

## TRANSPORT CANADA OFF COURSE

As the Federal Government engages in the final half of its mandate, the Minister of Transport needs to make course corrections on many key issues.

As the Minister is responsible for rail, maritime and aviation, he has a lot on his plate in areas other than aviation, as is evidenced by the total absence of any mention of aviation in his mandate letter from the Prime Minister.

ATAC has identified many key issues over the past decade which represent real hurdles to commercial aviation's continued development. For the most part, level of service issues remain unresolved and the flagrant inefficiencies resulting from them continue to hinder our industry. A list of low hanging fruit was identified by ATAC at the request of past ministers. At best, we have had a failed pilot project on manual approvals.

Other issues are safety related and should be put on top of the growing pile.

Fitness to Fly has been an area of interest in recent years, especially since the 2015 Germanwings crash. Fitness to Fly aviation regulations require immediate attention with the legalization of marijuana.

Laser attacks on aircraft are growing at an alarming rate, yet the government limits its actions to awareness campaigns. Rather than wait for an industry-led solution, the government should regulate the sale of lasers, classifying them as unrestricted or restricted, similarly to what it does for firearms.

Air Passenger Rights regulations have to be drafted keeping in mind errors and exaggerations in the US and the EU and the need to consider the economic reality of air travel in Canada. The One-Size-Fits-All Credo of Transport Canada cannot be applied here as you cannot put international travel in the same regulatory mix as flights to and from remote and northern areas of Canada.

The government's desire to come out as a defender of passenger rights must not result in raising costs for everyone. Let's not forget the fact that over 140 million people flew on commercial carriers last year in Canada and total complaints likely represented far less than 1% of that number.

The Government's plan to sell major Canadian airports is a short-sighted cash grab that would have a lasting catastrophic impact on our industry's competitiveness. We are counting on the Minister of Transport to reason with his colleague at Finance to not further jeopardize commercial aviation's sustainable future in this country. Transport Canada regularly justifies its regulatory decisions on its desire to harmonize with the US FAA. Selling the airports, even possibly to foreign interests, is the total opposite to the US practice of subsidizing US airports. Such a misguided act would cause irreversible damage to our industry and lead to significant increases in costs to carriers and their passengers.

The Carbon Tax, scheduled to come into effect in 2018, is another blow to the competitiveness of our industry. Air carriers are already paying \$150 M a year in fuel excise tax on jet fuel. Will the fuel excise tax be replaced by the Carbon Tax or will this be an additional hit on our industry? The federal carbon tax program is to be a backstop to provincial programs. What will happen if the provincial program wisely exempts international aviation such as in British Columbia.

CATSA budgets have been lagging behind despite the increase in passengers. With one of the highest air travelers' security charge (ATSC) in the world, the government has shouldered the traveler with 100% of airport security costs.

Various business models are being considered for CATSA and all indications

point to a NAV CANADA type model. The pitfall of applying a user-pay model for a security agency is that it would have no decision-making power on the level of service and type of equipment required as that would remain the government's responsibility. As the current ATSC apparently also pays for other unrevealed government aviation security programs, would a new tax be added to compensate for the government's loss of income to fund these programs?

These are just some of the important issues ATAC is working to resolve for its members and the industry at large. Most of these have been on our desks for years, for lack of attention by the government.

Unfortunately, Transport Canada has relegated these issues to the backburner in order to concentrate on ill-conceived fatigue management regulations which will create an even larger set of problems such as increased costs for all air travelers, reduced service to those who rely the most on aviation, threaten the very livelihood of carriers, and add to the already dire pilot shortage.

Clearly, this cannot be the legacy sought by the Minister of Transport. Moreover, as no Transport Minister in the past decade has held the position for more than two years, a cabinet shuffle could very well burden this important mandate on a newcomer. Luckily, it is still not too late to make the required course corrections.

**John McKenna**  
President and CEO

### ATAC IS PROUD TO WELCOME THE FOLLOWING NEW MEMBERS

  
**Air Inuit**  
AIR INUIT  
MONTREAL, QC

  
**CHORUS AVIATION**  
DARTMOUTH, NS

  
**SIA ABRASIF JJS**  
LEVIS, QC

  
**SIERRA ASSURANCE**  
SAINT-MATHIEU-DE-BELOEIL, QC