



Canadian
Transportation
Agency

Office
des transports
du Canada

Canadian Transportation Agency

2019-2020

Departmental Results Report

The Honourable Marc Garneau, P.C., M.P.
Minister of Transport

© Her Majesty the Queen in Right of Canada, represented by the Minister of Transport, 2020.

Catalogue No. TT2-9E-PDF

ISSN 2561-2816

Table of contents

Message from the Chair and Chief Executive Officer	1
Results at a glance and operating context	3
Results: what we achieved	5
Core responsibility	5
Description:.....	5
Results:.....	5
Internal Services	11
Description.....	11
Results.....	12
Analysis of trends in spending and human resources	14
Actual expenditures	14
Actual human resources	16
Expenditures by vote	17
Government of Canada spending and activities.....	17
Financial statements and financial statements highlights	17
Additional information.....	19
Organizational profile	19
Raison d'être, mandate and role: who we are and what we do.....	20
Reporting framework.....	21
Supporting information on the program inventory	21
Supplementary information tables.....	21
Federal tax expenditures	22
Organizational contact information.....	22
Appendix: definitions	23
Endnotes	27

Message from the Chair and Chief Executive Officer

I am writing this introductory message at a time when the COVID-19 pandemic and its widespread impacts are very much on everyone's mind. The pandemic has caused major disruptions to our personal lives and many parts of the economy, not least the transportation sectors.

The collapse of demand for air travel was without precedent in the century since the first commercial flight. As the pandemic surged, air passengers around the world scrambled to get home – and stayed put once they got there – while many airlines teetered on the edge of bankruptcy.

The Canadian Transportation Agency (CTA) responded in March 2020 by taking temporary steps to give airlines increased flexibility to adjust schedules and focus on urgent operational demands as this extraordinary and unpredictable situation rapidly unfolded, and by working to ensure that passengers would not simply be left out-of-pocket for the cost of flights cancelled by airlines for pandemic-related reasons.

But large as COVID-19 and its effects loom, the period covered by this report almost entirely preceded the arrival of the virus – and was marked, for the CTA, by exceptional results.

The most significant was completion of the Regulatory Modernization Initiative (RMI). The goal of the RMI, which was launched in 2016, was a comprehensive review and overhaul of all the regulations made and administered by the CTA. This ambitious goal was achieved as of July 2019, thanks to the incredibly hard work of the CTA team and high levels of engagement among stakeholders and the public. The RMI produced modernized *Air Transportation Regulations* and rail-related regulations – eliminating or lightening outdated administrative and reporting burdens for industry while raising insurance requirements – along with the groundbreaking *Air Passenger Protection Regulations* (APPR) and *Accessible Transportation for Persons with Disabilities Regulations*.

As the RMI approached its conclusion, the CTA turned its attention to the preparation of guidance material, releasing new and updated guides explaining regulations and CTA processes in plain language, and finalizing a dedicated, user-friendly website on consumer protection for those travelling by plane: airpassengerprotection.ca.

Another major accomplishment for the CTA in 2019-20 was handling a record number of complaints from Canadian travellers concerned about airline services or barriers to accessibility in the federal transportation network, shippers concerned about freight rail

service, and communities and local residents concerned about rail noise and vibration. In all, 19,400 complaints were filed – the vast majority of them air travel complaints submitted after the coming-into-force of the APPR. The number just five years earlier was 800. The CTA continues to resolve almost 99 per cent of complaints through informal facilitation and mediation, using court-like adjudication to address the remainder.

Finally, the CTA made significant progress on the modernization of its compliance assurance program, including finalization and publication of a revamped Compliance Monitoring and Enforcement Policy that draws on decades of CTA experience and best practices across Canada and around the world.

These and the many other impressive results achieved by the CTA in 2019-20 speak to the remarkable dedication, expertise, and professionalism of its Members and staff. It is a privilege to lead such an organization, and to be able to report to Parliamentarians and Canadians on all that it accomplished in 2019-20.

Results at a glance and operating context

In 2019-20, the CTA:

- Completed its [Regulatory Modernization Initiative](#)ⁱ (RMI), the most comprehensive review and update to all of the CTA's regulations in over 30 years;
- Developed a series of new guidance materials to provide clear and relevant information on new regulatory requirements;
- Managed a record number of air passenger complaints – receiving almost 19,400 and processing an unprecedented 9,143 – placing emphasis on informal processes to quickly resolve disputes;
- Continued efforts to raise the profile of accessible travel internationally; and
- Published a new [Modern Compliance and Enforcement Policy](#)ⁱⁱ.

The CTA has three core mandates:

- Helping to ensure that the national transportation system runs efficiently and smoothly in the interests of all Canadians: those who work and invest in it; the producers, shippers, travellers and businesses who rely on it; and the communities where it operates;
- Protecting the human right of persons with disabilities to an accessible transportation network.
- Providing consumer protection for air passengers.

The CTA uses three tools to help advance these mandates:

Rule-making: developing and enforcing ground rules that establish the rights and responsibilities of transportation service providers and users and that level the playing field among competitors;

Dispute resolution: resolving disputes that arise between transportation providers on the one hand, and their clients and neighbours on the other, using a range of tools from facilitation and mediation to arbitration and adjudication.

Information provision: providing information on the transportation system, the rights and responsibilities of transportation providers and users, and the CTA's legislation and services.

