



ALBERTA
INFRASTRUCTURE
TRANSPORTATION

*Office of the Minister
Government House Leader
MLA, Edmonton-Highlands-Norwood*

AR66072

September 28, 2015

Honourable David L. Emerson
Chair
Canada Transportation Act Review Secretariat
350 Albert Street, Suite 330
Ottawa, ON K1A 0N5

Dear Mr. Emerson:

I am pleased to provide you with the Government of Alberta's supplementary submission to the *Canada Transportation Act (CTA) Review Panel*.

Since the Government of Alberta (GoA) made its original submission to the CTA Review Panel last December, we have received feedback from a number of stakeholders. In response to this new information, the GoA is amending the following two recommendations:

- 1) The GoA's original submission recommended the running rights provisions of the CTA be modified to allow the Canada Transportation Agency to award open running rights where there is a lack of competition. The GoA is no longer recommending changes as we are concerned that allowing open running rights in Canada will not be reciprocated in the United States creating a disadvantage to Canadian rail companies. It would also create a disincentive for Canadian railways to invest in their rail infrastructure.
- 2) The GoA's original submission recommended the 160-kilometre interswitching distances introduced by the *Fair Rail Freight Service Act* be made permanent. The GoA now recommends the federal government undertake an assessment of the impacts of the distances before a decision is made to make them permanent.

More information is needed to determine if the benefits of giving shippers access to more than one railway outweighs the inefficiencies created by having multiple railways involved in moving goods from origin to destination.

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The GoA's original submission to the CTA Review Panel included 51 recommendations. To help the CTA Review Panel prioritize its areas of focus, the GoA suggests the CTA Review Panel focus on the following ten issues:

- 1) Federal investment – There is a need for federal funding to invest in the infrastructure needed to improve market access for Canada's exports, particularly for Western Canadian exports to the Asia-Pacific Region.
- 2) Reduce regulatory inconsistencies – The federal government should work with provinces and territories to reduce internal and external non-tariff barriers through renewal and enhancement of the Agreement on Internal Trade and continue to align relevant standards and regulations between Canada and the United States.
- 3) Expand performance monitoring – Information on the performance of the transportation system needs to be enhanced. The Canada Transportation Agency should be given the mandate to investigate systemic shortfalls in rail service and rail capacity.
- 4) Enhance shipper protection provisions for rail service – The term "adequate and suitable" should be defined in the CTA to reflect the business needs of shippers (number of cars, routes and frequency of service). Reciprocal financial penalties should be included in arbitrated Service Level Agreements.
- 5) Enhance rail safety – The track integrity maintenance and inspection scheme regime should be reviewed to ensure it accounts for current and forecasted volumes and to factor in emergency preparedness. Class 1 railways should be required to coordinate incident responses with regional and provincial emergency responders.
- 6) Increase rail competition – The federal government should undertake an assessment of the impact of the extended interswitching distances on the rail transportation system and ensure the Final Offer Arbitration provisions remain in the CTA.
- 7) Expand Alberta representation on Coast Ports – The Government of Alberta would like representation on the boards of directors for ports, including Port Metro Vancouver, the Port of Prince Rupert and the Port of Thunder Bay, as Alberta shippers depend on these to access international markets.

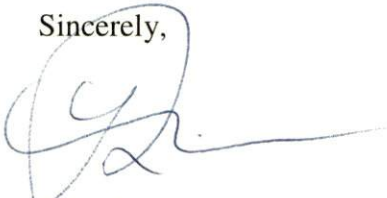
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- 8) Reduce airport fees – The federal government should reduce airport rents, security and other fees, charges and taxes. Airport rents and other charges should be reinvested into the aviation system to ensure viability of the network.
- 9) Enhance air access – The federal government should seek liberalized air transport agreements to enhance air access, create jobs and support economic growth.
- 10) Improve accessibility provisions – The CTA should be amended to ensure its accessibility provisions are aligned with the United Nations Convention on the Rights of Persons with Disabilities.

I look forward to seeing the recommendations put forward by the CTA Review Panel to the federal government.

Please feel free to contact me if you have any questions about the GoA's submissions.

Sincerely,

A handwritten signature in blue ink, appearing to be 'Brian Mason', with a long horizontal flourish extending to the right.

Brian Mason
Minister

cc: Honourable Rachel Notley, Premier of Alberta and Minister of International and Intergovernmental Relations
Honourable David Eggen, Minister of Culture and Tourism
Honourable Margaret McCuaig-Boyd, Minister of Energy
Honourable Oneil Carlier, Minister of Agriculture and Forestry
Honourable Irfan Sabir, Minister of Human Services