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• (1530)

[*English*]

The Chair (Mr. Peter Schiefke (Vaudreuil—Soulanges, Lib.)): I call this meeting to order.

Welcome to meeting number 85 of the House of Commons Standing Committee on Transport, Infrastructure and Communities.

Pursuant to the order of reference of Tuesday, September 26, 2023, the committee is meeting to discuss Bill C-33, an act to amend the Customs Act, the Railway Safety Act, the Transportation of Dangerous Goods Act, 1992, the Marine Transportation Security Act, the Canada Transportation Act and the Canada Marine Act and to make a consequential amendment to another act.

Today's meeting is taking place in a hybrid format, pursuant to the Standing Orders. Therefore, members are attending in person in the room and remotely using the Zoom application.

I wish to inform the committee that all witnesses appearing virtually have been tested for sound quality for the benefit of our interpreters, and all of them have passed the test.

Colleagues, appearing before us today from 3:30 to 4:30 for the first half of our committee meeting, we have, from the Canadian National Railway Company, Mr. Eric Harvey, senior counsel.

Welcome.

We also have, from Canadian Pacific Kansas City, Mr. Nathan Cato, assistant vice-president, government affairs.

Welcome to you as well, sir.

Finally, we have, from the Railway Association of Canada, Mr. Marc Brazeau, president and chief executive officer.

Welcome.

We will begin with opening remarks.

For that, I will turn the floor over to you, Mr. Harvey. You have five minutes, sir.

[*Translation*]

Mr. Eric Harvey (Senior Counsel, Regulatory, Canadian National Railway Company): Thank you, Mr. Chair.

CN, the Canadian National Railway Company, would like to thank the committee for its invitation to appear today in connection with Bill C-33, which amends various legislative provisions, including the Railway Safety Act and the Canada Marine Act.

As the operator of a railway which links the Atlantic Ocean to the Pacific Ocean within Canada, and to the Gulf of Mexico in the United States, we are pleased to be able to provide our comments on this bill.

Generally speaking, we encourage the government to show restraint and to intervene in the transportation sector only where a rigorous analysis has shown that there is a problem that business interests can't resolve, and only when absolutely necessary to deal with that specific problem. It should also factor in the impact that one or more interventions may have on the whole supply chain. Every legislative intervention needs to look at the major investments required to maintain safe and effective railway services that meet the legislative requirements for the services we need to provide to all our customers.

With respect to the amendments to the Railway Safety Act, we understand the government's desire to provide a better framework for railway safety. I would underscore the fact that Canadian railways have for many years, of their own volition, established protocols to prevent the types of events covered by the bill and to respond to such events. We therefore view this proposal favourably.

I would nevertheless like once again to repeat the suggestion that the words "security" and "safety" be redefined separately rather than combined in a single concept, as Bill C-33 proposes. This failure to make a distinction could lead to unnecessary debates over the scope of implementation or monitoring measures.

We have also taken note of Transport Canada's intention to add prohibitions with respect to the alteration, damage and description of railway facilities, in addition to dangerous behaviour at such facilities. These would constitute additional legal grounds enabling us to respond where necessary.

[*English*]

The Canada Marine Act requires ports under its jurisdiction to manage their affairs on a commercial basis to maximize the efficiency of their operations and support the Canadian economy. We understand that Bill C-33 will not change this guiding principle, and we appreciate that this is the case.

There is no doubt that Canadian ports are critical infrastructure for our national supply chain. Their efficiency defines the throughput of that supply chain and goes directly to the bottom line of the Canadian economy. From our perspective, Canadian ports have delivered in a manner consistent with their mandate under the current structure.

We support the provisions of the bill that will declare port terminals to be to the general advantage of Canada. This will provide greater certainty with respect to federal jurisdiction over these entities so that data can be collected and used to increase port efficiencies. To maximize the existing available capacity, better coordination between port terminal operators, port users, railways and other supply chain participants through the exchange of real time information is needed. This provision is a step in the right direction.

Even though Bill C-33 does not deal with this question directly, we would like to comment on an important point for which there is a broad consensus: the need for investments in the Canadian supply chain.

A recent report assessed that Canada needs, in the next 50 years, investments of \$4.4 trillion in marine and transportation infrastructure to meet growth in population and in GDP. This conclusion is consistent with the consensus that there is an opportunity for all participants in the supply chain and various levels of government to work together towards a collective goal. We have made suggestions to the government to put this option in motion, starting with fiscal measures that would encourage investments by all participants in the supply chain. We reiterate this imperative today. We believe that this measure would encourage grain terminals in Vancouver, for example, to prioritize infrastructure that enables the loading of grain ships in the rain, an operation currently not efficiently possible at our country's busiest port but available just south of the border, which limits the capacity of the Canadian grain supply chain.

• (1535)

[*Translation*]

We'd like to thank you, and we are grateful for the opportunity we have been given to discuss any questions you may have with members of the committee.

The Chair: Thank you very much, Mr. Harvey.

[*English*]

Mr. Cato, I'll turn the floor over to you. You have five minutes for your opening remarks.

[*Translation*]

Mr. Nathan Cato (Assistant Vice-President, Government Affairs, Canada, Canadian Pacific Kansas City): Thank you, Mr. Chair.

And thank you to the committee for the invitation to appear today regarding Bill C-33.

I'm the Assistant Vice-President, Government Affairs, Canada, Canadian Pacific Kansas City.

[*English*]

On April 14, 2023, Canadian Pacific and Kansas City Southern combined to create the first and only class 1 railway network uniting North America by seamlessly connecting Canada, the United States and Mexico. The combined CPKC network allows us to offer safer, more reliable and additional competitive options for shippers, particularly now with unrivalled access to North American ports.

I will start with safety, because at CPKC everything starts with safety, every day.

[*Translation*]

Railway safety is foundational to everything we do.

[*English*]

In 2022, our legacy Canadian Pacific network once again led the North American rail industry in safety, achieving the lowest train accident frequency among all class 1 railroads for the 17th consecutive year, and our safety performance continues to improve.

Our 2022 train accident frequency is CP's lowest on record. We are also achieving a stronger safety performance relative to our industry peers. In 2013—ten years ago—our legacy CP network had a train accident frequency rate that was approximately 29% below the class 1 industry average across North America. In 2022, our legacy CP network was 69% below the class 1 industry average.

[*Translation*]

In 2022, CP also achieved a 40% improvement for personal injury safety performance since 2016.

[*English*]

These safety results are driven by strong investment in people, processes and technology. In fact, our capital investment over the past decade, after inflation adjustment, is approximately 50% higher than it was in the decade previously.

CPKC supports the railway industry's position that Parliament should amend Bill C-33 to include separate definitions for "safety" and "security" in the Railway Safety Act. As drafted, Bill C-33 would insert into the RSA a definition of "safety" that includes the concept of "security." "Safety" and "security" are distinct concepts.

[*Translation*]

Security programs are designed to prevent intentional acts by individuals seeking to do harm or damage. By necessity, measures implemented to address security risks are different than those for safety, and information about them is significantly more restricted to maintain their effectiveness.

[*English*]

Including separate and distinct definitions for these two concepts in the RSA would be more clear, precise and accurate.

With respect to the amendments to the Canada Marine Act, we urge Parliament to amend Bill C-33 to require logistics and supply chain expertise for appointments to the boards of directors for Canada's port authorities.

Canada's ports need to be more accountable to port users, including terminal operators, railways and vessel lines. If maximizing throughput is the goal for Canada's supply chains, which it ought to be, then ports must be governed by boards that have deep experience and expertise with complex supply chain logistics.

• (1540)

[*Translation*]

The current governance structure has permitted ports to be governed by boards of directors that often lack expertise in port management, freight transportation, and business.

[*English*]

The lack of expertise often results in decisions that undermine the optimal efficient management of freight through Canada's ports, which are critical elements of our supply chain infrastructure.

An example is the inefficient use of port lands, which constrains the ability of ports to accommodate growing volumes of freight. Canada's supply chains need world-class ports. To achieve that goal, it is imperative that our ports operate in a way that optimizes and synchronizes maximum efficiency and throughput.

Improving port performance ought to be an urgent priority. The Port of Vancouver was recently ranked number 347 out of 348 on the World Bank and S&P Global's market intelligence container port performance index.

Bill C-33 as drafted is a missed opportunity to make meaningful improvements to port governance in Canada. Canada has world-class logistics and supply chain expertise. It's regrettable that this legislation does not embrace that expertise by confirming its importance through governance reform.

This is not a new concept for transportation in Canada. For example, many of Canada's airport authorities have bylaws that prescribe qualifications for appointments to their boards. Similarly, Nav Canada's bylaws prescribe specific requirements that users be appointed to a minimum number of board positions.

Parliament should seize the opportunity before it to improve the performance efficiency, reliability and throughput of Canada's ports by insisting that they be governed by boards of directors with deep supply chain expertise.

Thank you.

[*Translation*]

The Chair: Thank you very much, Mr. Cato.

Mr. Brazeau, you now have the floor for five minutes.

Mr. Marc Brazeau (President and Chief Executive Officer, Railway Association of Canada): Thank you, Mr. Chair, and members of the committee.

[*English*]

Safety is job one for every railway and every railroader. Canadian railways are the safest in North America, among the safest in the world and are consistently getting safer.

In 2022, the average Canadian class 1 train accident rate was approximately 40% lower than the average U.S. class 1 accident rate. Over the past decade, the Canadian class 1 rate has improved by over 20%.

The Canadian rail sector's dangerous goods accident rate improved by 49.1%. While freight volumes increased over 10 years, the number of accidents has decreased. Rail is the safest way to transport goods over land.

Between 2009 and 2018, road accidents involving dangerous goods were 17 times more frequent than rail, and releases were 14 times more frequent in trucking.

