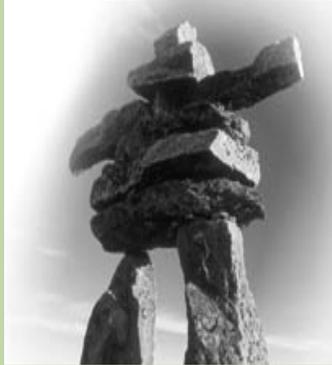


# Partnering for the Future

## A Transportation Vision for Canada



*A Message from the Provincial and Territorial Ministers of Transportation*

## **Foreword**

Much of what we value, our jobs, our health, our education, our leisure time, are all impacted by the quality and availability of transportation. Every day, people across Canada rely on our transportation system to go to work, to school and a host of other destinations. And our businesses rely on this same system to move goods from farms, mines, forests and the sea to processing plants and consumers. Transportation is an important part of the everyday lives of all Canadians, but as we move ahead in the 21<sup>st</sup> century, our transportation system will be under greater pressure as the infrastructure deteriorates and the demands placed on it increase. Now more than ever, we need to understand the challenges facing us and the roles and responsibilities of all governments in helping to meet these challenges.

In June 2000, Transport Canada launched a comprehensive review of the Canadian Transportation Act, followed by the development of a Blueprint for Transportation, currently under way. Individually, all provinces and territories made submissions to both panels - expressing concern for issues of importance. However, it quickly became apparent that in order to build an effective transportation system there was a need to take a broad approach that addresses issues of concern to all Canadians across all modes of travel.

In order to do this the federal, provincial and territorial governments need to work in partnership and with the collaboration of municipalities and the private sector. The provincial and territorial Ministers Responsible for Transportation and Highway Safety have prepared this paper, *Partnering for the Future - a Transportation Vision for Canada*, as a means of opening dialogue with the federal government on ways to improve Canada's transportation system and to lay the foundations for an effective transportation system that will move us forward in the 21<sup>st</sup> Century.

It is our hope that this document will set the stage for dialogue amongst federal, provincial and territorial Transportation Ministers at their September 2002 meeting in Winnipeg, Manitoba, toward a new partnership approach that respects the needs, priorities and responsibilities of each jurisdiction, and more broader discussions and collaboration with municipalities and other stakeholders to follow.

The Provincial and Territorial Ministers Responsible for Transportation and Highway Safety  
– August 2002

## *What are the challenges facing transportation?*

### **Globalization**

For Canadian businesses, the world is becoming a smaller place. Globalization is opening new opportunities and markets for Canadian businesses, most importantly in the United States, where over 85 per cent of our nation's exports are sent. Internationally, success for Canadian

*"...Premiers agreed that action is required to ensure that Canada has comparable transportation capacity to that being attained by our major trading partners. They called for the funding and implementation of a Canada-wide transportation strategy, as developed by federal/provincial/territorial Ministers of Transportation."*

- 41<sup>st</sup> Annual Premiers' Conference,

businesses hinges on the ability to improve productivity and to move goods to markets quickly, efficiently and safely – and at the lowest cost possible. For instance, success in manufacturing may very well depend on raw materials being shipped from overseas and components being manufactured and flown in domestically. Canadian businesses must be able to rely on a transportation system that allows goods to be moved seamlessly and effortlessly between the different methods of travel – road, air, rail and sea.

To remain competitive, many of these same businesses will continue to rely on "just-in-time" delivery schedules that keep goods continually moving in trucks, railway cars, ships and airplanes, rather than sitting in warehouses. These businesses and the people they employ are counting on:



- relief from delays caused by congestion and gridlock
- a level playing field with their competitors, south of the border, through harmonized rules and regulations
- being able to move their goods to U.S. destinations efficiently without delays at the border crossings while respecting the need to maintain security.

Transportation remains a key economic driver and continues to play an important role in economic development, which is why governments must take action now to lay strong foundations that will help Canadian businesses meet the demands of global logistics. And in the North, improved transportation holds the key to unlocking Canada's enormous non-renewable resource potential, along with sustaining development of existing resources.

Globalization will continue to change the face of transportation and requires our transportation systems to be flexible enough to adapt to changing pressures.



