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Shortline Railways Act, 1995

S.O. 1995, CHAPTER 2

**Consolidation Period:** From October 19, 2021 to the [e-Laws currency date](http://www.e-laws.gov.on.ca/navigation?file=currencyDates&lang=en).

Last amendment: [2021, c. 4, Sched. 6, s. 89](http://www.ontario.ca/laws/statute/S21004" \l "sched6s89s1).

Legislative History: [2002, c. 17, Sched. F, Table](http://www.ontario.ca/laws/statute/S02017" \l "schedfs2); [2006, c. 19, Sched. C, s. 1 (1)](http://www.ontario.ca/laws/statute/S06019" \l "schedcs1s1); [2006, c. 19, Sched. T, s. 13-18](http://www.ontario.ca/laws/statute/S06019" \l "schedts13); [2009, c. 33, Sched. 2, s. 69](http://www.ontario.ca/laws/statute/S09033" \l "sched2s69); [2009, c. 33, Sched. 26, s. 8](http://www.ontario.ca/laws/statute/S09033" \l "sched26s8s1); [2010, c. 15, s. 243](http://www.ontario.ca/laws/statute/S10015" \l "s243) (But see [2017, c. 20, Sched. 8, s. 58](http://www.ontario.ca/laws/statute/S17020" \l "sched8s58)); [2017, c. 20, Sched. 8, s. 131](http://www.ontario.ca/laws/statute/S17020" \l "sched8s131); [2017, c. 23, Sched. 5, s. 110, 111](http://www.ontario.ca/laws/statute/S17023" \l "sched5s110s1); [2019, c. 8, Sched. 6](http://www.ontario.ca/laws/statute/S19008" \l "sched6s1); [2019, c. 15, Sched. 35](http://www.ontario.ca/laws/statute/S19015" \l "sched35s1); [2021, c. 4, Sched. 6, s. 89](http://www.ontario.ca/laws/statute/S21004" \l "sched6s89s1).

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Definitions

**1** In this Act,

“industrial railway” means a railway that is operated totally within the confines of an industrial site or a mine; (“chemin de fer industriel”)

“Minister” means the Minister of Transportation; (“ministre”)

“railway” means a rail service, including the rolling stock that operates on a railway line; (“chemin de fer”)

“railway line” means the land, structures and track on which a railway may be operated and includes any part of it; (“ligne ferroviaire”)

“shortline railway” means a railway within the legislative jurisdiction of the Province of Ontario, but does not include urban rail transit systems or industrial railways; (“chemin de fer d’intérêt local”)

“shortline railway company” means a municipality or person that operates or intends to operate a shortline railway; (“compagnie de chemin de fer d’intérêt local”)

“urban rail transit system” includes a street railway, tramway or light rail transit railway, the purpose of which is to transport the general public within an urban area or areas. (“réseau de transport en commun ferroviaire urbain”) 1995, c. 2, s. 1; 2002, c. 17, Sched. F, Table; 2006, c. 19, Sched. T, s. 13; 2009, c. 33, Sched. 26, s. 8; 2019, c. 8, Sched. 6, s. 1.

**Section Amendments with date in force (d/m/y)**

[2002, c. 17, Sched. F, Table](http://www.ontario.ca/laws/statute/S02017" \l "schedfs2) - 01/01/2003

[2006, c. 19, Sched. T, s. 13](http://www.ontario.ca/laws/statute/S06019" \l "schedts13) - 22/06/2006

[2009, c. 33, Sched. 26, s. 8 (1-3)](http://www.ontario.ca/laws/statute/S09033" \l "sched26s8s1) - 15/12/2009

[2019, c. 8, Sched. 6, s. 1](http://www.ontario.ca/laws/statute/S19008" \l "sched6s1) - 06/06/2019

Application

**2** (1)  This Act applies and The Railways Act does not apply to all shortline railways except those operated by a corporation incorporated by a special Act. 2006, c. 19, Sched. T, s. 14.