Canada's railways provide the highest safety performance in North America, industry-leading environmental innovation and strong service, and they do it at virtually the lowest cost anywhere in the world.

Canada's rail freight rates are the lowest, on average, among major market economies: 11% lower than the U.S., and in some cases less than half of the average rate of European freight railways. Canadian railways are providing exceptional value to Canadian importers and exporters.

Railways are reliable links in complex supply chains. For example, the transit time for containerized consumer goods transported from Shanghai to Ontario and Quebec increased by 13.8 days or 52% during the pandemic, from 2019 to 2022. Of this increase, 99% happened before the container had been loaded onto a railcar. Meanwhile, the transit time for Saskatchewan grain to reach Asian markets in 2022 was one day shorter than in 2019. Canada's railways were the biggest contributors to this reduction, despite the challenges of a global pandemic and public health restrictions.

[*Translation*]

Canadian railways are environmentally friendly and becoming increasingly so. They use three to four times less fuel than trucks. A single locomotive can transport a tonne of merchandise over more than 220 kilometres on a single litre of fuel.

Over 34,000 women and men work 24 hours a day across Canada to safely and sustainably ship Canadian products to world markets, and people to their destinations.

• (1545)

[*English*]

On top of railways' commitments to safety, the rail sector is one of—if not the most—the most highly regulated in Canada. Any claim of railway self-regulation is simply and objectively false. Railways are regulated by the Canada Transportation Act, the Railway Safety Act and the Transportation of Dangerous Goods Act, among many others.

Railways comply with thousands of safety laws, regulations, rules and requirements. Under the Railway Safety Act alone, there are 22 sets of detailed prescriptive regulations that govern railway operations. One example is the safety management system regulations, or SMS.

SMS is a regulated system of safety processes developed in consultation with labour representatives. SMS processes permeate every level of a railway company, every position and every function across the network. SMS regulations are an important additional layer of rail safety.

Transport Canada routinely conducts comprehensive audits of these systems to verify compliance and evaluate their effectiveness.

This culture of continuous improvement has helped to produce undeniable safety enhancements. Canada's railways have invested more than \$20 billion over the past decades into the 43,000-kilometre Canadian rail network. These investments include innovative safety-enhancing technologies like wayside detectors, track geometrics and machine visioning. Railways use sensors and algorithms to predict and prevent equipment failure.

Technology investments go hand in hand with training, awareness programs and robust regulatory oversight. Through the TRANSCAER program, the RAC and its members have provided world-class training at no cost to our community partners across Canada. We have trained over 28,000 first responders since 2000.

Safety is a shared responsibility.

Operation Lifesaver, funded by RAC and Transport Canada, works to reduce crossing and trespassing incidents and save lives.

The proximity initiative, with its guidelines developed in partnership with the Federation of Canadian Municipalities, helps to increase safety and avoid unnecessary conflicts arising from railway-community proximity.

Safety is a journey. It is not a destination. Railways will continue to put safety first, 24-7, 365 days a year.

[*Translation*]

Thank you, Mr. Chair.

The Chair: Thank you, Mr. Brazeau.

[*English*]

We'll begin our lines of questioning with Mr. Strahl.

Mr. Strahl, I'll turn the floor over to you. You have six minutes, please.

Mr. Mark Strahl (Chilliwack—Hope, CPC): Thanks very much, Mr. Chair.

[*Technical difficulty—Editor*]

Mr. Mark Strahl: I wanted to—

The Chair: Unfortunately, Mr. Strahl, I hate to cut you off, sir, but the sound really isn't coming through very well.

Could I ask that you perhaps turn your video feed off so that you're using less of your bandwidth and hopefully we'll get some better sound out of that?

Mr. Mark Strahl: Sure.

Why don't you go to Mr. Muys.

The Chair: Okay. I will do that, Mr. Strahl. I will start your time over.

Mr. Muys, you have six minutes and it starts now.

Mr. Dan Muys (Flamborough—Glanbrook, CPC): Thank you, Mr. Chair, and to the witnesses who are here today for your testimony.

We hadn't heard the perspective of the railways yet for our study of this bill, so it's been helpful.

Let me start with you, Mr. Cato, because you talked about the port boards' governance. That's something we've asked the ports and the associated ports about when they were here. I'm interested to hear your perspective as a user of the ports.

You talked about how Bill C-33 is really a missed opportunity in your viewpoint when the minister is appointing the chair and when there's as much prescription as to what that board needs to look like. This is what we heard from the port authorities as well, that it's an impediment.

Perhaps you could elaborate a bit more on that.

Mr. Nathan Cato: I think the ranking of the Port of Vancouver just back in June as being second last in the world should be a wake-up call for Canada. There were all sorts of reports of disruptions throughout global supply chains through the pandemic. It's clear that Canadian supply chains need our ports to be world-class and operating at optimal efficiencies so that our supply chains can get Canada's goods and resources to the world and we can get essential goods to communities across the country.

The only way that's going to happen when we talk about port governance—which is what Parliament is seized with really through this bill—is ensuring that there's a very high level of expertise and experience on the boards of directors. The role of a board is to hold management accountable for results. You need to come at those questions of holding management accountable from a perspective of expertise, of really understanding what.... It's not just supply chain expertise; it's also just expertise in the business world. We need our ports to be operating at optimal efficiency on a commercial basis.

• (1550)

Mr. Dan Muys: Thank you.

We had heard a different figure earlier about Port of Vancouver being 368th out of the 370. But the same point has been made that you've made, that our gateway to Asia is at the bottom in the world.

Was CP part of the National Supply Chain Task Force?

Mr. Nathan Cato: We met with the task force once or twice in this last summer, in the summer of 2022. We were consulted on certain aspects of what the task force was looking at. There were many aspects that we were not consulted on. There were many subjects raised in the task force report that were never discussed with us or other railways.

Mr. Dan Muys: Because Bill C-33 is purported to be a response to supply chain issues, which you've raised in your opening testimony as well as in the previous question, are there things that you found lacking from CP's interaction with the National Supply Chain Task Force or even the supply chain task force report from your read of it in Bill C-33?

What's missing?

Mr. Nathan Cato: I think it's also important to go back several years prior to the supply chain task force report. There was the ports modernization review launched by Minister Garneau more than five years ago. As I understand it, this legislation is in part an output of that process. There was also the Railway Safety Act review that was done in 2017, I believe. This is in part the government's response to that statutory review as well. I think this legislation represents a number of review processes, to be fair.

From our perspective, what's needed to improve supply chain efficiency in Canada, to improve the performance of supply chains in Canada, is a regulatory framework that incentivizes investment. One of the things we saw that came out of the supply chain task force report was a recommendation on extended interswitching, for example. That policy, which Parliament put into place just at the end of June and which went into effect a few weeks ago, is the exact opposite of what we need to improve investment in supply chain infrastructure in Canada.

Mr. Dan Muys: Does Bill C-33 fall short of achieving that necessary objective after all these years of reviews? Some of these reviews began seven years ago.

Mr. Nathan Cato: There are some positive elements of the bill, to be sure, but I think overall we struggle to see how it's really going to make a material improvement to supply chain performance.

Mr. Dan Muys: Okay, so there's no material improvement to supply chain performance.

Let me ask about cost analysis.

We were surprised by the Transport Canada officials who were before the committee at our first meeting studying this legislation. When we asked whether a cost analysis had been done for the all of the proposed change, like the committees and the regulations that have been added to ports, the answer was that no cost analysis had been done. We did hear from one of the port authorities that it could be \$200,000 or two employees on an annual basis from their perspective.

Have you done a cost analysis from a railway perspective of how the changes in Bill C-33 would impact you?

I'll probably ask the same question of Mr. Harvey as well.

The Chair: Unfortunately, we only have 20 seconds, please.

Mr. Dan Muys: Okay, be quick.

Mr. Nathan Cato: I would say that the regulatory changes that will impact railways are not going to have a material cost impact for us, but I think those questions about the administrative burden for port authorities would be best addressed by them.

The Chair: Thank you, Mr. Muys.

Thank you, Mr. Cato.

[*Translation*]

Ms. Koutrakis, the floor is yours for six minutes.

Ms. Annie Koutrakis (Vimy, Lib.): Thank you very much, Mr. Chair.

I'd like to welcome our friends. It's a pleasure to see you here once again.

[*English*]

The Office of the Auditor General of Canada in 2021 released a report and noted that Transport Canada had increased the number of risk-based inspections, but “did not assess the effectiveness of the railways' safety management systems”. Mr. Brazeau touched upon that a little bit in his testimony when he spoke about the SMS regulations.

I'm just wondering if I could hear from each of you your own perspectives. To what extent, if any, does Bill C-33 propose to address the effectiveness of railway safety management systems in identifying hazards and mitigating risks?

• (1555)

Mr. Eric Harvey: I'd like to start by saying that Transport Canada performs audits of the manner in which railways implement the SMS regulations and how they implement the processes mandated by the SMS regulations.

I don't want to comment specifically on what the Auditor General said at the time. What I can say, being involved with a railway and being exposed to the role and the monitoring of Transport Canada, is that Transport Canada, in our view, performs their reviews and monitors our compliance in a significant way.

In terms of improvements coming from Bill C-33, I would say that the decision or the proposal to include security will obviously broaden the scope of the review or the monitoring by Transport Canada to extend to that subject matter in addition to safety. Therefore, that should provide some visibility to the government about the work that railways and Canadian railways are already doing with numerous partners, be they CBSA or our own approach to security threats, etc. To some degree that will provide that visibility that is maybe lacking now.

Ms. Annie Koutrakis: Mr. Brazeau or Mr. Cato, would you have something to add to that?

Mr. Marc Brazeau: The only thing I'll add is that the SMS audit is an opportunity for continuous improvement. It's an opportunity for continuous improvement through the audit to the inspection reports that are put forward by Transport Canada, and also the railway companies' doing regular check-ins and making sure that their safety management systems are robust and are meeting the needs of their employees and its customers.