### **Infrastructure Renewal**

A modern, well designed transportation infrastructure makes our roads safe and is vital to maintaining a healthy and competitive economy. As such, investments made over the past 20 years have paid dividends by making Canada's economy more resilient and able to bounce back from slowdown and downturns. Renewing the transportation system

though, takes time and commitment. This is why we must act now to make strategic investments to modernise our aging infrastructure and avoid passing the burden onto our children.

The U.S. federal government is a major supporter of the entire transportation system south of the border. To gain a sense of their level of commitment, one needs only to look at the Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21), which authorizes the U.S. federal government to spend \$217 billion on renewing its transportation system, over and above investments at the state level, and includes investments in public transit to help relieve congestion and improve air quality. The U.S. federal government recognizes how vital investment partnerships across all modes of travel are to ensuring the health of a country's transportation system and how critical this is to continued prosperity – American businesses and consumers are already reaping the benefits of this new way of thinking. Likewise, all governments in Canada must adopt similar ways of thinking together with a renewed commitment to funding, to ensure that our transportation system does not fall behind in efficiency and effectiveness.

*“ the state of Canada’s highways places an unnecessary brake on our country’s economy in addition to presenting a growing public safety hazard. According to the Alliance,” a common approach involving the three levels of government and the private sector is needed.”*

-Canadian Trucking Alliance

*“...Premiers acknowledged the particular challenges faced by remote and sparsely populated regions. They agreed that special consideration should be given to the Territories and to remote communities in meeting their infrastructure and transportation requirements.”*

- 41<sup>st</sup> Annual Premiers’ Conference,

## **Mobility, Accessibility and Safety**

Regardless of where we live, all Canadians are concerned about mobility and accessibility. Those of us who live in larger cities are concerned about delays due to congestion or construction, but by and large, we’re confident that we can reach our destinations in a reasonable amount of time. Conversely, those of us who live in rural Canada or more remote locations, cannot go to work or school or access healthcare and social services simply by getting into a car and driving. Instead, we will more than likely have to take ferry services to the mainland or small remote air services to larger cities. We all need reasonable access to affordable transportation – it is simply a necessity in order for us to interact with one another and to be valued contributors to society. However, for residents of our many regions and communities, this access is particularly threatened by the current state of our airline industry where there is increasing concern over how best to ensure competitive regional, national and international air services. In fact, in the face of rising costs, there is real concern over the viability of some of the smaller airports and air services.

*“...no one sector alone can make the necessary changes...improvements in accessible transportation can only be made through a partnership approach.”*

- Ontario Human Rights Commission,

Also, the needs of our more vulnerable citizens, the elderly and those with disabilities must not be forgotten.

Transportation helps ensure dignity through self-reliance and allows them to participate fully and equally in all aspects of society. To properly address the needs of this growing segment of our population, governments must take a fresh approach to making decisions about our transportation system – decisions that strive to lessen our reliance on the automobile by making available alternative means of accessible transportation. To quote the European Conference of Ministers of Transport, “at one time or another virtually everyone has a degree of mobility impairment, so good design of transport – in the broadest sense - has a universality of relevance.”

This leads us to an overarching consideration in everything we do in the transportation sector – safety. Sadly, in 2000, nearly three thousand Canadians lost their lives in collisions on our roadways. Our



roads are becoming safer, but we believe we must do better. We must continue to work with the policing community and other partners to promote a culture of safety amongst all users of our roadways, and governments must make the necessary investments to modernize our aging infrastructure across all modes of transportation, thereby enhancing safety.

### **Sustaining the Environment**

Transportation poses many challenges for the environment, whether one considers road, air, rail or marine travel. For all that transportation does to support our economy and improve our quality of life, its impact on the environment is undeniable - from smog in our urban areas to the loss of agricultural lands due to development pressures. To ensure Canada's continued prosperity, governments must allow development to take place in a thoughtful, well planned manner which respects the need to protect and sustain our environment. In a society increasingly dependent on road transportation, we must search out alternative and viable means of transportation and ways to improve air quality in our urban areas. And the pursuit of new and alternative technologies must be promoted as a way to lessen the burden on our environment. We must not allow future generations to pay the price for our neglect.

