

**Ms. Brigita Gravitis-Beck:** They would go to the complaints program, which is available, I believe, on the agency website. Certainly anyone who approaches Transport Canada or the Minister of Transport is referred to the agency, the website, the toll-free number to register the concern. We also encourage all the players to work with the carrier that is perceived to be at fault, as a first step.

**The Chair:** Mr. Fast.

**Mr. Ed Fast (Abbotsford, CPC):** Thank you, Mr. Chair, and thank you, both of you, for attending today.

Like Mr. Julian and like Mr. Bell, who is normally at this table, I'm also from British Columbia, and we have suffered two major derailments in British Columbia in the last two years. One ended up with the loss of two lives, and the second resulted in significant environmental degradation and resultant loss of fish.

The safety issue I'm assuming we're going to address separately, and I understand that. I think the rest of the committee understands that. I do notice the bill provides for a new national transportation policy statement. That statement embraces not a new principle, but one that hadn't been addressed before, and that is the whole issue of protection of the environment. But we all know that policy is just policy; it's not a regulatory scheme. The policy is not an enforcement strategy. I'm wondering how you are going to parlay this policy statement into something that has teeth.

As a follow-up question, how do you see this policy actually impacting, if at all, in situations such as the one we had in British Columbia, where the environment suffered significant damage as a result of a derailment?

• (1645)

**Ms. Helena Borges:** The environmental issues that evolve as a result of accidents are dealt with as part of the legislation that deals with railway safety, the Railway Safety Act. They also may be implicated by the Transportation of Dangerous Goods Act. The cleanups and things like that are addressed through other pieces of legislation that deal specifically with the environment.

In terms of this act and the policy statement here, up until the amendments proposed in bills C-26, C-44 and now C-11, this act had no mention at all of environment, and yet there are provisions in this bill that will benefit the environment. Railway noise is probably one of the best examples. The abandonment of the railway corridors is also an environmental issue, and it helps ensure that those corridors that are abandoned or that are sold off are cleaned up when the abandonment happens. So those are two very concrete examples of where the environmental aspect will come into account.

The policy statement assists the agency and its members when they are handling complaints or adjudicating or issuing orders. It guides their decision-making, and like the other aspects of the policy statement in terms of accessibility and principles such as that, it's to guide the agency in the decision. There are no specific environmental clauses in there, other than the two I mentioned, that have

environmental implications. In this particular act, they are dealt with through the other pieces of legislation.

**Mr. Ed Fast:** Another quite unrelated question: in terms of the reduction of the number of members of the agency, and also the requirement for residency in the national capital region, what's the purpose behind that?

**Ms. Helena Borges:** Currently, the seven members that the agency has are part-time members and they're spread throughout the country. It is sometimes difficult when the agency is doing a hearing, for example, or working on decisions for which it has to have a certain number of members available, to discuss the decision and then sign on the decision. That can often have delays. They are administrative delays, but it could have delays.

With the proposal to reduce the numbers and make them full-time and have them located in the national capital region, they still can represent and come from various parts of the country, but they would be available here in the national capital region so that, when they are discussing the issues pertaining to an individual case or complaint, they're all around the same table discussing the same issue, hearing the same issue, and then making the decision and signing off on the decision there. We believe it will make the agency much more efficient in terms of workload to have five permanent versus seven temporary. We think in fact it provides more people power and that there will be a financial benefit in terms of reduced travel time and reduced numbers of people to pay.

**Mr. Ed Fast:** Has any thought been given to ensuring that we have regional representation on that agency?

**Ms. Helena Borges:** Definitely.

**Mr. Ed Fast:** I'd hate to see the west left out. That's where many of these derailments take place.

**Ms. Helena Borges:** And normally that is a very important consideration the government takes into account in making appointments to the agency.

**Mr. Ed Fast:** Thank you.

**The Chair:** Mr. Boshcoff.

**Mr. Ken Boshcoff (Thunder Bay—Rainy River, Lib.):** Thank you, Mr. Chairman.

Last spring the transportation groups made various representations with regard to disabilities, particularly in air travel, and also, of course, the legal situation that exists now with VIA Rail. At that time it was felt that legislative encouragements weren't necessary, that voluntary compliance was the way to go. Clearly, from the concept of inclusion, nationally there are dozens of incidents around the country daily where people in wheelchairs are either embarrassed or humiliated or are unable to travel or are forced to take alternative routes that are much more expensive or lengthy in time. Will this act legislate inclusion for persons with disabilities?