Towards the end of this fiscal year, Canadians and people around the world experienced the onset of the global COVID-19 pandemic. The pandemic has taken thousands of lives in Canada and over a million lives around the world, resulted in significant disruptions to everyday life, and had significant impacts across most sectors of the economy. Given the direct and major implications of this extraordinary situation for travel and trade, the transportation sector is one of the most affected.

As outlined further in this year's report, the CTA responded quickly to this historic crisis with new measures, information and guidance – with CTA staff continuing to deliver our full range of services to Canadians through remote work. While many of these activities occurred after March 2020, they are noted in this year's report given the impacts of the COVID-19 pandemic across the country.

For more information on the CTA's plans, priorities and results achieved, see the “Results: what we achieved” section of this report.

Results: what we achieved

Core responsibility

Independent regulatory and dispute-resolution services for transportation providers and users

Description: Set and enforce economic, accessibility, and air passenger protection rules for the national transportation system; resolve disputes between transportation service providers and users through facilitation, mediation, arbitration, and adjudication; and provide information to stakeholders and Canadians in general on the transportation system and their transportation related rights and responsibilities.

Results:

In 2019-2020, the CTA completed its RMI. Launched in 2016, the RMI involved reviewing, consulting on, and updating all regulations made and administered by the CTA. In updating its regulations, the CTA consulted with thousands of people from the general public, consumer rights advocates, disability advocacy organizations, industry, experts and other interested stakeholders. The RMI involved four phases – accessibility, air transportation, air passenger protection and rail.

- The [*Accessible Transportation for Persons with Disabilities Regulations*](#)ⁱⁱⁱ (ATPDR) were published in July 2019. The ATPDR build upon various accessibility instruments—six voluntary codes and two regulations— along with best practices from across Canada and around the world, to create a single, robust, legally binding set of accessible transportation regulations. The ATPDR cover all modes of transport under federal jurisdiction—air, and interprovincial and international passenger rail, bus, and ferry—as well as security and border screening.

The ATPDR require transportation service providers to: meet the communication needs of travellers with disabilities; train transportation workers to provide assistance to travellers with disabilities; comply with technical requirements regarding aircraft, trains, ferries, buses and terminals (such as airports); provide accessible services; and make border and security screening accessible. Most provisions of the ATPDR came into force on June 25, 2020. A handful of provisions have been delayed to January 1, 2021, due to the severe operational and financial disruptions caused by the COVID-19 pandemic.

The [Air Passenger Protection Regulations](#)^{iv} (APPR), published in May 2019, provide for clearer and more consistent air passenger rights by imposing certain minimum airline requirements in air travel. The regulations came into effect in two stages. On July 15th, 2019, requirements for airlines to meet new obligations concerning communication, denied boarding, tarmac delay, baggage and the transportation of musical instruments came into effect, and on December 15, 2019, requirements setting out airlines' obligations on flight disruptions and seating of children came into effect.

- [Amendments to the Air Transportation Regulations](#)^v were published in May 2019. These amendments were made to reflect changes in the domestic and international industry, remove unnecessary administrative burdens and support a competitive and efficient industry. They include increasing air insurance requirements, reducing the number of charter categories, and updating provisions relating to code-sharing and wet leasing – including distinguishing between code-sharing and wet-leasing activities; requiring airlines to notify the CTA of a code-sharing arrangement instead of applying for approval; and changing the deadline to submit applications for wet-lease arrangements from 45 to 15 business days in advance. The majority of the amendments came into force July 1, 2019, while increased insurance requirements will be implemented on July 1, 2021.
- Finally, the CTA made amendments to [rail-related regulations](#)^{vi} to update insurance filing requirements, update interswitching provisions and provide the ability to levy administrative monetary penalties (AMPS) for non-compliance with rail-related requirements and orders. The regulations were published and came into force on June 25, 2019.

In 2019-20, the CTA also launched a dedicated website on July 15, 2019 – [AirPassengerProtection.ca](https://airpassengerprotection.ca)^{vii} – to ensure passengers know their rights and have a user-friendly way to access CTA dispute resolution services. Additionally, the CTA also began a comprehensive overhaul of its guidance material, issuing a series of plain language guides. Many of these guides focused on the new requirements of the APPR and ATPDR. A number of the guides are available in American Sign Language (ASL) and *Langue des signes québécoise* (LSQ).

During 2019-20, the CTA helped passengers and airlines by processing 9,143 complaints, an unprecedented figure that reflects the fourth consecutive year of increases. The number of complaints submitted to the CTA increased from about 800 in 2015-2016, to over 3,000 in 2016-2017, 5,500 in 2017-2018, and 7,650 in 2018-2019. In 2019-2020, that number leapt to almost 19,400 – of which over 12,700 were received after the second phase of APPR provisions came into force on December 15, 2019 until March 31, 2020. The CTA drew on temporary supplemental funding and emphasized

informal dispute resolution to manage its surging caseload. Of all cases processed, 99 % were handled through informal facilitation and mediation services, and 1 % through formal adjudication.

In 2019-2020, the CTA worked closely with other federal organizations at the International Civil Aviation Organization (ICAO) to bring more attention to the need to ensure the accessibility of air travel for persons with disabilities. The CTA also led an ICAO accessibility working group, comprised of accessibility experts from various countries and stakeholder groups, to develop a compendium of regulations, statutes, and policies relating to accessibility in aviation, that can be used to develop best practices.

