

# STRAIGHTAHEAD

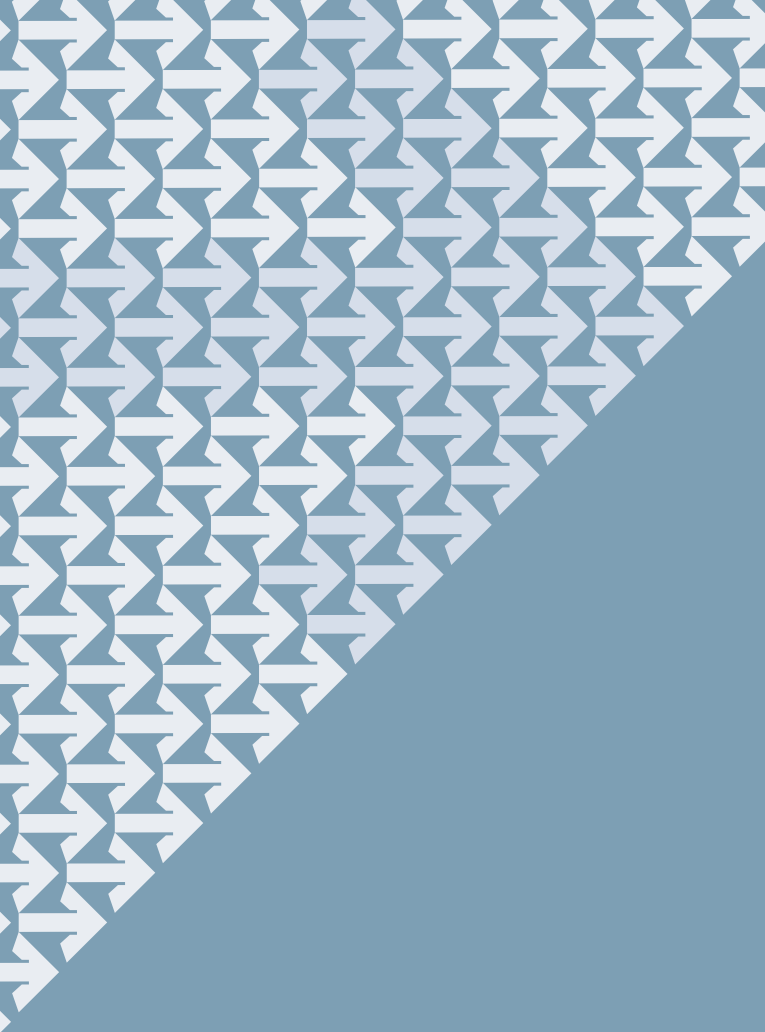
A Vision for Transportation in Canada



Transport  
Canada

Transports  
Canada

Canada



*STRAIGHT AHEAD - A Vision for Transportation in Canada*

Cat: T22-118/2003-1 ISBN: 0-662-67128-7

© Her Majesty the Queen in Right of Canada, (Transport Canada) 2003

This document is available on the Web at [www.tc.gc.ca/Straightahead](http://www.tc.gc.ca/Straightahead).

# STRAIGHTAHEAD

A Vision for Transportation in Canada





## A WORD FROM THE MINISTER



I am pleased to present *Straight Ahead - A Vision for Transportation in Canada*, which sets out the Government of Canada's strategy for a sustainable transportation system.

Transportation is fundamental to Canada's economic prosperity and Canadians' quality of life. To maintain and enhance our competitiveness, we need to ensure our transportation system is efficient and able to adapt to new challenges as they arise. To enhance our quality of life, we also need to ensure that our system is safe, secure and environmentally responsible. These are the goals underlying our vision for transportation.

This booklet presents the highlights of the strategy: the vision that guides it and the principles underpinning it. For more details on the strategy and the concrete initiatives flowing from it, I invite you to read the full *Straight Ahead* document.

A handwritten signature in dark ink, consisting of a large, stylized 'D' followed by several loops and a final horizontal stroke.

Hon. David M. Collenette, P.C., M.P.  
Minister of Transport



# WHY TRANSPORTATION MATTERS

Transportation – by land, water and air – links Canadians to each other and Canada with the world. Transportation moves goods to markets and people to their destinations, whether for business or pleasure. Transportation provides jobs and supports economic growth. Transportation policy is therefore a crucial part of the government's policy agenda.

Canada's transportation system is highly complex, involving decisions and actions by all levels of government, thousands of businesses and millions of Canadians. To function smoothly, the system depends on the co-operative efforts of governments and businesses, both in Canada and abroad. *Straight Ahead* was drafted after extensive discussions with our key transportation partners in the public and private sectors.