**Ms. Helena Borges:** The act already has provisions in it pertaining to accessibility and the codes of conduct and the guidelines. Those are not being proposed to be changed. They will continue. There are no changes envisaged in this bill to alter that, other than the policy statement re-stressing that point about accessibility.

**Mr. Ken Boshcoff:** Here is my question again, very clearly. We know they're in the act, we know that they're voluntary, and we know they're not working. So why wouldn't you have the bill incorporate something that would make inclusion and accessibility something that especially the major carriers would have to set a national standard for?

• (1650)

**Ms. Helena Borges:** Currently the carriers already sign on to the code of conduct and they are required to comply with that code. As with anything, even the provision of regular services, there are going to be people who are not satisfied with the service that is provided. The agency hears those complaints and has authority to try to address and resolve those complaints. It will continue to do that. It would be difficult to try to legislate any more than that because the complaints will vary. We have ongoing consultations with the accessibility community—in fact the minister chairs a committee—and we will continue those efforts and encourage the carriers to make the provisions necessary to ensure that those people have access to the transportation system.

**Mr. Ken Boshcoff:** We'll deal with that at another time.

I have two other quick questions. The O-Train in Ottawa had virtually no Canadian preference or Canadian technology, so of course the cars will be built in China and the technology will be built in Europe. The nation's capital will have a brand new transportation system with no Canadian content, or very little.

We are the only country in the world that doesn't have any requirement for Canadian technology in its own systems. Do you feel that some form of public transportation technology would help Canadian transportation in dealing with our own unique climate and other issues?

**Ms. Helena Borges:** The procurement of the O-Train system belongs to the City of Ottawa and the City of Ottawa follows its procurement approach. Like the federal government and the provincial government, it has gone through a public open tender call for proposals, and that's how the technology was selected. You may know that the current O-Train is in fact Bombardier technology. Bombardier has not won the full contract now; it will be Siemens. We believe that an open and fair transparent tendering system is the way to go, and that's what the federal government itself practises for any procurements.

**Mr. Ken Boshcoff:** More specifically, Canada is the only country that doesn't have any buy-Canada provisions. Had there been something, a return through taxation, income tax, and all those other kinds of things, it would have more than made up for any difference in the bid. I'll leave that with you.

On passenger train service, the VIA train that crosses the country, does your department have any influence on VIA?

I'll tell you why I ask that. In March 2005 they promised a study to change their routing from the north line to the south line through Ontario, essentially what was the CN line to the CP line. The CP line is much more scenic, of course, and all those kinds of things, and would make more people want to travel on the train across the country. There has been virtually no response on that, although they had indicated they were interested in doing that. Can your

department actually have these documents released or put pressure on VIA Rail to actually represent Canadian citizens?

**Ms. Helena Borges:** Yes, if I recall, I think the minister responded to a letter from you on the matter.

VIA did look at it. As you may know, VIA operates with a fixed operating subsidy set at \$169 million per year. Within that subsidy, VIA has to continue to operate the network across the country. A move to another route or another line has implications for those costs.

Not only that, it also has implications for the current population that it serves. VIA is using the CN route because there are remote communities that rely on that service and the CN line provides better access for those remote communities.

VIA does not have the financial wherewithal right now to change the routing or to add additional services. It has to live within the operating subsidy. So it will not be able to change the routing in the foreseeable future.

**Mr. Ken Boshcoff:** That's very disappointing nonetheless.

**The Chair:** Monsieur Laframboise.

[*Translation*]

**Mr. Mario Laframboise:** Thank you, Mr. Chair.

With regard to air travel and transparency in advertising, you chose to adopt individual regulations rather than include in the legislation the obligation for companies to provide details.

Why was this approach adopted? According to the media, some sections apply and others do not. What was the logic behind that?

• (1655)

**Ms. Brigita Gravitis-Beck:** I would like to respond in English; it is a bit easier for me.

[*English*]

The regulatory approach for us is always one that allows more flexibility to changing circumstances: changing circumstances in the marketplace, changing circumstances in terms of behaviours that may be all right today but perhaps not perfect tomorrow, and changing circumstances in terms of competitiveness.