The CTA also published a new Compliance Monitoring and Enforcement Policy in 2019-20. The policy sets out the tools the CTA uses and the way it targets resources to ensure compliance by regulated entities with legal obligations. It identifies a number of focus areas, including compliance with its orders, follow-up on credible information about possible contraventions of legal requirements, and the maintenance of mandatory liability insurance coverage by railway companies. The CTA applies a risk-based approach beyond these key areas to ensure that compliance monitoring and enforcement resources are directed at sectors, topics, or entities where the likelihood or impact of non-compliance is higher.

The CTA achieved other important results in 2019-20 related to its mandate in areas that include the issuance of licenses and other determinations; the provision of support for international negotiations of air transport agreements; dispute resolution; and compliance monitoring and enforcement. For example, the CTA:

- Issued 63 licences to airlines;
- As the designated aeronautical authority for Canada, participated in negotiations resulting in expanded air transport agreements with Chile, French Polynesia, Ecuador, and Turkey;
- Issued two different Canadian status determinations for proposed mergers in the air sector, one involving Onex's proposed takeover of Swoop and WestJet (December 2019), the other involving the proposed merger of Canadian North and First Air (April 2019);
- Implemented provisions of the *Accessible Canada Act*, which came into effect in July 2019, including the establishment of a funding program to cover travel and accommodation expenses for a person with a disability, their support person or an intervener with full participatory rights to attend a CTA public hearing on accessibility;
- Held extensive consultations with key stakeholders on its rail interswitching rate methodology. The consultations focused on key themes including: developing interswitching rates for federally regulated short-line railway companies; regional and commodity specific interswitching rates; interswitching zones up to 30 km; volume discount rate categories; and long-term investment needs of the railway

companies (cost of capital methodology). The CTA held these consultations to ensure that regulated interswitching rates determinations are compensatory, consider the long-term investment needs of railway companies, and are commercially fair and reasonable to all parties. The results of the consultations informed the 2020 Interswitching Rates determination;

- Issued a determination in April 2019 on its inquiry into delays, cancellations, tarmac delays and lost, delayed or damaged baggage affecting Sunwing flights. The determination ordered Sunwing to compensate passengers for out-of-pocket expenses incurred as a consequence of the airline's failure to properly apply the terms and conditions set out in its Scheduled International Tariff; and
- Through its Compliance Monitoring and Enforcement program, found 192 violations, and issued notices of violations with AMPs totaling \$849,700, as well as issued 16 warning letters or cautionary notices.

COVID-19

In the context of the unparalleled collapse of air travel worldwide and mass flight cancellations that resulted from COVID-19, the CTA quickly took steps to address the significant impacts on the airline industry and passengers.

Recognizing the importance of clear communication during these types of situations, the CTA published Important Information for Travellers During COVID-19, to ensure that the public and the industry received consistent guidance and updates during the pandemic.

As travel restrictions were being established rapidly and unpredictably around the world, and tens of thousands of Canadians were cancelling their departures or rushing to get home sooner than planned, the CTA made targeted and temporary adjustments to certain regulatory requirements to give airlines added flexibility to modify flight schedules as events unfolded. And to allow airlines to focus on urgent operational demands such as repatriating Canadians stranded abroad, the CTA temporarily paused its interactions with airlines on dispute resolution, while continuing to accept complaints from passengers.

Finally, the CTA took steps to address a gap in Canada's air passenger protection framework brought to light by mass flight cancellations caused by COVID-19.

The legislative framework establishes that when flights are disrupted for reasons outside the control of airlines, airlines must make sure passengers can complete their itineraries, but does not authorize the CTA to make regulations requiring refunds or vouchers if timely rebooking is not possible. This created a risk that some passengers could be left out-of-pocket for disrupted flights, particularly as airlines confronted a liquidity crisis due to plunging flight and passenger volumes. In light of this risk, the CTA released a non-binding statement suggesting that vouchers for future travel could be an appropriate approach as long as they didn't expire unreasonably soon, while noting that any passenger who thought they were entitled to a refund and didn't want to accept a

voucher could file a complaint with the CTA, which would, of course, be considered on its merits.

Gender-based analysis plus

Institutional GBA+ Capacity	
The CTA continued fostering and maintaining a healthy, respectful workplace where every individual is treated with courtesy and dignity, harassment and discrimination are not tolerated, and different needs are accommodated. These core values are integrated in decision-making processes.	
Highlights of GBA+ Results by Program	
Internal Services	In 2019-20, GBA+ was applied and monitored in the context of Treasury Board Submissions and Memorandums to Cabinet. Data related to Employment Equity, Diversity and Inclusion was collected and tracked.

Results achieved

Departmental results	Performance indicators	Target	Date to achieve target	2017-18 Actual results	2018-19 Actual results	2019-20 Actual results
An efficient, competitive national transportation system	Transportation Fluidity Index.	Obtain baseline information (2021)	TBD	Not available	Not available	Not available
	Percentage of regulatory authorities issued, and disputes and contested determination cases resolved within service standards.	At least 85%	March 2020	90%	90%	93%
	Percentage of transportation service providers that comply with legislative and regulatory requirements.	At least 80%	March 2020	Not available	61%	80%

2019–20 Departmental Results Report

Accessible transportation services for persons with disabilities	Percentage of air, rail, marine carriers and facility operators complying with accessibility related legislative and regulatory requirements and codes of practice.	At least 80%	March 2020	Not available	74%	69% (Note 1)
	Percentage of accessibility disputes resolved within service standards.	At least 80%	March 2020	62%	79%	84%
Consumer protection for air travellers	Percentage of air carriers complying with consumer protection legislative and regulatory requirements.	Obtain baseline information (2020)	TBD	Not available	Not available	Not available
	Percentage of air consumer protection disputes resolved within service standards.	At least 85%	March 2020	Not available	29%	50% (Note 2)

Note 1) Compliance activities discovered that 69% of air, rail, marine carriers and facility operators met accessibility-related requirements at the conclusion of inspections which is less than the target of 80%. A follow-up process results in 100% of non-compliant transportation service providers meeting requirements by the end of the 70-day follow-up period.