I would say that continuous improvement is certainly an ongoing opportunity, and it's an opportunity the railways take full advantage of as well.

Mr. Nathan Cato: Mr. Chair, I'll just add, regarding safety management system audits, that we are routinely and frequently audited by Transport Canada on not just the existence of an SMS. It's not just checking a box as to whether you have an SMS or not; it's also about how effective your SMS is at improving safety, at ensuring regulatory compliance and at drilling down into all aspects of safety within the organization at every level across the entire geography of the network.

The data speaks for itself. The data demonstrates that not just CPKC but the entire rail industry in Canada is improving over time. We are seeing those results. SMS is part of that. A big part of it, too, like I said in my remarks, is very strong investment in people, processes and technology. That's how we're unlocking safety benefits.

Ms. Annie Koutrakis: Because safety is number one throughout our transportation grid—not just with rail, but everywhere—do you feel that safety and security are being enhanced by Bill C-33? I know we already have a very robust regulation system in place, but do you think Bill C-33 enhances the security piece?

Mr. Nathan Cato: What it does on the security side, as Mr. Harvey mentioned, is give the government more visibility into what we're doing. We've had security management systems in place for quite some time. It was shortly after 9/11 that we brought into place security management systems. That's something that we're doing.

Security of the railway is critical every day. That's something we take very seriously. What this will do now is that there will be a statutory requirement to have that in place. It will give Transport Canada more visibility into what's happening.

• (1600)

Ms. Annie Koutrakis: I have one minute. Great. I get to ask one more question.

Any one of you can answer this. In your opinion, does Bill C-33 do enough to address the environmental risks that are associated with rail and marine transportation?

The Chair: Give a 20-second response, please.

Mr. Marc Brazeau: We would have to get back to you on that, Ms. Koutrakis.

Ms. Annie Koutrakis: Thank you very much.

[*Translation*]

The Chair: Mr. Barsalou-Duval, you have the floor for six minutes.

Mr. Xavier Barsalou-Duval (Pierre-Boucher—Les Patriotes—Verchères, BQ): Thank you, Mr. Chair.

Thanks also to the witnesses here with us today.

I'd like to echo the words of one of my colleagues, who said that we had up until now spoken at length about ports in the study of bill C-33, but very little about rail transportation. I am therefore very pleased to have people from that sector here with us.

Mr. Harvey, a week or two ago I believe, we received some people from the unions who mentioned that they had reservations about the exemptions linked to the traditional safety management systems, namely for inspections carried out by people. That's the way it's usually done.

They went on to say that they would have liked the Transport Canada exemptions to be made public. I'd like to know whether it would bother you if the general public were to be informed, perfectly transparently, of the special exemptions you received from Transport Canada, so that they could reach their own conclusions.

Mr. Eric Harvey: Thank you for your question.

The exemptions, and the use of new technologies to replace traditional inspections are a very important issue, because these new technologies are likely an outstanding opportunity to improve railway safety.

I'm saying this because that's what we at CN did, with two tests allowing temporary Transport Canada exemptions. The first was an autonomous inspection of a stretch of railway tracks via a wagon containing high-technology equipment while the train was transporting other goods. The second used inspection portals, which basically photographed the four sides of the entire train. I believe it was in the Winnipeg area that we tested a portal for the first time.

In both instances, the use of algorithms and artificial intelligence did an excellent job of identifying and rapidly rectifying minor and major problems.

Mr. Xavier Barsalou-Duval: Thank you for explaining the perceived benefits of these new technologies. I presume these are important tools for a company like CN. I hope that everyone in the industry will begin to use the latest technology.

To return to the issue of public exemptions, are you opposed to them? Would they raise any concerns?

Mr. Eric Harvey: My understanding of it is that exemption requests and exemptions allowed by Transport Canada are not confidential within the meaning of the act. Now with Bill C-33, I believe Transport Canada would be given an opportunity to conduct consultations. At the moment, unions are consulted when we request an exemption. Transport Canada would now have the time, I think, to also consult other groups. We have no objection to that.

Mr. Xavier Barsalou-Duval: Thank you.

Mr. Brazeau, over the past few years, and in this study, there has been much discussion of climate change and greenhouse gases, GHGs. In your opening address, you said that the railway industry emitted far less GHG than the trucking industry per tonne of goods transported.

Do you believe that railway companies have a responsibility to contribute to GHG reduction efforts? I don't mean simply transporting goods that would otherwise have been shipped by truck, but also to your efforts to reduce greenhouse gas emissions.

• (1605)

Mr. Marc Brazeau: Definitely.

We signed a voluntary agreement with Transport Canada under which we would report our GHG emission figures to them each year. There has been a reduction in these gases for a number of decades now. Indeed, it has become increasingly clear that it is better to transport goods by train than by truck.

Mr. Xavier Barsalou-Duval: Mr. Harvey, in the legislative provisions being proposed for ports, there would be a requirement for ports to adopt GHG emission reduction plans.

Do you think it would also be appropriate to require railway companies to adopt GHG emission reduction plans, and that these plans be public?

Mr. Eric Harvey: We publish our GHG emission commitments in our annual report every year. In the 2022 report, there were three pages about it.

We have made a number of commitments and have been demonstrating that rail transport is environmentally efficient, not only be-

cause it pollutes less than trucks, but also because it can haul a lot more goods.

At CN, our GHG emissions reductions are significant, even when transporting more goods. This demonstrates the efficiency of this mode of transport. We also made a commitment to reduce our GHG emissions by 43% between now and 2030, mainly, I believe, through the acquisition of more efficient locomotives and other similar measures.

Mr. Xavier Barsalou-Duval: Thank you.

The Chair: Thank you, Mr. Harvey.

Thank you, Mr. Barsalou-Duval.

[*English*]

Next, we have Mr. Bachrach.

Mr. Bachrach, the floor is yours. You have six minutes.

Mr. Taylor Bachrach (Skeena—Bulkley Valley, NDP): Thank you, Mr. Chair.

Thank you to our witnesses for being with us today to answer our questions.

For years now, communities in northern B.C. have been asking questions about emergency response when it comes to major rail incidents, such as fires. They see the dramatic increase in the transport of dangerous goods by rail and want to know their communities are protected. Many of them are surprised to learn that small, volunteer fire departments funded through municipal property taxes are the first—and in many ways the only—line of defence against industrial rail fires involving companies like yours, Mr. Harvey. The community of Smithers, where I live, has a municipal budget of less than \$10 million. The last time I checked, CN had a market capitalization of \$95 billion.

Does it seem fair to you that small communities are having to put up the cost of responding to industrial rail fires involving companies like yours?

Mr. Eric Harvey: Thank you for your question.

I want to start by saying that, under the Transportation of Dangerous Goods Act, railways have the duty to respond. In other words, it's our responsibility to answer emergency situations. It's not the responsibility of the local communities.

What happens is that when there is an incident, there is coordination among all the resources available in an area and a unified command of those resources, and each party involved in the emergency response is asked to act in a manner consistent with their means. In other words, it's not for a small community with limited equipment to answer a major emergency.

Consistent with that obligation, CN has equipped the area. I want to confirm that it's accurate to say there is some increase in volume, in your area, of dangerous goods. This has been the object of safety assessments. We have taken specific measures to address this by hiring a dangerous goods officer based in Prince George, where most of our equipment is located. We also have equipment in Prince Rupert, where we're ready to answer and coordinate any emergency that may happen.

Mr. Taylor Bachrach: Mr. Harvey, Prince George and Prince Rupert are eight hours apart. There are communities in the middle that are four hours away from resources. There is no mandated maximum response time for those resources. From what I can tell, it's unclear what those resources are that are going to travel by road four hours to get to an industrial rail fire in the heart of our communities.

Can you speak to the time it's going to take you to get those resources to our communities, whether it's Houston, Telkwa, or Smithers? How long is it going to take, and what are your responders going to show up with? The last time I checked, there was no CN Rail fire department with trucks that are capable of addressing a major fire involving multiple cars of liquid propane that have caught on fire in the heart of our communities.

• (1610)

Mr. Eric Harvey: I'll make a couple of points.

Our emergency response plans that we prepare under the Transportation of Dangerous Goods Act take into account the time needed to respond. Those plans are provided to Transport Canada and validated.

Specifically on the equipment, I would be glad to have a separate discussion with you, and meeting with your communities.

Mr. Taylor Bachrach: You have been talking about this now for years and years, and we never get straight answers.

I was at one meeting in Smithers where the fellow said they were going to fly resources from Texas. It's absolutely baffling. We have communities with volunteer fire departments where they struggle to recruit members. These members take time out of their lives to volunteer to protect their community—not to protect a multi-billion dollar company that's shipping dangerous goods through their town.

I guess the question is really, what resources is CN Rail going to show up with, and how long are those resources going to take to arrive in Houston, Burns Lake, Fraser Lake, or Telkwa? How long will it take?

Mr. Eric Harvey: We have resources that are consistent with our emergency response plans that were approved by Transport Canada. Over and above that, in the last few years we have had 75 training sessions in your riding. We trained nearly 900 responders.

Mr. Taylor Bachrach: These are voluntary training sessions, correct?

Mr. Eric Harvey: Yes, but we're basically training the people that you were saying may not be properly equipped.

Mr. Taylor Bachrach: What I'm pointing to is that—

Mr. Eric Harvey: Our actions there, if I may finish, because I feel it's important....

We're committed to working with communities. We realize that what we move can be dangerous, and we're committed to support those communities the best way we can. We're doing this in the structure and the framework provided by Transport Canada, and we consider that it's appropriate.

Mr. Taylor Bachrach: My point, Mr. Harvey, is that the framework is broken. Transport Canada and CN, I believe, have a responsibility to protect our communities, and they are failing to do so.

