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THE CIVIL AVIATION ADVISORY BOARD

ATAC announces that the newly created Civil Aviation Advisory Board (CAAB) held its first meeting in Ottawa on December 3rd. The CAAB resulted from one of the key recommendations tabled at the May 2011 ATAC Industry Symposium where national and regional aviation and related associations gathered to participate in a day of discussions focused on Transport Canada level of service issues.

ATAC members, along with the Canadian aviation industry at large, are very concerned about the impact of the continually reducing level of service provided by Transport Canada. An important factor identified is an obvious reduction of resources to meet growing demand from the industry combined with an increasingly complex aviation environment.

A consequence of this problem is the lack of responsive feedback between the regulator and the certificate holders to fix

persistent problems in a timely manner. Existing consultation methods, such as the Civil Aviation Regulation Advisory Council (CARAC) and the Canadian Aviation Executives' Safety Network (CAESN), are designed to address longer term strategic solutions and not to address recurring problems encountered between the regulator and certificate holders efficiently.

In order to improve communications, the ATAC led CAAB was created to provide a semi-annual forum for effective feedback between national associations representing civil aviation operator certificate holders and the regulator, working with Regional and National Transport Canada Civil Aviation representatives.

The purpose of the CAAB is to identify and review civil aviation related operational, safety and level of service issues and to develop, propose and advocate for reasonable and implementable solutions nationwide in a timely manner.

NATIONAL AVIATION POLICY

A new National Aviation Policy (NAP) is needed for our industry. We operate in a regulatory and financial framework that must be reviewed and revised in view of our ever changing socio-economic parameters.

Cognizant of this, the Minister of Transport created a Roundtable entitled "Charting a Path for the Future of Aviation in Canada" which examined challenges and impediments facing Canada's aviation industry over the next five to ten years. This roundtable brought together senior management from industry and government last spring for three full day meetings for top level discussions.

Also, under Senator Dawson's chairmanship, the Senate has been conducting a "Study on emerging issues related to the Canadian airline industry" for the past two years. The first of two reports was released last June and the second report is expected in the next few months.

The development of a new NAP will clearly identify some long overdue structural changes needed in both the regulatory framework and the monetary parameters of our industry. These policy changes would rightfully endorse our industry as the important economic enabler that it is. Only then will our industry be able to prosper and be competitive both domestically and internationally.

A long list of issues require the attention of the government including fuel taxes, airport rents, security costs, the absence of a level playing field with the other modes of transport, foreign ownership, reaffirmed federal jurisdiction over aviation, aviation emissions environmental laws and trading schemes, labour issues, cross border issues, nationally and internationally recognized certification, and appropriate alignment of flight and duty time regulations with the international community. The NAP is not intended to tackle specific issues, regardless of their importance, but by putting into place a revised regulatory and monetary framework, addressing many of

these issues will become an easier task.

There are four major components of this proposed new policy:

1. Rationalize Regulatory Burden
2. Review and reduce, where feasible, the Tax Burden
3. Establish a level playing field between modes of transport
4. Promote world leading services and skills training

Our objective is to draft a policy which, if applied, would help make our aviation industry more sustainable and more competitive. The NAP would promote the aviation industry through favourable regulation, taxation and infrastructure policies.

We are studying what is being done internationally to maximize the leverage of aviation as an economic enabler and to see how any of those initiatives could contribute to our effort. In the US, Airlines for America proposed a new U.S. National Airlines Policy in 2012. In Australia, the government tabled a National Aviation Policy White Paper entitled "Flight Path to the Future" which sets out its commitment to aviation by providing a policy framework for the development of the aviation industry.

This is an important ATAC undertaking and we are inviting our members and other Canadian aviation associations to join in the effort as we believe that a new National Aviation Policy would greatly benefit all segments of our industry. Our objective is to complete the drafting of the NAP over the next few months, present it to the Minister next spring and make it public at our 2013 ATAC Spring Event in May.

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