Note 2) Air consumer disputes were resolved within service standards at a rate of 50% which is less than the target of 85%. An unprecedented volume of air travel complaints resulted in a pressure on CTA's existing budget and a higher volume of complaints being resolved outside of service standards.

Budgetary financial resources (dollars)

2019-20 Main Estimates	2019-20 Planned spending	2019-20 Total authorities available for use	2019-20 Actual spending (authorities used)	2019-20 Difference (Actual spending minus Planned spending)
23,176,780	23,176,780	27,246,423	26,431,544	3,254,764

Actual spending was 14.0% above planned spending for 2019-20. This increase is primarily attributable to the temporary funding received by the CTA in order to address

air passenger complaints and to implement the APPR, as announced in the 2019 Economic and Fiscal Update.

Human resources (full-time equivalents)

2019-20 Planned full-time equivalents	2019-20 Actual full-time equivalents	2019-20 Difference (Actual full-time equivalents minus Planned full-time equivalents)
198	223	25

Actual full-time equivalents were 12.6% above planned full-time equivalents for 2019-20. This increase in human resources is primarily attributable to the temporary funding received by the CTA in order to address air passenger complaints and to implement the APPR, as announced in the 2019 Economic and Fiscal Update.

It should be noted that the budgetary financial resources and the Human Resources tables above are only related to programs and do not take into account Internal Services.

Financial, human resources and performance information for the CTA's Program Inventory is available in [GC InfoBase](#)^{viii}.

Internal Services

Description

Internal Services are those groups of related activities and resources that the federal government considers to be services in support of programs and/or required to meet corporate obligations of an organization. Internal Services refers to the activities and resources of the 10 distinct service categories that support Program delivery in the organization, regardless of the Internal Services delivery model in a department. The 10 service categories are:

- ▶ Acquisition Management Services
- ▶ Communication Services
- ▶ Financial Management Services

- ▶ Human Resources Management Services
- ▶ Information Management Services
- ▶ Information Technology Services
- ▶ Legal Services
- ▶ Material Management Services
- ▶ Management and Oversight Services
- ▶ Real Property Management Services

Results

Budgetary financial resources (dollars)

2019-20 Main Estimates	2019-20 Planned spending	2019-20 Total authorities available for use	2019-20 Actual spending (authorities used)*	2019-20 Difference (Actual spending minus Planned spending)
11,792,835	11,792,835	12,971,795	8,846,242	(2,946,593)

Actual spending was 25.0% lower than planned spending for 2019-20 in Internal Services. The planned spending for 2019-20 included funding of \$3.5 million approved through Main Estimates to pay for the costs related to *The Government of Canada Workplace 2.0 Fit-up Standards*, however these funds are anticipated to be reprofiled to 2020-21.

Human resources (full-time equivalents)

2019-20 Planned full-time equivalents	2019-20 Actual full-time equivalents	2019-20 Difference (Actual full-time equivalents minus Planned full-time equivalents)
72	63	(9)

Actual full-time equivalents were 12.5% less than planned full-time equivalents for 2019-20 in Internal Services. The variance is due to the CTA prioritizing the staffing of program resources in order to address the influx of air passenger complaints and to implement the APPR. The variance can be further explained by the difficulty in staffing resources with temporary funding, in that the CTA could only offer casual and

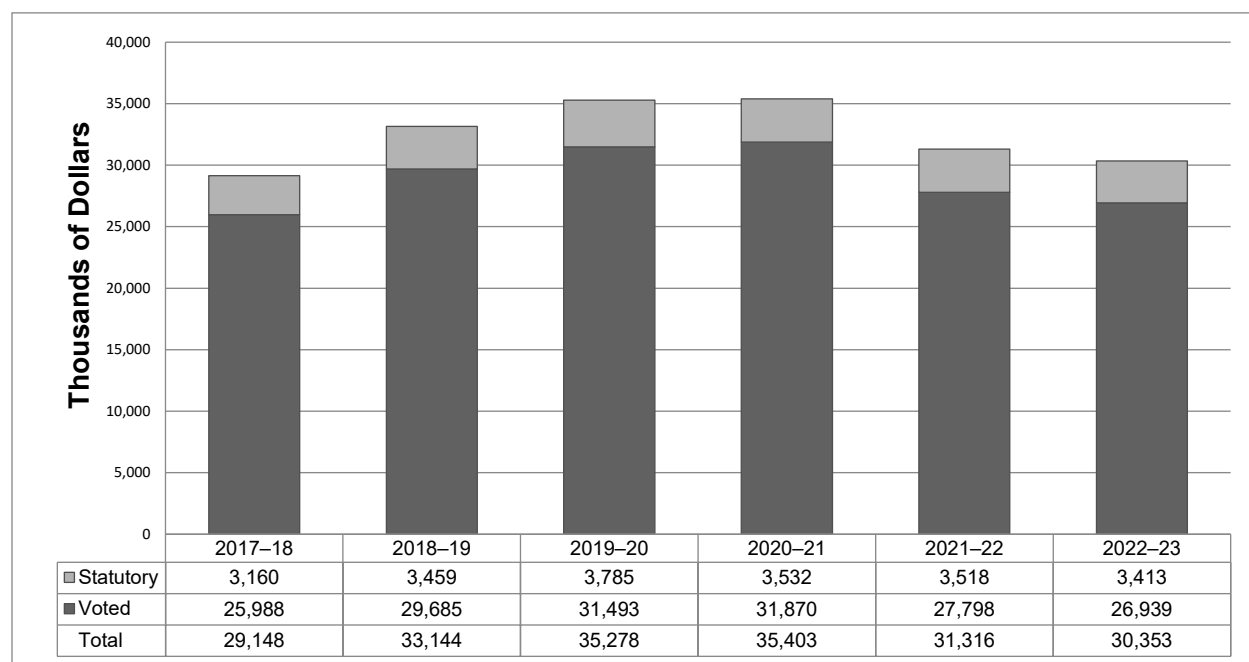
determinate employment opportunities. Although the 2019-20 actual full-time equivalents were less than planned, the CTA has experienced an increase in full-time equivalents in comparison to the 2018-19 actuals.