Thank you.

The Chair: Thank you, Mr. Bachrach, and Mr. Harvey.

Next, we have Mr. Strahl. It's good to have you back.

I will turn the floor over to you, for six minutes.

Mr. Mark Strahl: Well, let's not get ahead of ourselves here. I need the government to get me some reliable Internet out here in Chilliwack, Mr. Chair.

My question is for Mr. Cato. We have heard witness testimony that one of the things that have been a concern in British Columbia is the use of anchorages. The issue is the time that ships are at anchor. In some of the sensitive areas where they are not used to having those anchorages, they are now used all the time. Certainly, it's the belief of those who don't particularly want those vessels anchored there that the ships are waiting for grain shipments, that it's an issue with getting grain loaded. Grain and coal, I think, were the two things that were mentioned. The port cited rail reliability, when we asked about the delays at anchorage and why the ships were there so much longer than they used to be.

I want to give you an opportunity to respond to that. Is the reason the anchorages are full, and ships are coming in early and staying late, that the railways are not providing the goods they promised to the port in a timely fashion?

Mr. Nathan Cato: Thank you very much for the question and the opportunity to respond.

I think when we look at grain in particular, one of the biggest challenges with the Port of Vancouver is this persistent problem of delays throughout our supply chain that are caused when the loading of grain onto vessels by the grain terminal operators is interrupted or suspended during periods of inclement weather, such as rain or snow. Of course, there's frequently rain in Vancouver through the winter period, which tends to be when grain demand is at its peak. When there is a delay in any part of the grain supply chain like that, there will be cascading consequences through the entire system.

For example, just the week before last, there were heavy rains in Vancouver over about a two-day period. We had approximately 650 loaded hopper cars full of grain that were delayed getting unloaded at six grain terminals, because the terminals had suspended loading of grain onto vessels.

When it comes to those kinds of delays, frankly, ports around the world have figured out how to keep grain loading happen uninterrupted, regardless of weather. Ports just south of Vancouver, such as Seattle and Portland, have grain terminals that load grain throughout different inclement weather. This is a challenge that needs to be solved in Canada. Anything that interrupts the smooth, efficient, balanced and synchronized cycling of railcar functioning from the in-country elevator to the port and then back to origin—essentially, it's a conveyor belt that the whole system is running—will cause all sorts of consequences for the supply chain. It will undermine the overall performance and throughput of Canada's grain export supply chain.

• (1615)

Mr. Mark Strahl: Thank you.

Mr. Harvey, you mentioned the infrastructure that could be built or brought into the Port of Vancouver to allow for grain to be loaded in the rain, or you mentioned that it should be a priority. Have you been part of any working groups with Transport Canada and the port on the solution in terms of infrastructure? How long would it take to build? What would the cost be?

There are three easy questions for you.

Mr. Eric Harvey: Thank you.

It's a request that I believe we've been making for certainly the last three to four years. I believe in the port of Portland on the west coast of the U.S. a terminal operator has essentially built a very large roof that covers ships where grain is loaded. That enables the loading during rain or shine, essentially.

Now, in terms of the timing, I'm sorry, but I can't provide you with anything specific. Mind you, it is something that is certainly consistent with similar infrastructure that you have within ports. Therefore, given the footprint that a port has, that should be a fairly straightforward thing to build, especially considering that it's been done somewhere else. There's expertise available.

On the cost—

The Chair: I'm sorry. I'm going to have to cut you off there, Mr. Harvey.

Mr. Strahl, your colleague Mr. Muys was kind enough to point out that he took the six-minute slot and that you, unfortunately, received the five-minute slot.

[*Translation*]

Mr. Iacono, you now have the floor for five minutes.

Mr. Angelo Iacono (Alfred-Pellan, Lib.): Thank you, Mr. Chair, but I'll give the floor to my colleague Mr. Badawey to begin with.

[*English*]

Mr. Vance Badawey (Niagara Centre, Lib.): Thank you, Mr. Iacono.

Thank you, Mr. Chairman.

Mr. Cato, I want to go a step further and talk about vision and next steps. As was mentioned earlier, we have established a ports modernization review. A supply chain task force report is currently

under way. We have the St. Lawrence Seaway review, Bill C-33 and Bill C-52 amongst reports that have been completed or are under way. To date we have those to update as well as to modernize.

This committee has completed two interim studies on establishing a transportation logistics strategy. In 2015 David Emerson completed a CTA review, making numerous recommendations, as I'm sure you've read.

You spoke about governance reforms within individual—individual—port structures to ensure that they're establishing and adhering to their individual strategic plans; governance that reflects supply chain experience, as you mentioned; but equally as important, experiencing and working in partnership with communities, other partners that are part of the supply chain to look at the bigger picture.

With that said, my question is this: Do you feel there should exist a binational body that would work toward establishing a binational transportation strategy that would strengthen a binationally integrated supply chain—operational in capital, moving away from protectionism, and with that, of course, ensuring that the fracture between capital transportation investments between both countries does not happen but that these investments are actually done together—and more toward an integrated North American economy, in turn strengthening our combined international trade performance?

• (1620)

Mr. Nathan Cato: Thank you very much for the question.

Now, we're the only class 1 railway in North America that operates across not just two countries, but three. We spend a lot of time thinking about this sort of thing and the need for regulatory harmonization essentially across North America, about minimizing any kind of trade barrier or regulatory barrier that causes delays at the border or somehow interrupts the efficient movement of freight. I'd want to take that back and think about the specific kind of structure that you have in mind there, but in general we are certainly supportive of efforts that look at regulatory harmonization.

Mr. Vance Badawey: In respect of time, let's do that. Fine. I would be really interested in getting your participation within that structure.

Mr. Nathan Cato: I would be delighted to speak to you about that.

The Chair: Mr. Iacono.

[*Translation*]

Mr. Angelo Iacono: Thank you, Mr. Chair.

Mr. Brazeau, how do you feel about the possibility of hiring police governance experts to review Canada's rail police model? Do you think their expertise might point to some possible improvements?

Mr. Marc Brazeau: Just to be clear, are you talking about rail police and its contribution to governance under Bill C-33?

Mr. Angelo Iacono: Yes, that's right.

Mr. Marc Brazeau: I'm going to ask my colleagues to answer this question, because they're in charge of police operations. Perhaps Mr. Harvey could answer the question.

Mr. Eric Harvey: Thank you for the question.

Essentially, the role of rail police officers is to protect railway property. This approach reduces public expenditures because otherwise public police forces would have to perform these tasks. From a public policy standpoint, there are advantages to the railways having their own police forces protect their property.

So I believe your question is more about discipline and the need to investigate certain incidents. In 2017, the provisions that were in the Canada Transportation Act were shifted to the Railway Safety Act, requiring railways to develop a complaint evaluation process to deal with allegations of irregular behaviour. That's how we dealt with that requirement.

We believe there are benefits in a rail police force, but also acknowledge that there is a need for a process to deal with disciplinary issues.

The Chair: Thank you, Mr. Iacono.

Mr. Barsalou-Duval, you have the floor now for two and a half minutes.

Mr. Xavier Barsalou-Duval: Thank you, Mr. Chair.

Mr. Harvey, the matter I would like to discuss with you may not be directly linked to Bill C-33, but it is certainly a current issue. I thought it was important to raise it with you.

A few years ago, I attended a press conference with some union representatives who were condemning the transfer of employees from the railway control centre in Montreal to Western Canada. Not so long ago, something similar occurred again, this time for customer service employees, approximately 50 of whom were transferred to Western Canada.

On these two occasions, the main concern was being transferred to a region where most people did not speak French. Lots of people in Montreal speak French and lots speak English. In Western Canada, finding someone who can speak French is like searching for a needle in a haystack.

First of all, how come jobs are being transferred systematically from Montreal to the west, when we know that it will have an impact on the quality of service in French? Secondly, what is CN's commitment to Montreal? According to the terms of its privatization, CN has an obligation to provide services in French and to keep its headquarters in Montreal.

• (1625)

Mr. Eric Harvey: Thank you for your question.

We have in fact made a commitment to Montreal in the province of Quebec. I believe that's clear. We are subject to the federal Official Languages Act and we voluntarily agreed to comply with measures taken by the Office québécois de la langue française to ensure that our employees in Montreal and Quebec can benefit from them.

I can also confirm that there are more employees working at CN in Montreal than there were at the start of the year. We hired over

450 people. There was some attrition, but we hired staff in Montreal too.

As for the more specific matter of transferring 50 customer service employees, no decision has been made. My understanding of it is that the reports prepared were based on information provided to us. However, CN has not yet made an announcement. Our response to the media on this is that no decision has been made yet.

The Chair: Thank you, Mr. Harvey and Mr. Barsalou-Duval.

[English]

Next, to end this panel, we'll go to Mr. Bachrach for two and a half minutes, please.

Mr. Taylor Bachrach: Thank you, Mr. Chair.

I have a question for Mr. Cato from CP. In the aftermath of February 2019 incident involving your railway, which killed three railroaders, the Transportation Safety Board came out with a report. Among the recommendations was one for the government to expedite the implementation of automatic parking brakes.

What percentage of the railcars your company operates have automated parking brakes today?

Mr. Nathan Cato: Thank you for the question.

We are working with Transport Canada as part of a working group that was established by the department to look at the implementation of that recommendation.

Mr. Taylor Bachrach: It's just a percentage. What percentage of your railcars in Canada have automatic parking brakes?

Mr. Nathan Cato: The challenge with automatic parking brakes is that it's a technology that's still very much a prototype. It's not available at the moment for deployment across fleets of railcars. It is a prototype.

We are working, like I said, with Transport Canada and with the industry on the implementation plan for the use of that technology, but at the moment, it is a prototype that is very much still in its infancy.