Same

(2)  Despite subsection (1), this Act applies and The Railways Act does not apply to a shortline railway operated by a corporation that is incorporated by a special Act and is designated in the regulations. 2006, c. 19, Sched. T, s. 14.

**Section Amendments with date in force (d/m/y)**

[2006, c. 19, Sched. T, s. 14](http://www.ontario.ca/laws/statute/S06019" \l "schedts14) - 22/06/2006

Corporate structure

**3** The Business Corporations Act or the Not-for-Profit Corporations Act, 2010, as appropriate, applies to a corporation operating a shortline railway despite section 2 of the Business Corporations Act, section 4 of the Not-for-Profit Corporations Act, 2010 and The Railways Act. 2017, c. 20, Sched. 8, s. 131.

**Section Amendments with date in force (d/m/y)**

[2010, c. 15, s. 243](http://www.ontario.ca/laws/statute/S10015" \l "s243) - no effect - see [2017, c. 20, Sched. 8, s. 58](http://www.ontario.ca/laws/statute/S17020" \l "sched8s58) - 14/11/2017

[2017, c. 20, Sched. 8, s. 131](http://www.ontario.ca/laws/statute/S17020" \l "sched8s131) - 19/10/2021

Licence

**4** No person or municipality shall operate a shortline railway unless it is licensed to do so under this Act. 1995, c. 2, s. 4.

Construction, alteration

**4.1**No person or municipality shall construct or alter a shortline railway except in accordance with the regulations. 2006, c. 19, Sched. T, s. 15.

**Section Amendments with date in force (d/m/y)**

[2006, c. 19, Sched. T, s. 15](http://www.ontario.ca/laws/statute/S06019" \l "schedts15) - 22/06/2006

Registrar

**5** (1)  The Minister may appoint a registrar of shortline railways. 1995, c. 2, s. 5 (1).

Issuing licences

(2)  The registrar may issue a licence to operate a shortline railway if the registrar is satisfied,

(a) that there is adequate liability insurance coverage for the operation of the shortline railway; and

(b) that any requirements set out under this Act and the regulations have been met. 1995, c. 2, s. 5 (2).

Conditions

(3)  The licence may contain conditions which may vary for each licensee. 1995, c. 2, s. 5 (3).

Condition to provide operational information

(3.1)  It is a condition of every licence that the licensee provide operational information on a form approved by the registrar no later than,

(a) the third anniversary of the issuance of the licence and no later than every three years thereafter; or

(b) in the case of a shortline railway licensed prior to the day the Getting Ontario Moving Act (Transportation Statute Law Amendment), 2019 received Royal Assent, the first anniversary of the day the Getting Ontario Moving Act (Transportation Statute Law Amendment), 2019 received Royal Assent and no later than every three years thereafter. 2019, c. 8, Sched. 6, s. 2.

Change of conditions

(3.2)  The registrar may, at any time and in respect of any licence, add, vary, amend or revoke any condition to which the licence is subject. 2019, c. 8, Sched. 6, s. 2.

Notice

(3.3)  The registrar shall not exercise any power under subsection (3.2) until he or she has given the licensee notice of intention to exercise the power and has afforded the licensee a reasonable opportunity to make written submissions. 2019, c. 8, Sched. 6, s. 2.

Written submissions

(3.4)  A shortline railway may, no later than 30 days after being notified under subsection (3.3), submit to the registrar documents, records and written submissions that may show cause why the registrar should not add, vary, amend or revoke a condition or limitation to which the licence is subject. 2019, c. 8, Sched. 6, s. 2.

Decision of registrar

(3.5)  Upon the expiration of the 30 day period referred to in subsection (3.4) and consideration of any documents, records and submissions submitted under that subsection, the registrar shall maintain, add, vary, amend or revoke the conditions. 2019, c. 8, Sched. 6, s. 2.

Fees

(4)  The Minister may charge fees for licences. 1995, c. 2, s. 5 (4).