Analysis of trends in spending and human resources

Actual expenditures

Departmental spending trend graph

The following graph presents planned (voted and statutory spending) over time.



For fiscal years 2017-18, 2018-19 and 2019-20, the amounts shown represent the actual expenditures as reported in the Public Accounts.

For fiscal year 2020-21, the planned spending remains fairly consistent with the actual spending of 2019-20, however there are two significant items to make note of for fiscal year 2020-21. Firstly, the planned spending of 2020-21 reflects the anticipated reprofile of \$3.5 million from 2019-20 to pay for the costs related to the *Government of Canada Workplace 2.0 Fit-up Standards* project. Secondly, the reprofile is offset by the sunsetting funds received in 2019-20 (\$3.6 million) to address air passenger complaints and to implement the APPR, as announced in the 2019 Economic and Fiscal Update. The planned spending does not include the reimbursement of eligible payroll expenditures and the operating budget carry-forward since these cannot be estimated with certainty.

For the period from 2021-22 to 2022-23, the planned spending reflects approved funding by Treasury Board to support the CTA's strategic outcome and programs. These planned expenditures are lower than in previous years due to the sunsetting

funds to support the CTA's RMI, announced in Budget 2018, and the sunseting funds to support the Accessible Canada Initiative, following the coming into force of the *Accessible Canada Act* on June 21, 2019. The planned spending does not include the reimbursement of eligible payroll expenditures and the operating budget carry-forward since these cannot be estimated with certainty.

Budgetary performance summary for Core Responsibilities and Internal Services* (dollars)

Core responsibilities and Internal Services	2019-20 Main Estimates	2019-20 Planned spending	2020-21 Planned spending	2021-22 Planned spending	2019-20 Total authorities available for use	2019-20 Actual spending (authorities used)	2018-19 Actual spending (authorities used)	2017-18 Actual spending (authorities used)
Independent regulatory and dispute-resolution services for transportation providers and users	23,176,780	23,176,780	24,646,232	21,801,237	27,246,423	26,431,544	23,846,783	21,161,225
Internal Services	11,792,835	11,792,835	10,756,686	9,515,006	12,971,795	8,846,242	9,297,407	7,986,592
Total	34,969,615	34,969,615	34,402,918	31,316,243	40,218,218	35,277,786	33,144,190	29,147,817

The 2019-20 variances between Main Estimates, planned spending, total authorities available for use and actual spending are largely attributable to the timing of the authorization of key elements of the fiscal cycle. The 2019-20 total authorities available for use (\$40.2 million) represent the Main Estimates (\$35.0 million), which include funding of \$3.5 million to pay for the costs related to the *Government of Canada Workplace 2.0 Fit-up Standards* project, temporary funding of \$1.7 million to support the CTA's RMI and funding of \$1.8 million to implement legislative and regulatory changes related to Canada's freight rail system, as announced in the 2017 Fall Economic Statement. They also include adjustments to authorities such as new temporary funding of \$3.6 million to address air passenger complaints and to implement the APPR, new funding of \$446,000 to support the Accessible Canada Initiative, the operating budget carry-forward and compensation adjustments arising from the renewal of collective agreements.

Total authorities available for use in 2019-20 (\$40.2 million) were greater than the actual spending in 2019-20 (\$35.3 million). The variance of \$4.9 million is primarily due to the delays in the *Government of Canada Workplace 2.0 Fit-up Standards* project. As a

result, expenditures were not incurred for this project in 2019-20 and the \$3.5 million funding is anticipated to be reprofiled from 2019-20 to 2020-21.

Total actual spending for 2019-20 (\$35.3 million) was greater than 2018-19 (\$33.1 million). This variance is primarily due to the increased rates of pay stemming from the renewal of collective agreements, as well as the increase in resources to address the workload associated with the increase in air travel complaints and to implement the APPR.

Finally, the 2020-21 planned spending is fairly consistent with the planned spending of 2019-20, however, as stated above, there are two significant items to make note of for fiscal year 2020-21. Firstly, the planned spending of 2020-21 reflects the anticipated reprofile of \$3.5 million from 2019-20 to pay for the costs related to the *Government of Canada Workplace 2.0 Fit-up Standards* project. Secondly, the reprofile is offset by the sunseting funds received in 2019-20 (\$3.6 million) to address air passenger complaints and to implement the APPR.