Mr. Taylor Bachrach: Are automated parking brakes being used in other jurisdictions?

Mr. Nathan Cato: They're being tested and evaluated, but like I say, it's still a prototype technology.

Mr. Taylor Bachrach: They're not deployed.

In the Transportation Safety Board's own words, "New technologies for enhancing train brake performance are available to North American railways now." It was years ago that they made this recommendation. I'm surprised it hasn't been implemented.

Turning to another quote from Kathy Fox, the chair, in the wake of the East Palestine train derailment in February this year, she said, “Progress is being made, but it’s very, very slow...I can’t say [Ohio] couldn’t happen here.”

Here we have a recommendation from years ago that hasn’t been implemented—railcars in Canada don’t have automated parking brakes—and we have the Transportation Safety Board, which is the watchdog that’s supposed to help us understand whether companies like yours are actually making railways safer and whether the recommendations are being followed.... She’s saying the progress is too slow and we could still have something like this major disaster happen here in Canada.

I think this is all rather shocking. Don’t you?

The Chair: Give a 15-second response, please.

Mr. Marc Brazeau: I’ll mention that there is no governing body in North America that has approved automatic parking brakes. We’re not aware of any regulatory body that has approved automatic parking brakes. As Mr. Cato said, it’s still in the testing stage. The tests have proven it’s unreliable to have automatic parking brakes installed on the locomotives so far.

[*Translation*]

The Chair: Thank you, Mr. Bachrach, Mr. Brazeau, Mr. Cato and Mr. Harvey.

[*English*]

That concludes the first half of our committee meeting today.

I’d like to thank all of our witnesses for their testimony.

I’ll suspend for five minutes as the audiovisual team sets up the next round of witnesses.

[*Translation*]

Thanks to everyone.

• (1630) _____ (Pause) _____

• (1640)

[*English*]

The Chair: I call this meeting back to order.

I would like to welcome our witnesses for the second round of testimony today. We have Mr. Bruce Campbell, adjunct professor, faculty of environmental and urban change, York University; and Mr. Rick McLellan, president, Genesee and Wyoming Canada Inc.

It’s good to have you both here with us.

We will start with your opening remarks.

For that, I will turn it over to you, Mr. Campbell. You have five minutes, sir.

Mr. Bruce Campbell (Adjunct Professor, Faculty of Environmental and Urban Change, York University, As an Individual): Thank you, Mr. Chair and members of the committee, for inviting me.

My focus will be on the Railway Safety Act and the Transportation of Dangerous Goods Act.

My research on rail safety began shortly after the Lac-Mégantic disaster on July 6, 2013. It culminated in my book, which was published several years ago in both English and French.

[*Translation*]

I have a copy of it here in French.

[*English*]

Though I don’t have expertise in the technicalities of legislation, hopefully my comments will help you assess where, if possible, the bill might be strengthened to help minimize accident risks.

First, as far as I can tell, the bill does not remove the power of railways to police themselves. Once again, Transport Canada is reviewing the issue. Also, the bill does not incorporate key recommendations in the standing committee’s May 2022 report, including on railway policing, nor do I see much substantive improvement of safety management systems.

In its most recent 2022 watch list, the Transportation Safety Board noted that “SMS are not yet effectively identifying hazards and mitigating risks in rail transportation.” The watch list also found that some companies are still failing to conduct overall risk assessments in their safety management systems. The next TSB watch list won’t be released until 2025. However, in an interview on the tenth anniversary of Lac-Mégantic last July, Kathy Fox, the chair, said that a lot of steps have been taken to improve the rules requiring trains to develop safety management system plans. However, the TSB is concerned about the adequacy of such plans, as well as the effectiveness of oversight by Transport Canada.

I’ll also say that little has been done to lift the veil on corporate-government interactions protected under commercial confidentiality rules. When compared internationally, Canada’s access-to-information and whistle-blower protection laws rank pretty poorly.

The latest watch list also concluded that “the unplanned and uncontrolled movements of rail equipment” continue to “create high-risk situations that may have catastrophic consequences.”

In the same interview I mentioned, Kathy Fox also said:

The bottom line is uncontrolled movements, which was the underlying cause of Lac-Mégantic, are still an outstanding issue...and while some actions have been taken, we are not where we need to be...because (Transport Canada) hasn’t gone far enough.

Collisions and derailments on main tracks, which can have the highest severity of all rail accidents, were actually 25% higher in 2022 than the previous 10-year average. Transport Canada still has not mandated modern braking systems. The companies continue to push back against mandatory regulations on, for example, ECP brakes.

In the wake of Lac-Mégantic, government has mandated stronger tank cars for carrying dangerous goods and established a phase-out schedule for 2025. However, the DOT-111 cars carrying dangerous goods still run through Lac-Mégantic, according to local residents.

In a recent interview, Ian Naish, former TSB director of railway investigations, said that the evidence from derailments in recent years suggests that, if you have a derailment at a speed greater than 35 miles per hour, there is no guarantee that these new tank cars will contain their products. Lac-Mégantic residents want to see train speeds reduced and limits on train length.

Finally, companies have long resisted work-rest practices in accordance with the science. This remains an issue, even after new rules came into effect in May in a phased-in approach...fully by the end of 2024. Fatigue also remains on the TSB watch list.

I'll leave it there. Thanks.

• (1645)

The Chair: Thank you very much, Mr. Campbell.

Next I'll turn it over to Mr. McLellan.

Mr. McLellan, the floor is yours for your opening remarks. You have five minutes, sir.

[*Translation*]

Mr. Rick McLellan (President, Genesee & Wyoming Canada Inc.): Good afternoon, Mr. Chair and members of the committee.

I am pleased to appear on behalf of Genesee & Wyoming Canada Inc., which is a shortline railway holding company operating nine shortline railways and two rail repair facilities in a total of five Canadian provinces.

[*English*]

We employ roughly 400 Canadian railroaders, operate 940 track miles and, above all, move more than 100,000 carloads a year.

Short-lines provide vital first-mile, last-mile services that connect customers to the broader North American freight-rail network via class 1 railways, as well as to remote communities and global markets. Twenty per cent of Canadian rail volume is handled, one way or another, by a short-line. Short-lines provide a safe, environmentally friendly, low-cost and reliable transportation option for Canadian businesses of all sizes.

Genesee & Wyoming is recognized as an industry leader in safety excellence. We regularly participate in and host tabletop and full training exercises alongside Transport Canada and first responders in the different communities we serve. We hold safety workshops, conduct internal audits and support industry-wide safety programs. All our meetings start with safety as agenda item one.

Genesee & Wyoming invests in safety. These investments are non-negotiable, and a commitment to operating safely every day is a condition of employment for every one of our team members. Whether it's infrastructure upgrades, asset replacement or award-winning training programs, Genesee & Wyoming Canada is investing with the goal of achieving targets of zero, which you can find on each of our locomotives, our vehicles and our equipment along our network. At Genesee & Wyoming Canada, we will continue to

build a strong safety record and culture that our customers, partners and communities continue to rely on.

Before getting to the substance of Bill C-33, I want to highlight for the committee the many challenges confronting short-lines in Canada. High fixed costs, aging infrastructure, commodity price volatility and policy imbalances with other jurisdictions and along with other transport modes, combined with taxes and expanding regulatory burden are threatening the sustainability of short-line operations.

Short-line revenues narrowly outpace their expenses. The average operating expense-to-revenue rate for a short-line railway is roughly 90%. A high operating ratio limits the ability of short-line railways to invest in enhancing the capacity and fluidity of supply chains, especially because investments in safety are, rightfully, non-negotiable.

Short-lines compete directly with trucks on publicly funded highways for traffic while operating lower-density lines than their class 1 counterparts do.

Short-lines need predictable, consistent government support to remain a viable alternative to trucking.

Despite significant support in the United States in the form of a 45G track maintenance tax credit and various other programs, there is no dedication of federal funding or incentive for short-line railways in Canada. Instead, our tax system disadvantages railways compared with trucks, and Canadian railways compared with American railways.

I urge this committee to note in its report that the federal government must do more to ensure the sustainability of our short-lines. This brings me to Bill C-33.

This committee should accept the recommendations put forward by the Railway Association of Canada with respect to port governance and separating out safety and security definitions.

We rely on the efficient functioning of Canadian ports—big and/or small.

Our Quebec Gatineau Railway exclusively serves the Port of Trois-Rivières. The QGRY is a great example of the first-mile, last-mile benefits that short-line railways provide.

The QGRY moves products, from wind turbines to bulk solids to liquids. Our business is highly integrated with and dependent on the Port of Trois-Rivières.

The port's vision and leadership matter, and so do the vision and leadership of the other Canadian ports we serve and all ports across Canada.

Ports need leaders who have operational and commercial qualifications and experience. This group of experienced individuals should select the chair.

We share the concern that has been raised at this committee about the time it takes for the government to make appointments. That is another reason for the board to choose the chair.

• (1650)

Our company manages several comprehensive safety and security management systems that are renewed and submitted to Transport Canada and are internally audited by us for effectiveness as well as by Transport Canada.

[Translation]

I'd like to add my voice to what my colleagues said about the distinction can be made between the two concepts of security and safety.

I'd like to thank the committee for having given me this opportunity to speak.

The Chair: Thank you very much.

[English]

We'll begin our line of questioning for the second round with Mr. Strahl.

Mr. Strahl, I will turn the floor over to you for six minutes, sir.

Mr. Mark Strahl: Thank you very much, Mr. Chair.

My question is for Mr. McLellan.

You said that items, including taxes, were threatening short-line railways' viability. Can you speak a little bit more about that? What taxes in particular are you referring to there?

Mr. Rick McLellan: We pay taxes like everyone else, and, unfortunately, a portion all of our capital investments goes to tax like for everyone else; hence, the importance of bringing up the tax credit opportunity that allows businesses such as ours to invest more in their infrastructure and reduce the burden of having to pay excessive taxes.