**Section Amendments with date in force (d/m/y)**

[2019, c. 8, Sched. 6, s. 2](http://www.ontario.ca/laws/statute/S19008" \l "sched6s2) - 06/06/2019

Notification

**6** The licensee shall immediately notify the registrar if,

(a) the liability insurance coverage is cancelled or altered;

(b) the manner in which the railway is operated has changed so that the liability insurance coverage may no longer be adequate;

(c) the address of the licensee changes;

(d) the corporate officers of the licensee change; or

(e) the services provided by the shortline railway change or are discontinued. 1995, c. 2, s. 6; 2019, c. 8, Sched. 6, s. 3.

**Section Amendments with date in force (d/m/y)**

[2019, c. 8, Sched. 6, s. 3](http://www.ontario.ca/laws/statute/S19008" \l "sched6s3) - 06/06/2019

Suspension or revocation

**7** The registrar may suspend or revoke any licence,

(a) if, in his or her opinion, the liability insurance coverage is no longer adequate;

(b) if the licensee has failed to pay any fee required under this Act;

(c) if the licensee has failed to comply with any condition of the licence; or

(d) if the licensee has contravened this Act or the regulations. 1995, c. 2, s. 7.

Notice

**8** (1)  If the registrar refuses to issue a licence to an applicant or intends to revoke or suspend a licence, he or she shall notify the applicant or licensee of the refusal or intention,

(a) by sending a copy of the notice by registered mail to the last address shown on the records of the registrar;

(b) by having a copy of the notice delivered to the last address shown on the records of the registrar; or

(c) by fax or electronic mail to the last fax number or electronic mail address shown on the records of the registrar. 1995, c. 2, s. 8 (1); 2019, c. 8, Sched. 6, s. 4 (1).

Contents of notice

(2)  The notice shall set out the reasons for the refusal, suspension or revocation and advise that an appeal may be made to the Ontario Land Tribunal by filing a request for a hearing with the Tribunal and with the registrar within 15 days after the notice is served under subsection (1). 2017, c. 23, Sched. 5, s. 110 (1); 2021, c. 4, Sched. 6, s. 89 (1).

Timing

(3)  The notice under subsection (1) shall be deemed to be served five days after it is mailed under clause (1) (a) or on the date it is delivered under clause (1) (b) or the day after it is sent under clause 1 (c). 1995, c. 2, s. 8 (3); 2019, c. 8, Sched. 6, s. 4 (2).

Immediate effect

(4)  The suspension or revocation takes effect on the date the notice is deemed to be served under subsection (3) and remains in effect even if an appeal is filed unless the Ontario Land Tribunal orders otherwise. 1995, c. 2, s. 8 (4); 2017, c. 23, Sched. 5, s. 110 (2); 2021, c. 4, Sched. 6, s. 89 (1).

Hearing

(5)  The Ontario Land Tribunal shall hold a hearing on the appeal within 30 days after the request for a hearing is filed under subsection (2). 1995, c. 2, s. 8 (5); 2017, c. 23, Sched. 5, s. 110 (2); 2021, c. 4, Sched. 6, s. 89 (2).

Parties

(6)  The only parties to the hearing are the registrar and the applicant or licensee who requested the hearing. 1995, c. 2, s. 8 (6).

Order

(7)  The Ontario Land Tribunal may, by order, affirm the refusal, suspension or revocation of the licence or may make such other order consistent with this Act that the Tribunal considers appropriate. 2017, c. 23, Sched. 5, s. 110 (3); 2021, c. 4, Sched. 6, s. 89 (3).

Decision final

(8)  The decision of the Ontario Land Tribunal is final. 2017, c. 23, Sched. 5, s. 110 (3); 2021, c. 4, Sched. 6, s. 89 (3).

