

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 All regulations, rules and orders issued by the former Air Transport Board continue in force until repealed or amended by the Commission.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 1973 Air Canada and CP Air were Canada's designated international scheduled carriers.

Pursuant to the provisions of the Transport Act, the Commission processes applications for licences for ships to transport goods and/or passengers, for hire or reward, between ports or places in Canada on the Great Lakes and on the Mackenzie and Yukon rivers. Provisions of the Act do not apply to the transport of goods in bulk on waters other than the Mackenzie River. Before granting a licence, the Commission must determine that the proposed service is and will be required by the present and future public convenience and necessity and, in so doing, may take into consideration any objection provided for in the statute. Tariffs of tolls must be filed and the Commission has regulatory powers over tolls for such transport.

The Commission, under the terms of the Pilotage Act, is empowered to investigate objections to proposed tariffs of pilotage charges, including the holding of public hearings, and to make recommendations thereon to the appropriate Pilotage Authority. Under the Shipping Conferences Exemption Act, ocean carriers which are members of a shipping conference are required to file with the Commission copies of their agreements, arrangements, contracts, patronage contracts and tariffs. These documents are made available for inspection by any person during regular business hours of the Commission.

The Commission is also authorized, under the provisions of the St. Lawrence Seaway Authority Act, to consider any complaints filed with respect to unjust discrimination in existing tariffs and to make a finding thereon to be reported to the said Authority.

In Canada the coasting laws restrict the operation of ships from one point to another to Canadian or British ships, depending upon the area concerned. In order to enable a ship of any foreign country to engage in such operations, application has to be made to the Minister of National Revenue to obtain a waiver of the coasting laws. In such circumstances the Commission is called upon to advise the Minister of the availability or otherwise of a suitable Canadian ship.

The CTC also administers subsidies paid by the federal government for maintaining certain coastal and inland waters shipping services. Table 15.1 shows the net amount of these subsidies paid in the year ended March 31, 1974.

## 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 10 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. Canadian Pacific Limited is a joint-stock corporation operating a railway service in eight provinces. Similar to and competitive with the