### **Effective Decision Making**

The success of any venture, big or small, depends on wise decisions, particularly when it comes to investing money. In order to effectively manage our country's transportation system and to ensure that it is able to meet the needs of all Canadians, governments must make sound decisions – they must set the right direction, chart the most effective course and invest the money necessary to get us there. The complexity of the transportation business, which involves a multitude of players and governments is challenging the decision making process. When we look south of the border, state governments, in strong partnership with their federal counterparts, have been able to bring the necessary resources and expertise to bear on the problem of improving their nation's transportation system. A similar approach must be taken in Canada, which:

- leads to a balanced approach to the development of Canada's transportation system as a whole.
- recognizes the complexity and inter-relationships inherent in the working of the transportation system and the roles, priorities and needs of the provinces and territories.
- promotes partnership and a commitment to funding by the federal, provincial and territorial governments with the collaboration of municipalities and the private sector.

## ***Only a world class, integrated and sustainable transportation system will enable Canada's economic and social growth into the 21<sup>st</sup> century.***

Building a modern transportation system is about preparing for the future. It's about acting now to lay the foundations for a strong transportation system that will move us forward in the 21<sup>st</sup> century.

### **If we fail to act now, Canada will be burdened by...**

- Deteriorating infrastructure
- Congestion and gridlock
- Growing infrastructure deficit that will burden future generations
- Inefficiency in different modes of travel
- Inequitable access to transportation by users
- Costly delays at border crossings
- Unacceptable loss of life and injury
- Increased pollution and poor air quality

### **...but solutions can be found in,**

- Better sustained **funding** for all modes of travel
- Better **integration** of different modes
- Being **responsive** to the needs of all regions and communities
- Increased policy and regulatory **harmonization**
- Pursuing **innovative financing**
- Enhancing **safety** and **security**

*"...a national transportation policy should therefore be the promotion of a global and flexible national transportation network that assures the fluidity of goods in transit, and in which, different carriers and modes both compete with and complement one another."*

- Canadian Shipping Federation

## ***So what can governments do?***

In order to succeed in the 21<sup>st</sup> century, we need to build a modern transportation system – one that is safe and promotes continued economic development, improved productivity and competitiveness. First and foremost, such a system needs a strong partnership between the federal, provincial and territorial governments with the collaboration of municipalities and the private sector. While respecting regional needs, priorities and distinctions, transportation officials from all corners of Canada need to come together to productively discuss issues of broad significance and to chart a common course for the future. No government can go it alone. Real solutions can be found through a concerted partnership between the federal, provincial and territorial

governments, with collaboration of municipalities and the private sector. Governments invest in all different aspects of our transportation system, and by working together with our stakeholders, we can maximize the benefit of individual contributions to improve Canada's transportation system as a whole.

With this in mind, we the provincial and territorial Ministers Responsible for Transportation and Highway Safety have developed the following strategies to provide a basis for discussions with our federal counterparts to develop a vision and ways to address the many and varied challenges facing our transportation system.

*"...Transportation policy should facilitate rather than inhibit Canadian competitiveness..."*

- Railway Association of Canada

### **Continue to Make Our Transportation System Integrated and Multi-Modal**

Economic and population growth will continue to strain our existing transportation system, and building new infrastructure may not be enough. As such we must maximize the capacity and efficiency of the existing system by providing alternative transportation choices and integrating them. In order to achieve this, we need to focus on the effective movement of people and goods domestically and internationally. By providing viable travel alternatives that are easy, convenient and get goods and people to their destinations faster, an integrated transportation system will take more cars off the roads, help reduce urban congestion, meet the needs of the public by reducing travel time and accommodate "just-in-time" businesses, thereby enhancing their competitiveness. This will serve to increase the attractiveness of our urban centres and regions as places to live and do business. By bringing the different modes of transportation together and ensuring that they work seamlessly within and across regions, we can help to improve the system and provide better service to all Canadians, commuters, the business community and tourists.



## **Make Significant Investments Through Sustained Funding Programs**

The provincial and territorial Ministers Responsible for Transportation and Highway Safety agree that there is an urgent need to renew our transportation infrastructure. Our main trading partner, the United States, has had a major financial commitment to transportation by the federal government for over 50 years – highlighted by its six year \$217 Billion commitment under the *Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21)*, delivered in partnership with state governments.