**Section Amendments with date in force (d/m/y)**

[2017, c. 23, Sched. 5, s. 110 (1-3)](http://www.ontario.ca/laws/statute/S17023" \l "sched5s110s1) - 03/04/2018

[2019, c. 8, Sched. 6, s. 4 (1, 2)](http://www.ontario.ca/laws/statute/S19008" \l "sched6s4s1) - 06/06/2019

[2021, c. 4, Sched. 6, s. 89 (1-3)](http://www.ontario.ca/laws/statute/S21004" \l "sched6s89s1) - 01/06/2021

Non-application

**9** Sections 5.1 and 21.2 of the Statutory Powers Procedure Act and sections 23 and 24 of the Ontario Land Tribunal Act, 2021 do not apply to any hearing under this Act. 2021, c. 4, Sched. 6, s. 89 (4).

**Section Amendments with date in force (d/m/y)**

[2009, c. 33, Sched. 2, s. 69](http://www.ontario.ca/laws/statute/S09033" \l "sched2s69) - 15/12/2009

[2017, c. 23, Sched. 5, s. 111](http://www.ontario.ca/laws/statute/S17023" \l "sched5s111) - 03/04/2018

[2021, c. 4, Sched. 6, s. 89 (4)](http://www.ontario.ca/laws/statute/S21004" \l "sched6s89s4) - 01/06/2021

**10** Repealed: 2019, c. 8, Sched. 6, s. 5.

**Section Amendments with date in force (d/m/y)**

[2006, c. 19, Sched. C, s. 1 (1)](http://www.ontario.ca/laws/statute/S06019" \l "schedcs1s1) - 22/06/2006; [2006, c. 19, Sched. T, s. 16 (1-3)](http://www.ontario.ca/laws/statute/S06019" \l "schedts16s1) - 22/06/2006

[2019, c. 8, Sched. 6, s. 5](http://www.ontario.ca/laws/statute/S19008" \l "sched6s5) - 06/06/2019

Municipal operation

**11** (1)  A municipality may own and operate a shortline railway within or outside of its municipal boundaries so long as part of the railway line is located within the municipality. 1995, c. 2, s. 11 (1).

Joint operation

(2)  A municipality may enter into agreements with other municipalities to jointly operate a shortline railway so long as part of the railway line is located within each of the municipalities. 1995, c. 2, s. 11 (2).

Taxes

(3)  Despite paragraph 9 of section 3 of the Assessment Act, a municipality that operates a railway line outside of its municipal boundaries is liable for taxation on that portion of the railway line located on land outside of its municipal boundaries. 1995, c. 2, s. 11 (3).

**12** Repealed: 2019, c. 8, Sched. 6, s. 5.

**Section Amendments with date in force (d/m/y)**

[2019, c. 8, Sched. 6, s. 5](http://www.ontario.ca/laws/statute/S19008" \l "sched6s5) - 06/06/2019

Agreements

**13** (1)  If a commuter rail authority or a passenger railway company operates a commuter or passenger rail service over any part of a railway line of a shortline railway company, the shortline railway company shall enter into an agreement with the authority or company to allow the continued use of the railway line for that purpose. 1995, c. 2, s. 13 (1).

Same, new operations

(2)  If a commuter rail authority or a passenger railway company wishes to initiate operations over any part of the railway line of a shortline railway company, it shall notify the shortline railway company which shall enter into an agreement with the commuter rail authority or passenger railway company to allow the use of the railway line for that purpose. 1995, c. 2, s. 13 (2).

Limitation

(3)  Subsections (1) and (2) apply only to commuter rail service operated on a regularly scheduled inter-regional rail transit system and to passenger rail service operated between major urban centres on a long distance, regularly-scheduled basis. 1995, c. 2, s. 13 (3).

Contents

(4)  The agreement shall set out such terms as may be appropriate to allow the operation of the commuter or passenger rail service, including any compensation to the shortline railway company. 1995, c. 2, s. 13 (4).

Terms

(5)  The terms must be fair and reasonable. 1995, c. 2, s. 13 (5).

Failure to agree

(6)  If the parties fail to reach an agreement, the matter shall be settled by arbitration. 1995, c. 2, s. 13 (6).