We look right now at one of our major competitors, the U.S. The U.S. has followed a regulatory kind of approach, and it has also looked into whether or not that regulatory approach needed to be changed. Fairly recently, it decided that it did not. With that said, it very much illustrated to us that we were on the right track in terms of taking this kind of approach to ensure that we maintain flexibility.

I think at this stage we also feel that we do not have a huge problem in Canada. Most of our carriers are relatively compliant, behaviours have improved considerably, and consumer awareness has improved a great deal as more and more players are using the Internet. The number of passengers who make bookings on the Internet is very substantial. With all of those changes, our view was that the regulatory approach provided flexibility to respond if and when needed, and flexibility to respond to changing circumstances.

**The Chair:** Mr. Hubbard.

**Hon. Charles Hubbard:** I have a little trouble with the idea that the agency shall consist of not more than five members. Then it goes on, in clause 5, which amends subsection 18(2), to say, "shall reside in the National Capital Region."

Are there any other groups like that? Around the table there are very few of us who reside in Ottawa or who are compelled to do so because of the position we hold. As the honourable member mentioned, if somebody from Vancouver is appointed, it would probably be through an order in council for a three-year period, or whatever it might be. That person would be at a certain level, and he or she would now be employed full-time rather than working on a per diem basis with a certain guarantee of an honorarium, as was previously the case. What are we thinking of here? Secondly, more importantly, why would we insist?

It would appear that the committee would always have to meet in Ottawa. The people who worked on it would always have to reside in Ottawa. It would seem to be very much not the Canadian way to go. Do you have other illustrations that show that a person couldn't live in Montreal, Quebec City, or Regina because they were a member of this board? What effect would it have in the long term on the success and the work that agency would do?

**Ms. Helena Borges:** I can't answer the question of whether there are other agencies that have similar requirements.

**Hon. Charles Hubbard:** You can't? Then why would it be put in this one only? There must be some precedent.

**Ms. Helena Borges:** We are putting it into this one because of the business of the agency. They usually require that three members be available to hear any complaint, and that three members be there to sign off. If the members are spread throughout the country you always have to require them to meet somewhere. Having them come to the national capital regional facility will mean that they are here and that they're all available to hear the evidence that the agency personnel present to them, and that they can discuss and sign off on the decisions there. Otherwise, they can continue what they're doing today, but it will take them longer to make decisions and sign the documentation.

Residence in the national capital region would be required only while they were members. That would not preclude them from maintaining a long-term residence elsewhere.

**Hon. Charles Hubbard:** The present appointments are for three or five years?

**Ms. Helena Borges:** They're for three years.

**Hon. Charles Hubbard:** So we're talking about transportation. Ideally if we're running an efficient country, you can go anywhere in this country within a matter of hours. Could they live, for example, in Gatineau? They could, but they couldn't live in Smiths Falls?

• (1700)

**Ms. Helena Borges:** It doesn't officially belong to the national capital region.

**Hon. Charles Hubbard:** I just wonder who you're trying to attract and the reason why. If you could give us examples of why suddenly we say.... I think it's against certain parts of our charter to say someone has to live somewhere in order to work somewhere. I

think restricting where one lives is a violation. I'm quite sure. Maybe you can look into that and get back to the committee on that.

**The Chair:** Mr. Blaney, do you have any questions?

I'll throw the floor open, but if I may, I wouldn't mind asking one brief question.

In the minister's presentation he talked about the minister making a one-time-only request to the agency to adjust the revenue caps for grain movement to reflect current maintenance costs for their hoppers. Why would it be one time only? Would it not reflect changes over time, and wouldn't that request have to be modified?

**Ms. Helena Borges:** The way the provision is written now, the agency actually adjusts the revenue caps on an annual basis. Doing this will allow for a somewhat retroactive application in that the agency has looked at maintenance costs, and will now reflect the actual costs. Once we establish that on a going forward basis, the agency will review the revenue caps annually and set them annually.

**The Chair:** Mr. Julian, go ahead, please.

**Mr. Peter Julian:** Thank you, Mr. Chairman.

I'd like to come back to the question that we were working through; I'm sorry it was a lengthy question.