*“...part and parcel of the infrastructure deficit is the changing face of the federal government’s involvement in Canada’s transportation system...there is an apparent growing disparity between what it takes out of the system in the form of taxes, fees and rents and what it puts back in.”*

- University of Manitoba

Canada is the only G-7 nation without a meaningful program for funding its transportation system. Without significant investment, the condition of our transportation system will worsen placing Canadian businesses at a competitive disadvantage on the international stage. We can help level the playing field for Canadian businesses by taking a more strategic approach to investments that provides stable funding and leverages private sector funds as well. The transportation system is a major source of tax revenue, so such programs can and should be funded through a reasonable sharing of these federal receipts from users of the system. The federal government needs to recognise that investing this revenue only in the transportation infrastructure under its jurisdiction without investing in the provincial and territorial infrastructure reduces the effectiveness of the country’s transportation system as a whole and prevents the entire system from reaching its full potential. To advance transportation in Canada, the federal government needs to commit to increased investment in the system as a whole through programs that provide long-term funding while respecting the needs, priorities and responsibilities of the provinces and territories.

*“...the physical condition of America’s transportation infrastructure is improving, in part because of increased federal funding..”*

- U.S. Federal Highway Administration

## **Help to promote a Culture of Safety**

Each year thousands of lives are needlessly lost on our transportation system, most of all in collisions on our roadways. Aggressive driving and other forms of reckless behaviour continue to pose a serious safety concern. As with drinking and driving, a concerted effort including enforcement and education by provincial and territorial governments, the policing

community and safety advocates is needed to make all forms of reckless driving unacceptable in our society. We must ensure that all road users, young and novice drivers and commercial vehicle operators alike, are trained to the highest standards. And by following this early training with ongoing monitoring and enforcement, we can help to instil in all Canadians a culture of safety. All of this, together with investments to modernize our aging infrastructure, will help to make our roads the safest in the world.

### **Promote Mobility and Reasonable Access to Transportation for all Canadians**

Governments must be responsive to the needs of all regions and communities. They must recognize the vital role transportation plays in the lives of vulnerable segments of our population such as the elderly and disabled communities and those living in rural and remote regions of Canada – giving them a means to access healthcare, education, employment and more. Governments must work together with their transportation partners and private sector service providers to eliminate systemic barriers to transportation, by taking advantage of all modes of travel, particularly public transit. For those living in remote areas, governments must consider their dependence on other means of transportation such as air and marine services for access to basic services. Governments must urgently come together to develop transportation policies that address the future viability of critical regional and remote air services, foster greater competition in the airline industry and improve air services to all regions of Canada. And, while in a free-market economy it is ideal to allow market forces to

*“the inclusion of people with disabilities in society should be done not only because it is the right thing to do morally, but also because it makes good economic sense.”*

- Multiple Sclerosis Society of Canada



determine the cost of services, the reliance of these smaller communities on transportation may warrant government intervention through non-commercial programs and services. The financial viability of small airports, for instance, is a case in point. To avoid the closure of small airports, governments need to work together to come up with innovative solutions.



## **Promote Secure Borders and Strong Management – for Efficient Transportation**

The weeks and months following the tragedies of September 11, 2001 illustrated how vital our transportation system is. Two of the hardest hit sectors were international trade and tourism – both major contributors to our economy. The downturn in the tourism sector and the delays of commercial shipments at our borders, and along our strategic corridors, made officials on both sides aware of how vital transportation is to the economies of both countries. Consider that in 2001, over \$467 billion in trade and nearly 70 million tourists passed through these vital gateways and the importance of efficiency quickly becomes apparent. And promoting the use of electronic pre-clearance systems is just one example of the new and innovative technologies that can help to make cross border travel efficient, allowing for the free movement of goods and people. Of course security remains an overarching concern, which is why we must continue to promote the sharing of ideas and information with state authorities and border officials. Similarly, at home we must take a coordinated approach to making decisions about investments in our strategic corridors and border crossings.