Application to court

(7)  If the parties are unable to agree on the arbitrator or the terms of reference of the arbitration, either party may apply to a judge of the Superior Court of Justice for an order appointing an arbitrator and fixing the terms of the arbitration. 1995, c. 2, s. 13 (7); 2006, c. 19, Sched. C, s. 1 (1).

Application

(8)  The Arbitration Act, 1991 applies to the arbitration. 1995, c. 2, s. 13 (8).

**Section Amendments with date in force (d/m/y)**

[2006, c. 19, Sched. C, s. 1 (1)](http://www.ontario.ca/laws/statute/S06019" \l "schedcs1s1) - 22/06/2006

Inspectors

**14** (1)  The Minister may appoint any person, including federal railway safety inspectors designated under the Railway Safety Act (Canada) as shortline railway inspectors for the purposes of this Act. 1995, c. 2, s. 14 (1).

Powers

(2)  A shortline railway inspector appointed under subsection (1) has all the powers of a railway safety inspector under the Railway Safety Act (Canada). 1995, c. 2, s. 14 (2).

Inspection fees

(3)  The Minister may charge fees for the costs of carrying out inspections. 1995, c. 2, s. 14 (3).

Same

(4)  The fees may be imposed as fixed charges or on a cost recovery basis or using any other criteria that the Minister considers to be reasonable. 1995, c. 2, s. 14 (4).

Federal-provincial agreements

**15** (1)  The Minister may enter into agreements with the federal government or with any federal regulatory authority, person or class of persons concerning the administration of this Act and the regulation of railway safety, accident investigation and railway crossings in relation to shortline railways, railway lines on which shortline railways operate and shortline railway companies. 1995, c. 2, s. 15 (1); 2019, c. 8, Sched. 6, s. 6 (1).

Enforcement, administration

(2)  For the purposes of subsection (1) the Minister may, by agreement, authorize any federal regulatory authority, person or class of persons to enforce and administer applicable federal law, as it exists from time to time, in relation to shortline railways, railway lines on which shortline railways operate and shortline railway companies in the same manner and to the same extent as the law applies to railways within federal jurisdiction or in accordance with any other terms as agreed upon. 1995, c. 2, s. 15 (2); 2019, c. 8, Sched. 6, s. 6 (2).

**Section Amendments with date in force (d/m/y)**

[2019, c. 8, Sched. 6, s. 6 (1, 2)](http://www.ontario.ca/laws/statute/S19008" \l "sched6s6s1) - 06/06/2019

Crossings

**16** (1)  Subject to the Canada Transportation Act (Canada), every decision, order, rule, regulation and direction made by the Canadian Transportation Agency or any predecessor thereof in relation to road crossings and utility crossings continue to apply to those crossings, even though the crossings have passed from federal to provincial jurisdiction, until revoked or amended by the Canadian Transportation Agency under section 15 or otherwise under this Act. 1995, c. 2, s. 16 (1).

Definition

(2)  In this section,

“road crossings” and “utility crossings” have the same meaning as in the Canada Transportation Act (Canada). 1995, c. 2, s. 16 (2).

Fees

**17** (1)  The Minister may charge fees for accident investigations and any other costs incurred by the Government of Ontario in relation to shortline railways under an agreement with the federal government. 1995, c. 2, s. 17 (1).

Same

(2)  The fees may be imposed as fixed charges or on a cost recovery basis or using any other criteria that the Minister considers to be reasonable. 1995, c. 2, s. 17 (2).

Entry for safety reasons

**18** The employees and agents of a shortline railway company may enter upon land not belonging to the shortline railway company and remove from that land anything, including trees and brush, that might threaten the safe operation of the railway by obscuring the clear view of a road or railway line. 1995, c. 2, s. 18.

Entry in emergencies

**19** The employees and agents of a shortline railway company may enter upon land not belonging to the shortline railway company if there has been a railway accident and if no other course of action is practical. 1995, c. 2, s. 19.