Mr. Mark Strahl: You talked about a short-line tax credit for railway maintenance in the United States. How does that work? Are the railway companies themselves, the rail operators, performing those upgrades? Has that shown to increase safety on those portions of the track that have that short-line tax credit? Can you maybe just talk a little bit about that credit and how it's working in the U.S.?

Mr. Rick McLellan: It's typically about a \$3,500 tax credit per track mile. That is about what it equates to in Canadian dollars. If you couple that with the CRISI grant and other options they have in the U.S., if you want to compare the U.S. with Canada, they would relate to a tax credit of about \$20,000 per track mile in Canada.

That tax credit has increased the amount of investment in the infrastructure, ties, rail and all of those essentials. It's a 47% increase

and a 50% improvement in safety results. We definitely see the benefits of investing more in our infrastructure.

Mr. Mark Strahl: You talked as well about servicing Trois-Rivières. We certainly heard concerns from port authorities and other witnesses that Bill C-33 seems to have a one-size-fits-all approach and that it's not taking into account the unique situation in the local markets. For instance, you have the Port of Vancouver, which will be served by class 1 railways almost exclusively. As you said, you're providing a key service in Trois-Rivières. Do you think that Bill C-33 needs to be amended to ensure that those unique features of each port authority are taken into account? How would it benefit short-line railways if that were done?

Mr. Rick McLellan: Definitely, as reiterated by my colleagues who spoke here before me and my comments in my earlier reading, I definitely feel, regarding the experience and the direction of growth and opportunities that the ports require, that having the experience and the knowledge to work alongside stakeholders is important and key.

You brought up the example of Trois-Rivières. Trois-Rivières is working on several growth projects, including dock space. Those are all essential to them, but those were all realized because of the integrated experience of both of us working hand in hand and the relationship that we have. I just feel that, if you don't have that important relationship where everybody is working for the same objective, then you don't always get the same efficiency.

• (1655)

Mr. Mark Strahl: That brings me to my next point, which you mentioned as well. When the ports are working for a common objective and then they have the minister appointing the board chair, as opposed to someone who has been working with the board and has been elected by the board, do you think that puts that sort of collaborative local approach at risk?

Mr. Rick McLellan: Nothing adds value more than somebody who has been there and done that. I see that in my life in my experience in the railway. I just think that, if you want to get the best bang for your buck and to be able to be as efficient as you can, having experience plays an integral part in being successful.

Mr. Mark Strahl: Right, and you mentioned as well the different modes of transport and the fact that short-line railways take a number of trucks off the road. We've heard that with marine shipping as well, with up to 1,000 trucks off the road for every ship, for instance, that was impacted by the St. Lawrence Seaway strike.

You spoke a bit about publicly funded roadways versus the railways. I assume you're talking about private investment that has to keep those going. What model do you think should be used for short-line railways to bring about a perhaps closer equitable situation between the two?

Mr. Rick McLellan: I definitely think that there's opportunity for different types of programs out there. I see the 45G opportunity as something where we're corporately investing into the infrastructure, and there's some form of relief through a tax credit that allows us to invest more in the infrastructure.

As I talked about earlier, margins of a 90% operating ratio often leave you with very little to work with when safety is number one and when you're trying to get a whole bunch of other little things done that are important to your network for efficiency and you're limited on the investment side.

The Chair: Thank you very much, Mr. Strahl.

Thank you, Mr. McLellan.

Mr. Rogers, the floor is yours. You have six minutes.

Mr. Churence Rogers (Bonavista—Burin—Trinity, Lib.): Thank you, Chair.

Welcome to all of our witnesses who have presented today.

We've heard lots of talk and discussion around safety and security.

Mr. Campbell, I'll ask you about this first of all. We hear from the railway folks and other people the suggestion to separate "safety" and "security" and to issue definitions for each so that they're distinct. Would you agree with that approach? Is that the way to proceed?

Mr. Bruce Campbell: When I was doing research for my book, the safety and security system was not part of it, so I can't really speak to the security, except to say just off the top that I would ask questions about how security would limit public access for the standing committee, the general public and municipalities and so forth. That would be one of my questions, but I can't say that I'm knowledgeable about security systems.

Thank you very much.

Mr. Churence Rogers: Mr. McLellan, you referenced the viability for the short-lines and the sustainability. You mentioned that there was no dedicated funding for short lines. I guess you have to compete with everybody else in terms of funding that might be out there and provided by government—under the national trade corridors fund or whatever—and it leaves you competing for pieces of the pie.

• (1700)

Mr. Rick McLellan: Yes, it does, but when I think of it, there are different arms of funding that our government does participate in. Their particular corridor funding, such as the NTCF funding, is built for a certain type of funding program, and other funding programs deal with other types of requirements for the industry.

When it comes to regular track maintenance, to things that are important to our business and essential to our communities and the growth of our customers and things like that, there is not really a dedicated arm for allowing for those types of opportunities. There's definitely a need for funding, as I said in my initial response. We account for 20% of rail volume. We continue to grow year over year with our customers in providing them the service and growth opportunities that they well need, so those funding arms are key and important for our success.

Mr. Churence Rogers: Thank you for clarifying that for us.

The other point I wanted to make is that Bill C-33 would amend the Transportation of Dangerous Goods Act to establish a regime of

administrative monetary penalties and provide for fines and even the terms of imprisonment for failure to comply.

I'll ask you first, Mr. Campbell: Do you expect the proposed new regime of administrative monetary penalties to have a positive impact on compliance with the provisions of the Transportation of Dangerous Goods Act?

Mr. Bruce Campbell: My recollection was that they were first implemented post-Mégantic with the regulatory changes. Again, in the amendments to Bill C-33, anything that implies a penalty for a violation.... If you have the ability to oversee and determine that there's been a violation, then of course those monetary penalties are helpful.

Mr. Churence Rogers: Thank you very much.

Mr. McLellan, do you want to, from the perspective of the railways, comment on that question?

Mr. Rick McLellan: I'll offer this comment, and I appreciate your allowing me that.

Penalties are penalties and the result of something that took place. I'm more so inclined to focus my attention on the regulatory obligations and ensuring that my safety management system is meeting all the needs of the rail service that I provide. I think due diligence and a rigorous process, lots of auditing and ensuring that the policy fits right and people understand it are important. More important than anything is that we know how to deal with it when it happens, because that avoids the accident from happening before it even starts.

Mr. Churence Rogers: Given that we're reviewing Bill C-33, of course, with the objective of making it a much better bill than currently exists, if you look at it from that perspective, would you have any specific suggestion on any particular part of the bill that you would like to, say, strengthen or improve? Maybe this is for Mr. Campbell and Mr. McLellan.

Mr. Rick McLellan: I'll simply say, as I think my colleagues have clearly stipulated...in terms of the opportunity with self-governance, and having the right people in the right place is a key element. I spoke to that earlier. I think the big opportunity for us is having the right people in the right place.

The Chair: Thank you very much, Mr. Rogers, and thank you, Mr. McLellan.

[Translation]

Ms. Boyer-Villemare, we are getting back to you and will test the sound quality once more. You have the floor and thank you for your patience.

Ms. Ursule Boyer-Villemare (Head, Climate Risks and Adaptation Team, Ouranos): Good afternoon. Can you hear me properly?

The Chair: Yes, it seems to be working.

You have five minutes for your opening statement. Go ahead please.

Ms. Ursule Boyer-Villemare: Thank you very much.

Good afternoon to everyone in the room. I am sorry that I can't be there with you. It's a pleasure and an honour for me to be speaking to you today about my perspective on climate change.

I work at Ouranos on climate change adaptation, and more specifically on the physical risks that will affect infrastructures. I have a PhD in environmental science and a working background in oceanography. I've also worked under several contracts on behalf of the ministère des Transports du Québec.

In the brief I sent to the clerk, there are details about the position I hold today. I will explain a few of the reasons for my opinion on climate change adaptation and on the serious and irreversible changes that are affecting the climate and oceans.

I'd like to remind you that combatting climate change requires a two-part strategy, to simultaneously reduce greenhouse gases and adapt to inevitable climate change. Such adaptation requires the deployment of a set of initiatives and measures to reduce the vulnerabilities of critical infrastructures and strengthen the resilience of natural and human systems to the expected impacts. To strengthen this resilience, planning, preparation and prevention are becoming increasingly affordable compared to simply reacting to climate change consequences and waiting to see what happens.

In the transportation sector, we know that interim modality is important to reduce GHGs. However, it's also essential to build in the growing climate risks that amplify physical risks. Infrastructure management needs to be transparent and well-planned.

In the context of continued climate evolution, it's important to adopt a flexible approach that can adapt over time in keeping with the scale and pace of changes in climate conditions. If this approach is to lead to a well-informed decision, it needs to be based on robust research and development and on tools that incorporate risks and adaptation measures. In an approach of this kind, costs and benefits are also factored in, along with the positive indirect impacts of adaptation solutions, thereby creating opportunities for economic development.

It's important to act in a highly coordinated manner when decisions are being made by the various levels of government. The transportation sector is a cornerstone of resilient asset management. As one of the leading sectors in the country, it needs to follow best practices.

I will now describe five more specific recommendations with respect to the changes being proposed to the Canada Marine Act.

First of all, the concept of adaptation measures needs to be added in the preamble to the environmental regulations.

Enhanced synergy is also required between climate change plans and plans for the adaptation measures by using the superordinate expression "climate change". These plans need to adopt common assumptions and there must be synergy between them. Combatting climate change does not simply amount to reducing greenhouse gases and the expression "climate change" is preferable because it is more generic.

I would also suggest that you look at the work being done by the task force on climate-related financial disclosure, which identifies several levels of adaptation measures.