*“Security and trade facilitation  
...are two sides of the same  
coin”*

- Canadian Trucking Alliance

However, getting the most out of the transportation system means the whole system needs to be efficient, not just our border crossings and strategic corridors. To achieve this and to maximize return on investments governments need to adopt a more holistic and integrated way of thinking which respects the needs, priorities, roles, responsibilities of governments and promotes:

- more strategic investment decisions over the lifetime of the system
- better harmonization of our policies, regulations and standards governing domestic and international trade with our trading partners, which will support Canadian businesses and ensure a level playing field.
- modern and flexible systems of regulation and taxation which reduce the burden on our transportation sector by being responsive to changes and market developments

The transportation sector, however, is truly complex, involving a number of players, governments and a host of operational and logistical details that need to be managed efficiently. To complicate matters further, transportation cuts across other key sectors such as international trade, tourism and the environment. It quickly becomes apparent how vital effective decision making is to the efficiency of our transportation system, which is why through strong management we need to:

- ensure that through effective partnership the entire transportation system is managed as a whole, rather than as individual parts in isolation from one another;
- provide an opportunity for all partners and stakeholders to participate in discussions and influence decisions;
- be flexible and adaptable to changing circumstances;
- advance the system by pursuing and applying innovative ideas, technologies and solutions; and
- provide sustainable funding through federal cost sharing programs.

### ***Where do we go from here?***

Our transportation system must be strong and meet the needs of all Canadians. This is why this document has been prepared - to help shape a transportation vision for the coming decades. By coming together, we are presenting the federal government and our municipal and private sector partners with an unprecedented opportunity to work together to place Canada's transportation system on a solid footing. The provincial and territorial Ministers Responsible for Transportation and Highway Safety want our transportation system to be the best that it can be by:

- Supporting economic and social growth and competitiveness.
- Being accessible, integrated, efficient and affordable.
- Offering maximum flexibility of choice.
- Being safe and secure and sensitive to our environment.

**And we can achieve this through a strong partnership of the federal, provincial and territorial governments, with the collaboration of our municipal and private sector partners, where all parties, particularly the federal government, commit to fully re-engaging in all modes of transportation by:**

**Building an integrated multi-modal system**

- All modes working together seamlessly
- Strategic focus on Canada-wide mobility and access
- All components are well maintained
- Planning is integrated with, and responsive to, environmental, urban, economic, trade and social considerations

**Putting in place sustained funding programs by all governments**

- Making strategic investment decisions to benefit the overall system and promote economic development including non-renewable resource development and tourism.
- Pursuing innovative funding partnerships to leverage private sector funds.
- Increased federal investment funding based on reasonable allocation of revenue collected from users of the infrastructure.
- Establishing cost sharing programs that recognize the roles, needs and priorities of the provinces and territories

**Promoting a culture of safety**

- Training all road users to the highest standards complemented by effective enforcement
- Working to make all forms of aggressive driving, unacceptable.
- Promoting safety and security in all modes of travel

**Providing mobility and reasonable access for all Canadians**

- Recognizing challenges to mobility faced by residents in all regions rural and urban, including those with special needs
- Making strategic investments in infrastructure to reduce remoteness and high transportation costs

**Ensuring an efficient transportation system**

- Strategic approach to planning and investment
- Improved efficiency through technology and innovative ideas and solutions
- Adoption of cost effective safety, security and regulatory measures
- Ensuring the quality and price of transportation services is based on competition where possible
- Better harmonisation of transportation policies and regulations that affect domestic and international trade
- Making policies and regulations responsive to market changes

***In closing....***

...it is our collective hope that this document will initiate discussion amongst the citizens of Canada over the future of their transportation system, and positive dialogue amongst the provincial, territorial and federal governments, with the collaboration of municipalities and the business community. Those in the transportation sector and those who oversee it, must work together, exchange ideas and above all, come up with real solutions to the problems ailing our transportation system. As a starting point, the meeting of Transportation Ministers in Winnipeg in September 2002 provides an opportunity for beginning real dialogue between the federal, provincial and territorial governments on building a new partnership approach towards developing a better transportation system. And this will set the stage for more open dialogue to follow with our stakeholders as well as municipal and private sector partners.



**The Provincial and Territorial Ministers  
Responsible for Transportation and Highway Safety**



**August 2002**