Restoration of land

**20** If an entry is made under section 18 or 19, the shortline railway company shall, so far as is practicable, restore the land to its original state. 1995, c. 2, s. 20.

Protection from liability

**21** No action or other proceeding for damages may be instituted against any employee or agent of the Crown in right of Ontario for any act done under this Act in good faith in the execution or intended execution of the person’s duty or for any alleged neglect or default in the execution in good faith of the person’s duty. 1995, c. 2, s. 21.

Offence

**22** (1)  Every person or municipality which contravenes this Act or the regulations or an order made under this Act or a condition of a licence is guilty of an offence and, on conviction, is liable to,

(a) in the case of a corporation or municipality, a fine of not more than $100,000; and

(b) in the case of an individual, a fine of not more than $5,000 or to imprisonment for a term of not more than six months, or both. 1995, c. 2, s. 22 (1).

Same

(2)  If a corporation is guilty of an offence under subsection (1), any officer or director of the corporation who authorizes, permits or acquiesces in the offence is guilty of an offence and on conviction is liable to a fine of not more than $5,000 or to imprisonment for a term of not more than six months, or both. 2006, c. 19, Sched. T, s. 17.

Exception

(3)  Subsection (2) does not apply to members of council of a municipality. 1995, c. 2, s. 22 (3).

Provincial offences

(4)  Even if an agreement has been entered into under section 15 authorizing a federal regulatory authority to enforce and administer applicable federal law, the offence provisions set out in this Act apply and the federal offence provisions do not apply to shortline railways and shortline railway companies. 1995, c. 2, s. 22 (4).

**Section Amendments with date in force (d/m/y)**

[2006, c. 19, Sched. T, s. 17](http://www.ontario.ca/laws/statute/S06019" \l "schedts17) - 22/06/2006

Regulations

**23** (1)  The Lieutenant Governor in Council may make regulations,

(a) designating corporations for the purpose of subsection 2 (2);

(a.1) respecting the construction and alteration of shortline railways;

(b) prescribing requirements for the purpose of clause 5 (2) (b);

(c) respecting the discontinuance of shortline railway services or the abandonment of shortline railway lines;

(d) respecting shortline railway inspectors and shortline railway inspections;

(e) adopting by reference in whole or in part with such changes as the Lieutenant Governor in Council considers necessary, any Act, regulation, code, standard, procedure or rule in relation to railways;

(f) respecting road and utility crossings;

(g) respecting the operation of shortline railways;

(h) exempting any railway or shortline railway company from the application of this Act or any part of this Act. 1995, c. 2, s. 23 (1); 2006, c. 19, Sched. T, s. 18.

Scope

(2)  A regulation may be general or specific in nature and may apply in respect of any class of person or thing. 1995, c. 2, s. 23 (2).

**Section Amendments with date in force (d/m/y)**

[2006, c. 19, Sched. T, s. 18 (1, 2)](http://www.ontario.ca/laws/statute/S06019" \l "schedts18s1) - 22/06/2006

**24** Omitted (provides for coming into force of provisions of this Act). 1995, c. 2, s. 24.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 24 of Act is repealed and the following substituted: (See: 2019, c. 15, Sched. 35, s. 1)

Power to do things electronically

**24** (1)  Anything that the Minister, the Ministry of Transportation or the registrar is required or authorized to do or to provide under this Act may be done or provided by electronic means or in an electronic format. 2019, c. 15, Sched. 35, s. 1.

Same

(2)  Anything that any person is required or authorized to do or to provide to the Minister, the Ministry of Transportation or the registrar under this Act may be done or provided by electronic means or in an electronic format, in the circumstances and in the manner specified by the Ministry. 2019, c. 15, Sched. 35, s. 1.

**Section Amendments with date in force (d/m/y)**

[2019, c. 15, Sched. 35, s. 1](http://www.ontario.ca/laws/statute/S19015" \l "sched35s1) - not in force

**25** Omitted (enacts short title of this Act). 1995, c. 2, s. 25.

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