

should be given powers to negotiate with U.S. agencies in relation to all aspects of international bridges, subject, of course, to the approval of the Governor in Council which would mean that External Affairs could play an active role.

The Authority would be given clearly defined regulatory powers over those bridges which have not yet reverted to Canada. The responsibilities of such private bridge authorities should be clearly laid down, and where necessary, the re-creation of a Canadian entity should be mandatory so that there will be real control over bridge activities. (The item would not be necessary if the Government were to institute a process of accelerated reversion).

Subject to the approval of the Governor in Council, the authority would be authorized to set tolls at a level which would cover costs, amortization and bond interest, and possibly establish reserves. The authority would be required to apply tolls to achieve the ends considered most desirable for both Canada and Ontario and this, of course, would require the authority to consult both levels of Government about possible changes. Even before bridges revert to Canada, the authority should have the power to lay down the level of tolls to be collected on the Canadian half of all bridges. Of course, if tolls are to be used as positive instruments, the Canadian Transport Commission would no longer be able to act as a regulatory restraint and its powers over international bridge tolls would have to be eliminated. To some extent, the authority would be somewhat restricted as far as levying tolls was concerned since there would have to be some degree of harmony with the U.S. side, and cooperative arrangements would be necessary to avoid two tolls being levied.

The guidelines recommended a clearly defined policy on municipal taxes and this should be incorporated in the legislation. The extent to which communities actually benefit from being located at one end of an international bridge is open