Actual human resources

Human resources summary for core responsibilities and Internal Services

Core responsibilities and Internal Services	2017-18 Actual full-time equivalents	2018-19 Actual full-time equivalents	2019-20 Planned full-time equivalents	2019-20 Actual full-time equivalents	2020-21 Planned full-time equivalents	2021-22 Planned full-time equivalents
Independent regulatory and dispute-resolution services for transportation providers and users	171	198	198	223	205	192
Internal Services	55	60	72	63	57	53
Total	226	258	270	286	262	245

On average, the full-time equivalents have remained consistent up to fiscal year 2018-19. The increase in 2018-19 is primarily due to the increase in resources to address the workload associated with the increase in air travel complaints and to implement the CTA's new responsibilities following the coming into force of the *Transportation Modernization Act* on May 23, 2018. The increase in 2019-20 is primarily due to the continued increase in resources to address the workload associated with the increase in air travel complaints and to implement the APPR.

Expenditures by vote

For information on the CTA's organizational voted and statutory expenditures, consult the [Public Accounts of Canada 2019-2020](#).^{ix}

Government of Canada spending and activities

Information on the alignment of the CTA's spending with the Government of Canada's spending and activities is available in [GC InfoBase](#).^x

Financial statements and financial statements highlights

Financial statements

The [CTA's](#) ^{xi} financial statements (unaudited) for the year ended March 31, 2019, are available on the departmental website.

Financial statement highlights

Condensed Statement of Operations (unaudited) for the year ended March 31, 2020 (dollars)

Financial information	2019-20 Planned results*	2019-20 Actual results	2018-19 Actual results	Difference (2019-20 Actual results minus 2019-20 Planned results)	Difference (2019-20 Actual results minus 2018-19 Actual results)
Total expenses	35,665,196	40,505,470	37,062,339	4,840,274	3,443,131
Total revenues	-	35	326	35	(291)
Net cost of operations before government funding and transfers	35,665,196	40,505,435	37,062,013	4,840,239	3,443,422

The CTA's total expenses were \$40.5 million in 2019-20, an increase of \$3.4 million (9.3%) over the previous year's total expenses. This variance is primarily due to the

increased rates of pay stemming from the renewal of collective agreements, as well as the increase in resources to address the workload associated with the increase in air travel complaints and to implement the APPR. The majority of funds, \$34.0 million (83.9%), were spent on salaries and employee benefits, 5.2% on accommodations, 4.0% on professional and special services, 2.0% on rentals, and the remaining 4.9% on transportation and telecommunication, machinery and equipment, information, amortization of tangible capital assets, utilities, materials and supplies, and repair and maintenance.

Condensed Statement of Financial Position (unaudited) as of March 31, 2020 (dollars)

Financial information	2019-20	2018-19	Difference (2019-20 minus 2018-19)
Total net liabilities	6,543,472	7,105,994	(562,522)
Total net financial assets	3,874,190	4,911,410	(1,037,220)
Departmental net debt	2,669,282	2,194,584	474,698
Total non-financial assets	862,054	1,131,719	(269,665)
Departmental net financial position	(1,807,228)	(1,062,865)	(744,363)

Total liabilities were \$6.5 million at the end of 2019-20, a decrease of \$563,000 (7.9%) over the previous year's total liabilities of \$7.1 million. The outbreak of the Coronavirus disease (COVID-19) has caused material disruption to businesses globally. As such, several orders could not be delivered prior to the end of the fiscal year resulting in lower accounts payable and accrued liabilities as at March 31, 2020. Accounts payable and accrued liabilities as well as vacation pay and compensatory leave represented the largest portion of total liabilities at \$3.8 million and \$1.7 million, respectively.

Total financial and non-financial assets were \$4.7 million at the end of 2019-20 which represent a decrease of \$1.3 million (21.6%) over the previous year's total financial and non-financial assets of \$6.0 million. This decrease is mainly due to a decrease in the Due from Consolidated Revenue Fund (the result of the decrease in liabilities) reported under the category "Financial Assets" as well as a decrease in receivables from other government departments and agencies primarily related to salary recoveries. Financial assets represented \$3.9 million (81.8%), tangible

capital assets represented \$696,000 (14.7%), while prepaid expenses and inventory represented 3.5% of total assets.

Additional information

Organizational profile

Appropriate minister: The Honourable Marc Garneau, P.C, M.P., Minister of Transport

Institutional head: Scott Streiner, Chair and Chief Executive Officer

Ministerial portfolio: Transport

Enabling instrument[s]: [Canada Transportation Act, SC 1996, c 10](#)^{xii}

Year of incorporation / commencement: 1904

Other:

The CTA shares responsibility for the following Acts:

- *Canada Marine Act*
- *Canadian Environmental Assessment Act, 2012*
- *Civil Air Navigation Services Commercialization Act*
- *Coasting Trade Act*
- *Energy Supplies Emergency Act*
- *Pilotage Act*
- *Railway Relocation and Crossing Act*
- *Railway Safety Act*
- *Shipping Conferences Exemption Act, 1987*

The CTA has sole responsibility for the following regulations:

- *Air Transportation Regulations, SOR/88-58*
- *Canadian Transportation Agency Designated Provisions Regulations, SOR/99-244*
- *Regulations on Operational Terms for Rail Level of Services Arbitration, SOR/2014-192*
- *Personnel Training for the Assistance of Persons with Disabilities Regulations, SOR/94-42*
- *Railway Costing Regulations, SOR/80-310*
- *Railway Interswitching Regulations, SOR/88-41*

- *Railway Third Party Liability Insurance Coverage Regulations, SOR/96-337*
- *Railway Traffic and Passenger Tariffs Regulations, SOR/96-338*
- *Railway Traffic Liability Regulations, SOR/91-488*

The CTA shares responsibility for the following regulations:

- *Carriers and Transportation and Grain Handling Undertakings Information Regulations, SOR/96-334*
- *Railway Company Pay Out of Excess Revenue for the Movement of Grain Regulations, SOR/2001-207*
- *The Jacques-Cartier and Champlain Bridges Inc. Regulations, SOR/98-568*
- *The Seaway International Bridge Corporation, Ltd. Regulations, SOR/98-569*

The CTA has promulgated the following Rules:

- *Canadian Transportation Agency Rules (Dispute Proceedings and Certain Rules Applicable to All Proceedings), SOR/2014-104*
- *Rules of Procedure for Rail Level of Service Arbitration, SOR/2014-94*

These Acts and Regulations are available on the Department of Justice website, and are accessible through the [Acts and Regulations](#) ^{xiii} section of the CTA website.

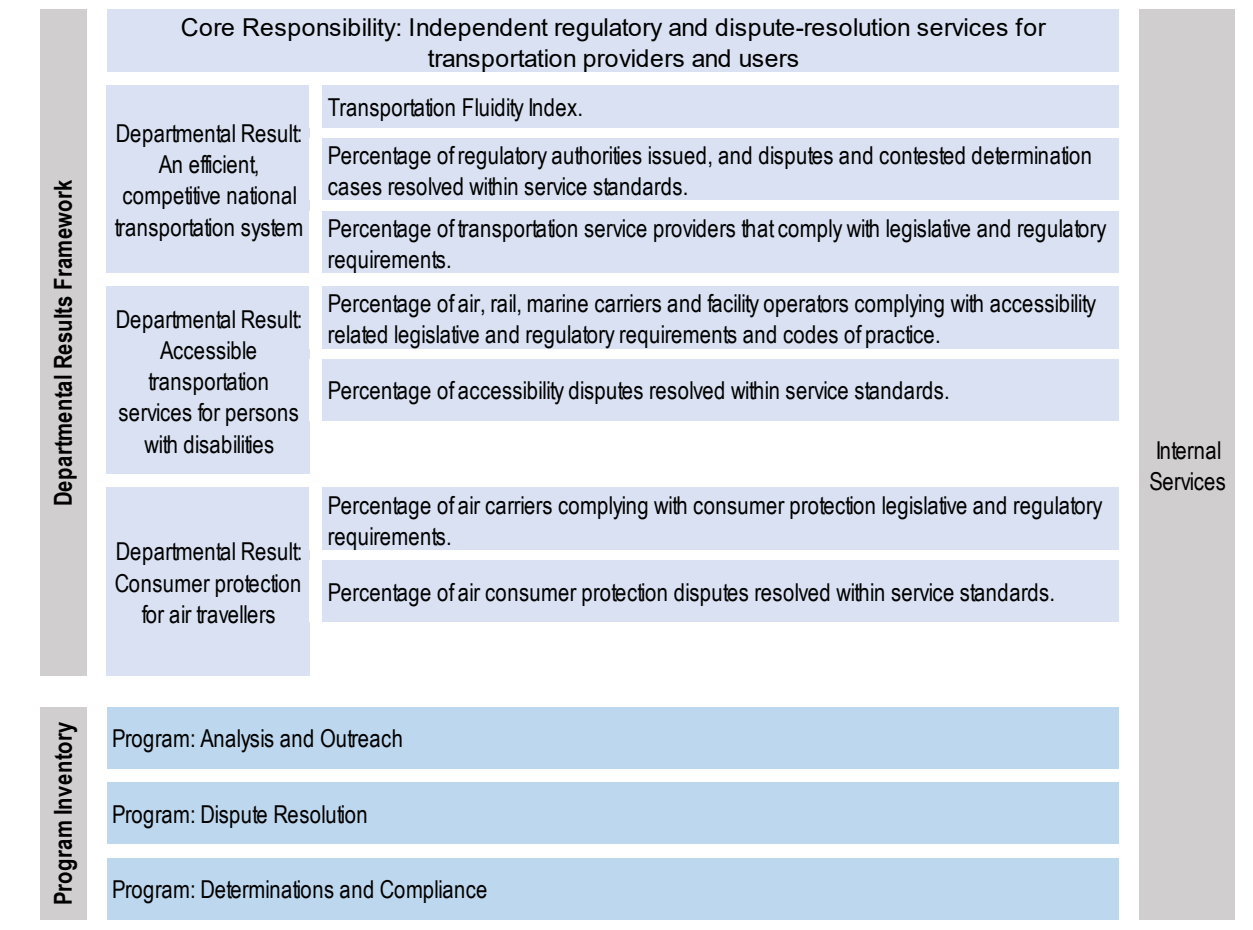
Raison d'être, mandate and role: who we are and what we do

“Raison d'être, mandate and role: who we are and what we do” is available at: [CTA Website](#).^{xiv}

Reporting framework

CTA's Departmental Results Framework and Program Inventory of record for 2019-20 are shown below.

