

GOVERNMENT RESPONSE TO RECOMMENDATIONS AND STATUS UPDATE

	Committee Recommendation	Government Response and Status
1.	<p><i>That Transport Canada provide the House of Commons Standing Committee on Public Accounts with (1) a report on the development of indicators that can be used to assess performance, by 31 October 2021; (2) a report on railway companies' compliance with regulations, by 28 February 2022; and (3) a report on the evaluation of the rail safety oversight program and the action plan to better measure program effectiveness on an ongoing basis, by 28 February 2023.</i></p>	<p>The Government of Canada agrees with this recommendation.</p> <p>1) Transport Canada has improved the performance measurement of the Rail Safety Program by refining the Rail Safety Oversight Performance Information Profile. This effort was informed by best practices in other modes (aviation, marine) and other jurisdictions. This will lead to better assessments of the rail safety regulatory and oversight framework. This work is complete.</p> <p>2) In February 2022, Transport Canada calculated compliance rates for fiscal year 2020-21, finding an overall compliance rate of 92 percent (%), which is broken down into specific categories, including: operations (99% compliance); track (91% compliance); equipment (78% compliance); signals (92% compliance) and crossings (97% compliance). Going forward, the department will use these compliance rates, among other performance indicators, to track progress over time and assess the effectiveness of the rail safety regulatory and oversight framework. This work is complete.</p> <p>3) The Rail Safety Program evaluation which is being conducted by Transport Canada's Office of Audit, Evaluation and Advisory Services, will provide a clear view of the Program's effectiveness. The Terms of Reference for the evaluation have been approved and the evaluation is currently underway, including interviews with external stakeholders and international oversight agencies, namely rail authorities in Australia and in the United Kingdom. Thirty-eight internal interviews with managers, inspectors and auditors have been completed. The research and interview stage of the evaluation is now complete. A literature review addressing the work that's been completed in other jurisdictions is ongoing. Statistical analysis comparing the effectiveness of risk-based against random inspections is expected to be completed in April 2022. The report will be provided to the Committee in February 2023. This work is on track to be completed.</p>
2.	<p><i>That, by 31 October 2021, Transport Canada provide the House of Commons Standing Committee on Public Accounts with a report on the changes made to guidelines issued to railway companies regarding the safety data they must submit to the Department.</i></p>	<p>The Government of Canada agrees with this recommendation. The <i>Transportation Information Regulations</i> require companies to file safety related data with Transport Canada which the Department uses to inform its oversight of railways. To ensure these submissions are complete, reliable and timely, Transport Canada has updated guidance and data submission templates to provide clear direction with respect to the format and content of submissions. The revised guidance and templates were provided to railways and are available on the Department's website. In addition, in fall 2021, Transport Canada held bilingual information sessions with railways to ensure there was clear understanding of the updated guidance and to answer questions. This work is complete.</p>
3.	<p><i>That, by 31 August 2022, Transport Canada provide the House of Commons Standing Committee on Public Accounts with a report</i></p>	<p>The Government of Canada agrees with this recommendation. Transport Canada has updated its planning procedures (i.e., the risk-based planning process) for oversight activities by identifying and adapting best practices to integrate safety</p>

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	<i>outlining the changes to its planning procedures for oversight activities to ensure that they integrate the findings from audits of safety management systems.</i>	management system audit findings into the process. Together with information gathered through inspections, the addition of the audit findings in the risk-based planning process will ensure that Transport Canada's activities are focused on the highest risk areas. The amended risk-based planning process was piloted during the 2022-23 planning exercise. Results from the pilot will allow Transport Canada to finalize changes by August 31, 2022. This work is on track to be completed.
4.	<i>That, by 31 December 2021, Transport Canada provide the House of Commons Standing Committee on Public Accounts with a report outlining its new standards on time frames to assess whether railway companies have corrected the deficiencies identified in inspections and audits of safety management systems.</i>	The Government of Canada agrees with this recommendation. Transport Canada has identified best practices, including those in other modes of transportation, in the establishment of new standards on time frames to assess whether railway companies have corrected the deficiencies identified in inspections and audits of safety management systems. Transport Canada has developed new guidelines on Safety Management System Audits which describe the requirements for on-site follow-up, including requirements for timeframes to assess whether railways have corrected deficiencies. Benchmarks have been identified for inspections (45 days), and audits of safety management systems (60 days), which aligns with best practices in other modes. Note that railways are required to immediately address non-compliance and deficiencies that involve a threat to safety. This work is complete.
5	<i>That, by 31 December 2021, Transport Canada provide the House of Commons Standing Committee on Public Accounts with a report on the implementation of its new information management plan for data from safety management system audits.</i>	The Government of Canada agrees with this recommendation. Transport Canada has developed and implemented a new data information management system. This system collects data on findings identified in safety management system audits and is currently being used to create dashboards and identify risks specific to railway companies. This system also allows Transport Canada to analyze the type of non-compliance being observed and identify trends for possible targeted audits or where additional education and training may be required. This work is complete.
6	<i>That Transport Canada provide the House of Commons Standing Committee on Public Accounts with: (1) a report on the effectiveness of rail companies' safety management system processes, by 31 December 2021; and (2) a report on its consultations on the Railway Safety Management System Regulations, 2015, by 31 October 2022.</i>	The Government of Canada agrees with this recommendation. systems. 1) Transport Canada has established a framework to conduct effectiveness audits of railway safety management systems, which includes indicators to help auditors and inspectors measure effectiveness (e.g., quality of training programs; effectiveness of hazard reporting). Building on this progress, the Department launched its effectiveness audits in 2021-22, and is now finalizing two effectiveness audits of safety management systems. This process is now integrated into the rail safety program's risk-based planning process, and effectiveness audits are prioritized to focus on areas of greatest risk. This work is complete. 2) Consultations on potential amendments to the Railway Safety Management Systems Regulations will begin in spring/summer 2022, with a report to be provided by October 31, 2022. This work is on track to be completed.