In the example of somebody in Burnaby—New Westminster who has travel complaints and has contacted the agency through the toll-free number, how is that treated? What are the timelines set around that? How is their issue addressed?

**Ms. Brigita Gravitis-Beck:** The agency, through its complaints program, would manage the complaint initially on an informal basis. I will not vouch for the size of its current staff. I don't know exactly the size of the office that deals with complaints; I believe it's in the order of four individuals.

**Mr. Peter Julian:** Is that for the whole country?

**Ms. Brigita Gravitis-Beck:** I believe so. We don't have the exact statistics, so I'm not going to hang my hat on that.

These people would investigate first with the carrier, if that has not already been done, to see if those complaints can be addressed. Those are the level-one considerations: working first with the carrier to get resolution.

In terms of resolution, the agency is saying to us that they have a high level of satisfaction through level one, I assume just by working with the carrier in clarifying, resolving, and addressing, with the carrier taking appropriate measures to respond to the complainant. If necessary, they go to a second level, at which the agency, still in an informal process, looks further into the complaint. It looks at how the carrier has responded, looks at the complainant's issue, looks at whether there is some compromise possible, some intermediate ground, and at the validity and so on.

Again, in most cases the issue is resolved. The issue is resolved to the satisfaction of the complainant through discussion, through the informal clarification of the issue, and through the responsiveness of the carrier. Only a very small number of cases are then referred to a formal, quasi-judicial process. Out of the thousand and some complaints received in 2005, only seven went to that quasi-judicial process.

I'm being a little bit vague because I don't want to speak for the agency's day-to-day work.

**The Chair:** I can advise the committee that the agency will be presenting to the committee also. That is just for clarification.

**Ms. Brigita Gravitis-Beck:** What my staff has just passed to me is that there may be as many as 17 to 20 staff, but they aren't totally dedicated to the informal function, so the number of players who would look at any one issue on a regular basis varies.

You asked how long it would take; I think it also depends on the nature of the issue and the degree of responsiveness. Some cases may be fairly cut and dried, while in some cases I think a complainant may come in with a full range of issues. They don't always come in with just one complaint that can be addressed in isolation. There are a lot of grey zones, and a number of issues can overlap. I think a timeline is very difficult and I think resources also factor into it; the agency looks at what it can do in a most expedient fashion with the resources it has.

• (1705)

**Mr. Peter Julian:** Thank you for that.

Particularly in terms of the timelines, I'm thinking of first response. I imagine there is a triage. We all go through that in our constituency offices, where we deal with the most urgent cases first, so I understand that it might vary according to the severity of the complaint and the immediacy of the support that the person might need.

But generally speaking, what are the guidelines the agency would have, or had during the pilot project, on how to respond? Particularly when it's a website or a message box on a toll-free number, it's much more difficult for somebody to feel their complaint is being dealt with if they haven't actually talked with somebody who is investigating their complaint or doing the follow-up.

**Ms. Brigita Gravitis-Beck:** I would encourage you to put that question to the agency directly. I don't know what their internal indicator or performance measure is for a satisfactory response.

**The Chair:** Mr. Laframboise.

[*Translation*]

**Mr. Mario Laframboise:** Within the framework of our study, we should probably ask representatives of the agency to appear before us. The day that this bill, which deals with noise among other issues, comes into force, you will receive a ton of complaints, particularly since the court of appeal determined that the agency did not have the necessary jurisdiction to hear noise complaints.

Are there plans to adjust staffing levels as a result?

**Ms. Helena Borges:** We discussed this with the minister's office, which feels that the agency has sufficient staff to deal with these problems. The agency has a mediation team which is not very busy. There are a number of resources that can be used to help resolve noise problems.

[*English*]

**The Chair:** Are there any other questions? Seeing none, I thank our witnesses for appearing today. We appreciate your help.

For the committee on Thursday, I have an update. We've had a little bit of difficulty bringing witnesses in on short notice. If you have anybody to recommend, please provide the clerk with those names. On Thursday we will have a brief meeting rather than having witnesses, because of the time. We'll decide who we want, and then we'll continue to pursue these people to bring them forward.

If there no questions, the meeting is adjourned.

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