## TRANSPORTATION POLICY MUST ADAPT

To be effective, transportation policy must be in tune with the times. It must adapt to new conditions and changing circumstances. Canada's transportation policy saw steady evolution in the 20<sup>th</sup> century; as social and economic conditions changed, transportation policy kept pace. Rail, truck and air services were deregulated, subsidies were reduced and in some cases eliminated, many services and facilities formerly run by government were privatized and others were commercialized. Many of these changes were considered groundbreaking at the time, but they have

demonstrated their success over time. With some adjustments, based on the lessons learned from experience, these policies will remain in place.

A constant pre-occupation in transportation policy is safety and security, which remain central objectives of the government's strategy. The government will continue to make sure that laws and smart regulations maintain and enhance the transportation system's safety, security and integrity.

As we think about what lies ahead, we see many challenges: the pressures of globalization and increasingly integrated North American markets; the requirements of the "scheduled economy"; growth in the number of Canadians living in our cities while many rural areas are experiencing population decline; the aging of the population; the environmental impact of human activities; new awareness of the importance of safety and security; and the high technology explosion.

 **TRANSPORTATION AND  
CANADA'S ECONOMY**

- **The Canadian transportation system carries more than \$1 trillion worth of goods every year.**
- **Over the last decade, the Canadian transportation sector experienced an average annual growth rate of 6.1%, almost doubling that of the economy at 3.3%.**
- **In 2000, more than 850,000 people held jobs in the transportation industry or related functions, representing 7% of the Canadian workforce.**
- **In 1999, close to \$20 billion was spent on infrastructure operated by government and private operators.**

All have an impact on transportation policy. We also know that some challenges can't be foreseen, but policy must remain relevant and flexible enough to respond.

*Straight Ahead* sets out the government's objectives and strategy for a safe and secure, efficient and environmentally responsible transportation system. It proposes a common vision for all participants in the transportation system, one that will provide direction and purpose as the system adapts to meet the challenges of the 21<sup>st</sup> century.

## OUR VISION FOR TRANSPORTATION

The government's vision for the transportation system is guided by seven principles. The principles, along with a brief explanation of each, are set out below.

### **1. Highest practicable safety and security of life and property – guided by performance-based standards and regulations when necessary.**

Safety and security will continue to be Transport Canada's primary focus, signalled by rigorous standards for new transportation facilities, vehicles and equipment and careful monitoring to make sure that transportation providers have safety management systems in place and that they abide by them. Preventing, minimizing and responding effectively to threats to the security of the national transportation system is a high priority. We will continue to work with our continental and international partners to harmonize our requirements and ensure effective and efficient borders.

## **2. Efficient movement of people and goods to support economic prosperity and a sustainable quality of life – based on competitive markets and targeted use of regulatory and spending interventions.**

This principle reflects the belief that competition is the best way to ensure efficiency and innovation – resulting in the transportation services Canadians want with the least possible use of resources.

Government intervention may be necessary, on occasion, to correct market imperfections, prevent abuse of market power and address distortions arising from the failure to take into account the full environmental and other costs of transportation activities. Modal neutrality – the level playing field between transport modes – will be sought whenever government intervention is necessary.

## **3. Respect for the environmental legacy of future generations of Canadians – guided by environmental assessment and planning processes in transportation decisions and selective use of regulatory and spending interventions.**

Decisions about transportation will take account of their environmental impact on air, water, soil and habitat. Transport Canada will work with its partners to address climate change, urban air pollution and greenhouse gas emissions. All partners will need to work towards gradually reducing the intensity of carbon fuel use, developing alternative fuels and technologies, offering viable choices for urban travellers and making progress towards including the cost of environmental impacts in the prices paid by transportation users.

#### **4. User pricing that better reflects the full costs of transportation activity, and transportation infrastructure decisions that meet user needs – based on governance models that provide for stakeholder involvement and transparency.**

Infrastructure – the roads, rail lines, airports, ports and other facilities that enable transportation – is funded in a variety of ways. Some infrastructure, such as rail lines, is paid for directly by users, while infrastructure like roads is paid for out of general tax revenues. Because most users choose their transportation method based on what it costs them to use it, establishing the right prices for transportation use (including the cost of building and maintaining infrastructure, the cost of any environmental impact, and the ‘social’ costs, such as accidents and congestion) will contribute over time to a more efficient system. As a result, traffic will be better distributed among the modes, and decisions about where and when to build new infrastructure will be based on user demand and their willingness to pay for it. Effective governance models for transportation infrastructure and appropriate stakeholder involvement will be needed to manage transition and achieve this long-term goal.