For consistency's sake, it's important to acknowledge the regulatory changes being made for physical risk disclosure, in terms of placing an emphasis on resilient management of infrastructures with a view to establishing genuine climate and environmental leadership rather than simply searching for short-term solutions.

The final recommendation on climate change proposed in the Canada Marine Act is to more clearly illustrate the desired efficiency in multilevel coordination mechanisms by placing an emphasis on regional adaptation, which was promoted by Natural Resources Canada in its adaptation platform.

As for the changes proposed to the Railway Safety Act, I would first recommend more explicitly prescribing a knowledge of future climatic ups and downs in order to be able to do a more effective job of identifying them as physical climate risks.

• (1705)

Consideration must also be given to including the concept of a risk acceptability threshold and triggering sustainable transformation of certain rail lines to reduce risks equitably. There are areas that have a high level of exposure, and sometimes the solution is to move some lines to a risk-free zone. Of course, it would be impossible to do so across the country at the same time.

The final recommendation...

• (1710)

The Chair: Unfortunately, I must interrupt you. However, everything that you sent us by email will be added to your testimony today.

Ms. Ursule Boyer-Villemare: That's fine.

The Chair: Thank you.

I'm now giving the floor to Mr. Barsalou-Duval for six minutes.

Mr. Xavier Barsalou-Duval: Thank you, Mr. Chair.

Ms. Ursule Boyer-Villemare, in the past, we heard from witnesses who reported anchorage problems, especially in western Canada, and more specifically in the Vancouver area. However, I must say that this also happens in my riding, where people have been complaining about anchorage, mainly in the vicinity of Contrecoeur.

Based on what we've heard in the committee discussions, the assumption seems to be that the reason for these anchorages is often poor transportation planning or things like long queues in the port that require ships to drop anchor. Nevertheless, it can be particularly annoying when ships stop in front of people's homes or in sensitive aquatic environments.

I understand that you've conducted studies on this. Can you tell us anything about the impact that anchorage might have on these environments and on the people who live near the anchored ships?

Ms. Ursule Boyer-Villemare: Even though there is no wake when anchored, it would definitely have an environmental impact known as sediment and seabed disturbance.

While on a number of oceanographic missions, I noticed fresh-water or brackish water marine species that live on the seabed. Anchorages disrupt and destroy these habitats, which could harbour sensitive species. I would advise you to ask biologists to identify the species more accurately. Anchorage has a direct impact on seabed sediments.

As for the communities, landscapes can be transformed by the presence of these ships. One example is ships that were anchored for an extended period in the Beauharnois region, and which ended up becoming a blot on the landscape.

Before coming to any long-term decisions, it's important to recall that this mobility and temporary anchorage can certainly diminish the quality of life for residents. These should be factored into things like the impact matrix of cost-benefit analyses.

Mr. Xavier Barsalou-Duval: Thank you.

At the same committee meeting, we also learned that in the West, certain ships were sometimes anchored for coal exports, which is prohibited at American terminals.

I'd like to know what you think about Canada becoming the American coal export hub because it can't be done from American ports. This is for coal used to produce electricity.

Ms. Ursule Boyer-Villemare: I'm no expert in international trade or coal exports, but one thing is certain: among the options available for the electrification of transportation and the various adaptation platforms available, the use of non-renewable energies like coal is not anything that ought to be encouraged. At best, these could be considered temporary economic solutions while awaiting a more sustainable approach to this operational capacity and using these physical infrastructures for responsible trade.

Mr. Xavier Barsalou-Duval: To return to anchorage near homes, do you have any idea of the impact the presence of these ships might have on the mental health of people living there? The complaints I'm hearing come from people who say that the noise is unbearable, that they can't sleep at night, that they can hear machinery and see people wandering around on deck. Have you done studies on this?

Ms. Ursule Boyer-Villemare: Unfortunately, I have not carried out any studies on this. We've mainly done studies on the mental health of residents exposed to coastal erosion and submersion.

Mr. Xavier Barsalou-Duval: Perhaps we should have invited you to our study on shoreline erosion. That might have been useful.

Do I have any time left, Mr. Chair?

• (1715)

The Chair: You still have a minute and a half.

Mr. Xavier Barsalou-Duval: My question will be for Mr. Campbell.

I feel very honoured to have you with us at the committee today, because I have read your book on Lac-Mégantic. Anyone who reads this book gets very angry, because it becomes clear that the

accident was really our own fault: there was a lack of oversight and mismanagement by the company, which caused a number of deaths.

Do you have the impression that Bill C-33 will really change the dynamics in the railway sector?

Mr. Bruce Campbell: So, you're asking me whether it will change the safety management system.

[English]

I'm going to have to speak in English because my French... I get by, but....

With the railways, since Lac-Mégantic, there have been some changes obviously. Have they been enough? Have they gone far enough? There have been lots of reports in the wake of Lac-Mégantic that have shown the main improvements that should be made. The Department of Transport keeps saying, yes, they're reviewing it. With railway policing, for example, they say they're reviewing it, but it was a recommendation of your standing committee that was released last May.

The Chair: I'm sorry, Mr. Campbell. I'm going to have to ask you to wrap it up. I don't want to cut you off, as this is an important subject, but you have five seconds perhaps.

Mr. Bruce Campbell: No, I'll let it go.

The Chair: Thank you, Mr. Campbell.

Next, we'll go to Mr. Bachrach.

Mr. Bachrach, you have six minutes. The floor is yours.

Mr. Taylor Bachrach: Thank you, Mr. Chair.

Mr. Campbell, it's good to see you back at committee.

We've had a bit of a discussion already about safety management systems. There are some minor changes in this bill before us that empower the minister to require changes to safety management systems if they're found to be deficient.

There's a larger question around safety management systems because, as you've written several times, they have become the primary approach for ensuring the safety of our rail system and have taken over from more conventional rules and enforcement as a form of self-regulation.

One of the suggestions you have made is that safety management systems should be publicly transparent. Canadians, rail communities and rail workers should be able to better understand the systems that are being relied on to ensure rail safety. Why do you think that's in the best interest of our country?

Mr. Bruce Campbell: I think public access, generally, is in the best interest. If it stays within Transport Canada or related agencies, we don't know what's going on.

We've had safety management systems from almost the beginning back in 2001 or 2002. There have been numerous reviews. In 2021, the Auditor General said it remained to be seen if SMS was just checking off regulatory boxes and not examining its effectiveness. Just before that, the environment commissioner and the Auditor General's office said that the window was still open for a recurrence of Lac-Mégantic.

The recommendations of the committee are pretty strong in terms of public access and community access. Sometimes it sounds to me like another *Groundhog Day*. They keep coming back. Let's resolve it, once and for all, and mandate good safety management systems that are accessible to the public as the Transportation Safety Board and the OAG have recommended.

Mr. Taylor Bachrach: Thank you, Mr. Campbell.

On your comment about *Groundhog Day*, I was thinking something similar earlier. We've had so many meetings at this committee where the rail companies have come to talk in glowing terms about their safety record. Then we hear from the watchdogs, the Auditor General and the Transportation Safety Board. They share a very different story.

The message that I hear, particularly from Kathy Fox and the Transportation Safety Board, is that Canadians should continue to be very concerned because the progress has been far too slow in addressing the identified shortcomings of the rail safety system. The companies are not willing to make the investments they need to make. The government—I think this is the larger issue—and Transport Canada are not willing to stand up to them.

I was speaking with a bureaucrat who's now in a different department, and it was interesting. He described the regulatory approach in different sectors. He said that when it comes to the air sector the federal government has a pretty hands-on approach. They have a good line of sight of what's going on. When it comes to the marine sector they have a pretty strong regulatory approach. But when it comes to railroads, it does seem like these companies are bigger than the government. The government doesn't have what it takes to actually regulate them in a way that protects the public from the things like we've seen at Lac-Mégantic, Saskatchewan, and of course across the border in East Palestine.

To what degree should Canadians still be concerned about the inadequacies and lack of effective regulation in the rail sector?

• (1720)

Mr. Bruce Campbell: Look, I think they should be. I think the Auditor General most recently has said that they should be.

An accident like Lac-Mégantic rarely happens. The odds are.... But since Lac-Mégantic, I can list half a dozen or more derailments and spills. Fortunately, no one's died, but it could happen.

Mr. Taylor Bachrach: My last question is about private corporate rail police. I think we heard earlier the railroads making an argument for the continuation of private police forces that would investigate them and their parent company when things go wrong. The argument they made is that this way the Canadian taxpayer doesn't have to pay for it. They pay for it as corporations.

In the U.K., the corporations still pay for it, but there's an accountable police force that reports to a civilian oversight body. Is that not the kind of system we should have here in Canada?

Mr. Bruce Campbell: Absolutely. That's right.

I'm sure you're familiar with what happened at Field, B.C. It's been reported on by *The Fifth Estate*.

They were investigating themselves. The person whom they assigned to investigate wanted information, but they didn't give it to him. He ended up resigning.

The investigator from the Transportation Safety Board said he thought there were grounds for investigating the criminality involved there. The Canadian Pacific immediately—

Mr. Taylor Bachrach: Now there's an ongoing RCMP investigation.

Thank you, Mr. Campbell.

The Chair: Thank you, Mr. Campbell and Mr. Bachrach.

Next, we have Mr. Muys.

The floor is yours for five minutes, please.

Mr. Dan Muys: Thank you.

Thank you in particular to Mr. McLellan. We haven't had the perspective of the short-lines yet in our study of this bill. I noted your comment that it's 20% of the Canadian volume. Obviously, that's a significant piece that hasn't had any representation. I was also struck by your figure of a 90% operating ratio, which is phenomenal.

I know the question's been asked, but some additional regulatory burdens are being added with Bill C-33. Does that concern you, given the tight ratio?

