

Under the Railway Act the Commission has jurisdiction over construction, maintenance and operation of railways that are subject to the legislative authority of the Parliament of Canada, including matters of engineering, location of lines, crossings and crossing protection, safety of train operation, operating rules, investigation of accidents, accommodation for traffic and facilities for service, abandonment of operation and uniformity of railway accounting. The Commission also has certain jurisdiction over telephones and telegraphs, the tolls for which were re-defined by an amendment to the Railway Act in 1970 to include private wire, Telex and broadband exchange services operated by telecommunication carriers under federal jurisdiction. The jurisdiction includes regulation of the telephone tolls of Bell Canada because of the interprovincial nature of the company's operations and tolls for the use of international bridges and tunnels.

Except for certain statutory rates, and subject to certain powers of the Commission to deal with rates that it finds to be contrary to public interest, the railways are free to charge rates as they wish. However, rates must be compensatory, as defined in the Railway Act, and the Commission may prescribe tolls for captive shippers if such tolls take undue advantage of a monopoly situation favouring the railways.

The Commission is responsible for the economic regulation of commercial air services in Canada and is also required to advise the Minister of Transport on matters relating to civil aviation. The regulatory function relates to Canadian air services within Canada and abroad and to foreign air services operating in and out of Canada. It involves licensing all such services and regulating the licensees. The Commission issues regulations dealing with the classification of air carriers and commercial air services, accounts, records and reports, traffic tolls and tariffs, and various other matters. All regulations, rules and orders issued by the former Air Transport Board continue in force until repealed or amended by the Commission.

The CTC takes an active part in the work of the International Civil Aviation Organization and, when appropriate, undertakes bilateral negotiations for the exchange of traffic rights. In 1972, Air Canada and CP Air were Canada's designated international scheduled carriers.

Under the Transport Act, the Commission entertains applications for licences for ships to transport goods or passengers for hire or reward between places in Canada on the Great Lakes and on the Mackenzie and Yukon rivers, except goods in bulk on waters other than the Mackenzie River. Before granting a licence, the Commission studies the need for such transport and afterward retains regulatory powers over tolls to be charged.

The Commission is authorized to investigate complaints about proposed tariffs, under terms of the Pilotage Act, and about existing tariffs under the St. Lawrence Seaway Authority Act, and to make recommendations to the appropriate body. Under the Shipping Conferences Exemption Act, ocean carriers who are members of a shipping conference must file copies of their agreements, tariffs and other such documents with the Commission.

The CTC also administers subsidies paid by the federal government for maintaining certain coastal and inland water shipping services. Table 15.1 shows the net amount of these subsidies paid in the year ended March 31, 1972.

15.2 Rail transport

Canadian railway transport is dominated by two transcontinental systems, supplemented by a number of regional railways. The government-owned Canadian National Railway System is the country's largest public utility and operates the longest track mileage in Canada. It serves all ten provinces as well as the Great Slave Lake area of the Northwest Territories. In addition, it operates a highway transport service, a fleet of coastal steamships, a chain of large hotels and resorts, a telecommunications service, and, as an autonomous subsidiary (Air Canada), a scheduled Canadian and international air service. The Canadian Pacific Railway Company is a joint-stock corporation operating a railway service in eight provinces. Similar to and competitive with the Canadian National Railway System, it is a multi-transport organization with a fleet of inland and ocean-going vessels as well as coastal vessels, a chain of year-round and resort hotels, a telecommunications service, and a domestic and foreign airline service. The British Columbia Railway (formerly the Pacific Great Eastern Railway) operates over a 1,000-mile route from North Vancouver to Fort Nelson in northeastern British Columbia. The Northern Alberta Railway, jointly owned by CP and CN, serves the area north of Edmonton with a 900-mile system. Northern Ontario is served by the provincially owned Ontario Northland Railways with a 600-mile system stretching from North Bay to Moosonee,