#### **5. Reasonable access to the national transportation system for Canada’s remote regions.**

Access to the national transportation system for people living in remote parts of the country will be maintained by providing infrastructure in the most cost-effective manner and by looking at alternative arrangements where appropriate with all other interested partners who have a role in this area. For its part, the federal government will continue to focus on current undertakings.

## **6. Accessibility of the national transportation network without undue obstacles for persons with disabilities.**

An inclusive society must respond to the mobility challenges of persons with disabilities and the growing proportion of older Canadians. Equipment manufacturers, transportation operators and infrastructure providers will be required to accommodate these needs through their planning, design and operating procedures.

## **7. Partnerships and integration among jurisdictions and with the private sector.**

Harmony is needed in the way each mode of transport is governed – so that the transportation modes operate on a level playing field and the transportation system is an efficient and seamless network that operates smoothly in support of Canada’s competitiveness.

Because of the importance of trade to Canada’s prosperity, transportation policies – whether laws, standards, regulations or the approach to managing the marketplace – need to be in sync among federal departments, among governments within Canada, and between Canada and other countries. Domestically, partnerships and joint ventures between governments and the private sector will ensure that transportation infrastructure meets users’ needs and earns sufficient revenue to cover costs.

## INNOVATION AND SKILLS

In realizing its vision for transportation, the government will rely on the skills of Canadians and their capacity to innovate and collaborate to achieve the desired balance among efficiency, safety, security, environmental, mobility and accessibility objectives. Everyone in the transportation system will need to look at fostering innovation and skills development, pursuing transportation research and development, and deploying new technologies in the service of these objectives.

## STRATEGIC DIRECTIONS

In addition to setting out the government's vision and policy principles, *Straight Ahead* describes a number of new initiatives the government proposes to take and its longer-term priorities in five key sectors.

### ➔ **Setting frameworks for an efficient transportation marketplace.**

The government's policy of deregulation, reducing subsidies, commercialization, privatization and related measures to favour competition and market forces has worked well for the most part. The government proposes to fine-tune this policy approach to stimulate further competition and efficiency where needed (Chapter 3 of *Straight Ahead*).

### ➔ **Managing and investing in transportation infrastructure.**

Where possible, commercialization and divestiture will continue, with some fine-tuning in the way new entities are governed. Strategic infrastructure

investments in support of competitiveness, sustainable growth and a well-integrated transportation system will be made in partnership with other levels of government and the private sector. This will include initiatives addressing urban transportation needs, such as public transit, and trade and passenger corridors, while remaining sensitive to the needs of rural and remote areas (Chapter 4).

### ➔ **Reducing the adverse environmental impact of transportation.**

In collaboration with others, the government will continue to address the environmental impact of transportation. It will promote respect for the environment as a criterion in transportation planning, find ways to implement Canada's environmental obligations, and curb pollution in the transportation sector. The government is interested in collaborating with industry, other governments, and transportation experts in the search for consensus on how to determine the full costs of transportation and practical ways of paying for them, as well as pursuing public-private collaboration to improve emissions standards and promoting the increased use of lower-emissions vehicles and modes and less greenhouse gas (GHG) intensive fuels (Chapter 5).

## ➔ **Improving safety and security.**

With one of the safest and most secure transportation systems in the world, Canada wants to maintain its leadership, which springs from a long tradition of research, problem solving, and government action to achieve these results. Transport Canada's Strategic Plan for Safety and Security, first introduced in 1999, is being evaluated and will be updated. Working with industry, other departments, and other governments, Transport Canada will continue implementing its safety and security plans covering each mode of transportation. The government will pay particular attention to ensure that border crossings meet the demands of safety and security while facilitating the flow of people and goods (Chapter 6).

## ➔ **Encouraging innovation and skills development.**

Innovation in the transportation sector is essential not only to maintain the sector's own growth and competitiveness, but also to contribute to national priorities like GHG reduction, safety and security, and improving the quality of life in cities. Innovation in this sector will support goals in Canada's Innovation Strategy.

Transport Canada will focus on advancing its research and development program in five areas, namely intermodal integration, congestion, environmental pressures, safety and security, and accessibility. The department will also work with industry, government and academic partners to identify areas of potential skills shortages and develop responses to them, to stimulate the adoption of e-commerce in the transportation sector and to promote the adoption of intelligent transportation systems (Chapter 7).

## THE WAY AHEAD

Transportation policy cannot remain static. It needs to reflect the currents of change that will shape Canada's economy and society in years to come. *Straight Ahead* provides a framework to guide future decisions by setting out principles and strategic directions that will help point the way for Canada's transportation policy for the next decade and beyond.