Graphical presentation of Departmental Results Framework and Program Inventory



Supporting information on the program inventory

Financial, human resources and performance information for CTA's Program Inventory is available in [GC InfoBase](#).^{xv}

Supplementary information tables

The following supplementary information tables are available on [CTA's website](#)^{xvi}:

- ▶ [Departmental Sustainable Development Strategy](#)^{xvii}

► [Gender-based analysis plus](#)^{xviii}

Federal tax expenditures

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the [Report on Federal Tax Expenditures](#).^{xix} This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs. The tax measures presented in this report are the responsibility of the Minister of Finance.

Organizational contact information

For more information, please visit the [CTA's website](#)^{xx} or contact the CTA at:

Canadian Transportation Agency

15 Eddy Street

Gatineau, Quebec

K1A 0N9

Tel: 1-888-222-2592

Fax: 819-997-6727

TTY: 1-800-669-5575

Email: info@otc-cta.gc.ca

Appendix: definitions

appropriation (crédit)

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (dépenses budgétaires)

Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

core responsibility (responsabilité essentielle)

An enduring function or role performed by a department. The intentions of the department with respect to a core responsibility are reflected in one or more related departmental results that the department seeks to contribute to or influence.

departmental plan (plan ministériel)

A report on the plans and expected performance of an appropriated department over a 3-year period. Departmental Plans are usually tabled in Parliament each spring.

departmental priority (priorité)

A plan or project that a department has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired departmental results.

departmental result (résultat ministériel)

A consequence or outcome that a department seeks to achieve. A departmental result is often outside departments' immediate control, but it should be influenced by program-level outcomes.

departmental result indicator (indicateur de résultat ministériel)

A quantitative measure of progress on a departmental result.

departmental results framework (cadre ministériel des résultats)

A framework that connects the department's core responsibilities to its departmental results and departmental result indicators.

departmental results report (rapport sur les résultats ministériels)

A report on a department's actual accomplishments against the plans, priorities and expected results set out in the corresponding departmental plan.

experimentation (expérimentation)

The conducting of activities that seek to first explore, then test and compare the effects and impacts of policies and interventions in order to inform evidence-based decision-making, and improve outcomes for Canadians, by learning what works, for whom and in what circumstances. Experimentation is related to, but distinct from innovation (the trying of new things), because it involves a rigorous comparison of results. For example, using a new website to communicate with Canadians can be an innovation; systematically testing the new website against existing outreach tools or an old website to see which one leads to more engagement, is experimentation.

full-time equivalent (équivalent temps plein)

A measure of the extent to which an employee represents a full person-year charge against a departmental budget. For a particular position, the full-time equivalent figure is the ratio of number of hours the person actually works divided by the standard number of hours set out in the person's collective agreement.

gender-based analysis plus (GBA+) (analyse comparative entre les sexes plus [ACS+])

An analytical process used to assess how diverse groups of women, men and gender-diverse people experience policies, programs and services based on multiple factors including race ethnicity, religion, age, and mental or physical disability.

government-wide priorities (priorités pangouvernementales)

For the purpose of the 2019-20 Departmental Results Report, those high-level themes outlining the government's agenda in the 2019 Speech from the Throne, namely: Fighting climate change; Strengthening the Middle Class; Walking the road of reconciliation; Keeping Canadians safe and healthy; and Positioning Canada for success in an uncertain world.

horizontal initiative (initiative horizontale)

An initiative where two or more federal organizations are given funding to pursue a shared outcome, often linked to a government priority.

non-budgetary expenditures (dépenses non budgétaires)

Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance (rendement)

What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

performance indicator (indicateur de rendement)

A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

performance reporting (production de rapports sur le rendement)

The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

plan (plan)

The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally, a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead to the expected result.

planned spending (dépenses prévues)

For Departmental Plans and Departmental Results Reports, planned spending refers to those amounts presented in Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their Departmental Plans and Departmental Results Reports.

program (programme)

Individual or groups of services, activities or combinations thereof that are managed together within the department and focus on a specific set of outputs, outcomes or service levels.

program inventory (répertoire des programmes)

Identifies all the department's programs and describes how resources are organized to contribute to the department's core responsibilities and results.

result (résultat)

A consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

statutory expenditures (dépenses législatives)

Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

target (cible)

A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (dépenses votées)

Expenditures that Parliament approves annually through an appropriation act. The vote wording becomes the governing conditions under which these expenditures may be made.

Endnotes

-
- i [Regulatory Modernization Initiative](#)
 - ii [Modern Compliance and Enforcement Policy](#)
 - iii [Accessible Transportation for Persons with Disabilities Regulations](#)
 - iv [Air Passenger Protection Regulations](#)
 - v [Amendments to the *Air Transportation Regulations*](#)
 - vi [Rail-related Regulations](#)
 - vii [Air Passenger Protection website](#)
 - viii [GC InfoBase](#)
 - ix [Public Accounts of Canada](#)
 - x [GC InfoBase](#)
 - xi [CTA Website](#)
 - xii [Canada Transportation Act](#)
 - xiii [Acts and regulations](#)
 - xiv [Organization and mandate](#)
 - xv [GC InfoBase](#)
 - xvi [CTA Website](#)
 - xvii [Departmental Sustainable Development Strategy](#)
 - xviii [Gender-based analysis plus](#)
 - xix [Report on Federal Tax Expenditures](#)
 - xx [CTA Website](#)