

regulation of rates and services and also technical regulation to meet safety requirements and for other purposes. Examples of promotion are the building of canals from the time of Confederation to the present-day Seaway, the underwriting of railway development and branch-line extension, the establishment of Air Canada, the large investments made in airports and aeronautical installations, and the building of the Trans-Canada Highway.

The Department of Transport and the various Crown agencies reporting to Parliament through the Minister of Transport have jurisdiction over canals, harbours, shipping, civil aviation and interprovincial and international railways. Interprovincial or international pipelines for carrying gas, crude oil or petroleum products are under the jurisdiction of the National Energy Board. Jurisdiction over for-hire interprovincial or international highway transport also rests with the Federal Government but these powers are at present exercised by the provincial highway transport boards under the federal Motor Vehicle Transport Act of 1954.

Railway regulation was developed in a period when railways enjoyed a virtual monopoly of transport in the country. Measures to protect the public against excessive charges, unjust discrimination and other objectionable monopoly practices, together with measures to ensure safe operations, have over the years subjected railways to the most comprehensive regulation of any Canadian industry. In the intervening years the rapid growth of road, air and pipeline services has ended the railway monopoly for a large part of the total traffic available and has placed the railways in a highly competitive situation.

A Royal Commission was appointed in 1959 to inquire into the railway rate structure and other problems. Its findings indicated a need to shift from regulating monopoly to maintaining a balance between the several competing modes of transport. Legislation based on the findings of the Royal Commission was passed by Parliament and received Royal Assent on Feb. 9, 1967. The statute, called the National Transportation Act, defines a national transportation policy for Canada looking to the achievement of an economic and efficient transportation system making the best use of all available modes of transportation at the lowest total cost. It establishes a new body, the Canadian Transport Commission, to carry out the functions formerly performed by the Board of Transport Commissioners for Canada, the Air Transport Board and the Canadian Maritime Commission. In addition, the Act creates a framework within which the pipeline carriage of commodities other than oil and gas and the interprovincial and international motor transport undertakings could be regulated by the Canadian Transport Commission.

The general purpose of the Act is to create a situation in which the development of the transportation industry and the protection of the public against excessive or discriminatory charges are accomplished in the main by competition between modes rather than by regulation and control. The railways are relieved of some of the more onerous and outdated restrictions on their freedom to meet competition. On the other hand, a shipper who has no practical alternative to rail shipment can apply to have a maximum rate fixed for his goods by the new Commission. The Act also provides a procedure to allow the railways, under safeguards for the public interest, to abandon lines and withdraw passenger services where they are no longer needed.

The Canadian Transport Commission.—The Commission, created by the National Transportation Act (SC 1967, c. 69), was organized on Sept. 19, 1967 and succeeded to all the powers and duties of its predecessors, the Board of Transport Commissioners for Canada, the Air Transport Board and the Canadian Maritime Commission. The Commission is a court of record. It consists of a maximum of 17 members, of whom one is president and two are vice-presidents. One of the vice-presidents is charged with the superintendence of the work of the committees of the Commission and the other is charged with the superintendence of the programs of study and research of the Commission. For the purpose of performing its duties the Commission must establish committees, any of which may, in accordance with the rules and regulations of the Commission, exercise the powers of the Commission. Three of these committees—the Railway Transport Committee, the Air Transport Committee and the Water Transport Committee—are at