

For all these reasons, the Committee is of the view that a comprehensive study of Canadian passenger transportation services should be undertaken with a view to producing a model for the delivery of such services until the end of this century. The Committee believes that rail passenger service should not be examined in isolation. Therefore, the Committee concludes that a study of the future of passenger transportation in Canada should include an examination of all modes of passenger carriage and their inter-relationships. Indeed, the economics of freight transport also has profound effects upon passenger services, and the study which the Committee believes necessary should be comprehensive in its scope so as to include consideration of all elements that affect passenger carriage, including the freight component. The Committee feels that this type of study is essential and should be undertaken without delay.

The topic of passenger transportation is of concern to all Canadians. The Committee feels that Canadians from all parts of the country should be able to present their views to a body investigating this important field. The Committee is of the opinion that a special joint committee of both Houses of Parliament would be the most appropriate vehicle for carrying out this comprehensive analysis of passenger transportation in Canada. This type of study is essential and should be undertaken without delay.

**1. The Committee recommends that a special joint committee of both Houses of Parliament be created for the purpose of analyzing the contemporary and future options for passenger transportation services in Canada for the current and following decade. This study should be comprehensive and include an examination of all modes of passenger transportation. This special joint committee should have as its primary objective the presentation of recommendations that will ensure viable, economical, efficient and convenient passenger services for Canadians in all regions of the country.**

## **B. Legislative, Legal and Regulatory Matters**

### **(i) Use of Section 64 (1) *National Transportation Act***

By the implementation of Order in Council P.C. 1981-2171 dated 6 August 1981, effectively one-fifth of the passenger routes served by VIA Rail Canada Inc. were eliminated.<sup>(1)</sup> These route reductions and abandonments, which were referred to by the Minister as a "rationalization" of passenger rail services, involve the elimination of some heavily travelled and very significant train services. The Minister of Transport, in testimony before this Committee spoke of the reasons for these reductions:

If services were maintained at the present levels, \$446 million would be required for operations in 1983-84, leaving only \$90 million for capital developments. If things continue as they are now, knowing we are limited in the amount of money we can spend, we will find that we will not be able to assign the money to equipment.

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<sup>(1)</sup> The list of routes affected as set out in the Schedules to the Order is reproduced in Appendix I.