Mr. Rick McLellan: There are some complications when it comes to some of the negative impacts versus some of the stacking of economic and labour agreements. When you talk about federal sick days versus days that we provide in our agreements and those types of things, when they stack one upon the other then it becomes incumbent on us to be able to have the support and the staff to still supply and maintain the service.

What I feel is a little bit overwhelming is that we did not have an opportunity to provide our input. We already had levers in our agreements that allowed for employees to take time off for necessary personal events and those kinds of things.

Sometimes I think when we go about this, we think of the industry in general but we don't think about the small players who play a very important part in the industry, and the difference that makes for us. A small thing for a larger business may mean something huge for someone smaller. We're seeing some of the after-effects of that.

• (1725)

Mr. Dan Muys: We heard the same thing from the ports. We asked Transport Canada officials whether a cost analysis had been done, and the answer was no. The burden on a small port is significantly higher because it's also operating with leaner ratios and less capacity than larger ports.

Thank you for that input.

You talked about a policy imbalance. Obviously, one of the things you've had a chance to talk a bit about is the short-line tax credit in the U.S. versus in Canada. Are there other examples of where that exists, or other burdens overall?

Mr. Rick McLellan: To the best of my knowledge.... Having a large parcel of our network in the United States, we get to see all the funding arms that they typically have the ability to tap into. We find that the states—and the United States, in general—have a vested interest in rail service and rail service to customers. We feel that for us, the small players in the game, it's not often the case that there's a vested interest in the longevity of how we do business today and tomorrow, and how we help our customers grow their businesses from within.

I'm sure other countries—I don't know specifically of any off-hand—have a vested interest in their transportation rail network and how important that is to the economy, because I think we make a huge difference.

Mr. Dan Muys: In that vein, we've heard from witnesses that Bill C-33 has no material impact at all on supply chains, that it's a missed opportunity and that nothing at all might have been preferable to the bill. How do you react to that?

You've talked about having the right people in the right place as probably being more important than anything else. Is this just more burden and more red tape that's unnecessary?

Mr. Rick McLellan: It's that and keeping in mind the importance of our short-line railways in Canada. We form a huge part and parcel of the integrity of the rail infrastructure, as well as the economy. For some key players we deal with, rail is the only option. If we go away, they close their business down. That affects communities. That affects taxes. That affects jobs. That affects a lot of people.

I would appreciate more of an open vision of the short-line work and the opportunities that we provide in our country, and the government having a better perspective of how important we are and supporting us for the future.

The Chair: Thank you very much, Mr. Muys.

Next, we have Mr. Badawey.

The floor is yours. You have five minutes.

Mr. Vance Badawey: Thank you, Mr. Chairman.

I have to say to Mr. McLellan that short-line railways are critical to the internal multimodal networks across the country. If it were not for you folks, the main lines just wouldn't be able to handle it or even attach to a lot of the other ports—other methods of transportation that are contained within the ports, whether they be water, road or air. Good on you folks for doing what you do.

With that, I asked a question earlier of Mr. Cato—you might have heard it—with respect to capital investments in a binational matter. In your view, do you see the need to integrate those capital investments when it comes to our multimodal networks, both in Canada and in the States?

Mr. Rick McLellan: Absolutely, because a lot of times, when you get these types of projects or opportunities for growth, the rail aspect of it is often forgotten. We have the port infrastructure and all that work that goes into allowing more business through ports, be it dry goods, containers or whatever. Often, we forget about the small rail piece that is an integral part of the operation.

I can tell you that the majority of the Port of Trois-Rivières is rail-served, and the customers have grown accustomed to the service we provide. In their port expansions, they have lots of programs and opportunities to expand their footprint at the port.

There's a rail component missing, and we'll do our best to be a part of that expansion program, but I think it's important that you look at both sides of the equation.

• (1730)

Mr. Vance Badawey: I think it goes without saying that to be successful at integrating binational supply chains, we have to begin by integrating our binational transportation infrastructure. Combined capital planning and the investments for the same are critical.

Again, going a bit deeper, do you find that it is not only critical that the rail lines integrate that planning, but that you also work with other methods of transportation, such as marine, air and road?

Mr. Rick McLellan: Absolutely, we ourselves, particularly, don't necessarily deal with air, but we definitely deal with road. We definitely deal with ports, and all the other modes of transportation, and in some circumstances even passenger trains.

Definitely, it's a multimodal perspective, and hence the remarks that we've made and I've made regarding the importance of having that regulator, or that overseer of the port. It's important to have the vision of the entire picture, as opposed to just one vision where you lack on opportunity and, potentially, you don't get the growth you're looking for.

Mr. Vance Badawey: We're looking at really becoming a pressure valve. I'll give you an example. In Niagara, we have the Hamilton-Niagara corridor. We have a trade corridor that's been created between the Hamilton-Oshawa Port Authority and Niagara, in general, along the Welland Canal corridor.

We sometimes see the need for a pressure valve for Munro, sometimes Pearson, and the smaller airports in Niagara. They can act as that pressure valve. They have a shoreline right next to them. They have the canal right there, and they have the road which obviously goes to the international bridges.

Do you see your shoreline operation really playing a bigger part in that, especially with the proper capital investments?

Mr. Rick McLellan: Absolutely. With some of the services we provide, we look for capacity. When you look at ports, you look at customers that are receiving inbound and outbound traffic. Sometimes there are periods where you have too much traffic, too much to deal with, so we like to provide alternatives to our stakeholders, such as storage opportunities just outside, and not too far away where we're able to give them what they need.

That's the type of service we've been providing to the port authority. The air is more like a hand to mouth, because everybody's needs are different. Sometimes customers are having a hard time going through the bunching of their product, or what have you, and they need an alternative. We provide that alternative, and sometimes that alternative requires investment, so that's probably where we would look at it.

Mr. Vance Badawey: Do you find yourself, Mr. McLellan, working within that, integrating logistics and distribution with all methods of transportation?

Mr. Rick McLellan: Yes, absolutely.

Mr. Vance Badawey: Thank you, Mr. Chair.

The Chair: Thank you very much, Mr. Badawey.

[Translation]

You have the floor for two and a half minutes, Mr. Barsalou-Duval.

Mr. Xavier Barsalou-Duval: Thank you, Mr. Chair.

Ms. Ursule Boyer-Villemare, Bill C-33 includes climate change plans for ports. The latter should therefore have a climate change adaptation plan as well as a greenhouse gas emissions plan.

Do you think this responsibility should be only for the ports? Shouldn't there be a broader vision for the entire marine industry to reduce its carbon footprint?

Ms. Ursule Boyer-Villemare: Definitely. Implementing these plans and adopting adaptation objectives requires coordination, not only within the sector, but also the region. As I was saying, a regional approach to adaptation has been put forward in Canada's national adaptation strategy and promoted by Natural Resources Canada. Accordingly, it's important to factor in not only...

Mr. Xavier Barsalou-Duval: Thank you. I'm sorry to be interrupting you, but I don't have much time left.

Mr. Campbell, earlier today, I spoke about secret exemptions for a number of railway companies to allow them to use automated systems that replace human workers, and which were condemned by a number of union groups. Some of the railway companies that appeared, or at least CN, mentioned that the company would be open to the idea of these exemptions from Transport Canada being made public.

From an outsider's point of view, what impression do you think these secret safety exemptions send to the public? Don't you expect such exemptions to always be published and made public?

• (1735)

[English]

Mr. Bruce Campbell: I think there's room to expand what's accessible to the larger public. I look at the recommendations of this

standing committee. There are 30-some recommendations, and amongst them are recommendations for great transparency. I would ask you to judge whether the amendments that Transport Canada has put into this legislation are sufficient to meet the recommendations of the committee.

The Chair: Thank you.

Mr. Bruce Campbell: Look at fatigue management, for example. Do they meet the requests of the standing committee?

There's been lots of back and forth between the companies and the—

The Chair: Thank you, Mr. Campbell.

We appreciate your enthusiasm. You can send us an email with any future thoughts that you would like to share with us, and we'll include that in your testimony.

Mr. Bruce Campbell: I do have some.

The Chair: Perfect.

Mr. Bachrach, you will be clearing the bases for us, to use a good Montreal Expos term.

The floor is yours. You have two and have minutes, sir.

Mr. Taylor Bachrach: Thank you, Mr. Chair.

I'll ask my last question of Madame Boyer-Villemare.

As I think she's aware, this bill in front of us includes provisions that would require ports to publish five-year climate plans. My observation is that there are a lot of corporate climate plans out there that are essentially a collection of activities, but don't have enough rigour. They're not robust enough to actually hold those entities accountable for driving down emissions and contributing to the national ambitions around climate action.

What characteristics does she believe must be included in those climate plans to ensure that they're worth the paper that they're written on?

Ms. Ursule Boyer-Villemare: The first part of my answer is that the plan, as soon as it is released, is already behind in terms of the actions that are required. The knowledge evolves very rapidly in terms of risks, so I think the process of doing the plan will gather the most impact in how people collaborate to reach those objectives, and that's what's going to make people more accountable, I think.

If you regulate the process more, rather than the output of it, then you make sure that people are at the table and are conscious that the choices they make have consequences for the security and the well-being of the population.

Yes, the plan is there. It's a five-year horizon. However, we have to plan much further ahead in terms of climate change and the long-term life of that kind of infrastructure.

I don't have a magic key or process that could ensure that people are accountable, other than saying that one has to focus also on the process rather than only the output.

Mr. Taylor Bachrach: Thank you.

Thank you, Mr. Chair.

[*Translation*]

The Chair: Thank you very much, Mr. Bachrach, Ms. Boyer-Villemare, Mr. Campbell and Mr. McLellan. It was a pleasure having you here this evening.

[*English*]

We thank you very much for your testimony.

With that, I will adjourn the meeting.

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