

The official publication of the
Canadian Business Aviation Association

NEWS BRIEF

43,000 workers strong: CBAA's new study proves the value of BA to Canada

A new and more complete picture of the value of business aviation has emerged with the release of CBAA's 2016 Report on the Economic Impact of Business Aviation Operations and Manufacturing in Canada, demonstrating the sector's huge contributions in every region of the country.

The report, supported by Bombardier Business Aircraft, Pratt & Whitney Canada and CAE, is an expansion of the 2014 study that examined the economic impact of operations only. The new study includes the total, direct, indirect and induced economic impacts of both operations and manufacturing, broken out nationally and by province. The report also includes 11 case studies developed with CBAA members, that demonstrate the on-the-ground, real-world value of business aviation.

"CBAA broke new ground with the 2014 report. It was the first time we were able to make our case with hard numbers, and it changed the way government listened to us, and how they responded," said CBAA's president and CEO, Rudy Toering.

"It was the logical next step to incorporate BA manufacturing to our existing data and take the message further. As far as we

<i>Ongoing Economic Impacts of Business Aviation Operations & Manufacturing in Canada</i>	
<i>Annual Total Impacts:</i>	
	43,170 FTEs of Employment
	\$3.3 billion in wages
GDP	\$5.2 billion in gross domestic product
	\$10.9 billion in economic output

know, this is the first time that all the information on BA has been put together in one document, so the sector could be viewed as a whole," he continued. "I was expecting interesting results, but I have to say, the final numbers surprised – and impressed -- me."

The report shows that operations and manufacturing are virtually equal in terms of employment and revenues, with operations generating \$5.5 billion in economic output and 23,500 full time equivalent jobs, with manufacturing's contributions at \$5.4 billion and 19,670 FTEs .

The findings were released officially at a plenary session during CBAA 2016 by the report's lead author, Mike Tretheway, Chief Economist

& Chief Strategy Officer, InterVISTAS Consulting. Available in both official languages, the report will get wide distribution through the aviation sector, business media and government officials.

"The findings have implications for every level of government" Toering said. "We will be working from Ottawa and with our members at the local level to make sure that everyone, from MPs and Senators to provincial legislators and municipal councillors, as well as business leaders and the media, understand the bottom line contribution that business aviation makes – and what is at stake for Canadians if the value of this essential business tool is not respected."

CEO'S CORNER



One of my first actions as your CEO was to determine the economic impact of business aviation in Canada. It was clear to me that if we are to promote our economic importance we needed the numbers to back it up.

After a long and rigorous process, we had our answer: business aviation operations alone was worth \$5.5 billion annually to Canada. That's a number that gets you noticed. The study allowed us, for the first time, to show government the number of jobs, amount of taxes and revenues that were at stake if they took actions that harmed our sector.

Because of the report, we have secured more respect for our sector, which increases our ability to successfully advocate for federal regulations and policies that support our growth. Based on that success, we were ready to take it to the next level – and show the impacts of both operations PLUS manufacturing in our next report.

This time, the answer was even better. Generating \$10.9
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955 Green Valley Crescent, Suite 155
 Ottawa, ON K2C 3V4
 Tel: (613) 236-5611 • Fax: (613) 236-2361
 Email: lberndt@cbaa.ca • Website: www.cbaa-acaa.ca

STAFF MEMBERS

President and CEO
 Rudy Toering, rtoering@cbaa.ca

Executive Assistant and Director of Administration
 Aime O'Connor, 613.236.5611 ext. 228, acoonor@cbaa.ca

Vice President, Government and Regulatory Affairs
 Merlin Preuss, 613.656.0505, mpreuss@cbaa.ca

Membership Sales & Communication Services Manager
 Lindsay Berndt, 613.236.5611 ext. 221, lberndt@cbaa.ca

Marketing & Industry Relations
 Debra Ward, 613.274.0619 dward@cbaa.ca

Events Coordinator
 Lise Hodson, 613.854.4686, lhodgson@cbaa.ca

Finance
 accounting@cbaa.ca
 613.236.5611 ext. 222

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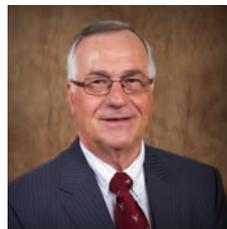
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billion and employing 43,170 people in total, the data were even more impressive than I hoped. But numbers alone do not tell a story. As someone once said, data are just summaries of thousands of stories – you need to tell a few of those stories to help make it meaningful.

And that's what we have done. The report includes

eleven case studies, from many different types of businesses, which provide the real-life examples of the importance of business aviation. They convince in a way that cold numbers cannot. As well, for the first time, the full report is available in both official languages; only fitting since business aviation affects everyone in Canada.

The report is a critical educational tool, and we will be putting it into the hands



Rudy Toering,
 President & CEO

of senior bureaucrats in every department whose policies affect BA – and it's a broad list, including Transport Canada, Innovation, Treasury Board, Environment, Finance and Public Safety, to name a few. The report will also be sent to every MP and Senator, so, at the very least, they cannot say that they were not informed.

Finally, we will be working with our members and the media to help get the story of business aviation out to as many people in Canada -and in the international business aviation community – as we can.

Please contact the CBAA office for a copy – and help us get the word out that Business Aviation Matters – to everyone!

CBAA secures extension to current CAR 604 exemption to January 31, 2017

The CBAA has succeeded in securing an extension of the current CAR 604 exemption as well as an exemption that applies only to persons that, prior to May 30, 2014, were operating a turbine-powered pressurized aeroplane certificated for more than six passenger seats that was: not the subject of a TPOC, and not a large aeroplane or a turbo-jet

powered aeroplane.

Originally, the exemption was slated to end on June 1st, 2016. The extension was granted in part because the guidance material had not be released. We are also pleased to inform you that a CAR 604 and SMS for small operators guidance material are in their final review stages as is the exemption to establish

a Training to Proficiency program for CAR 604 operators.

CBAA is committed to working with TC to resolve any outstanding issues prior to the end of the exemption period.

CBAA members can view the full exemption on the CBAA website. 🍀

Business aviation prepares for latest round of fatigue regulations consultation

TC appears to be gearing up to introduce their phase II flight crew fatigue management regulations, which is expected to affect both CARS 704 and perhaps even CARS 604 operations. Fatigue rules introduced in 2015 affected only CARS 705 operations. At that time, CBAA worked with a coalition of 10 other aviation associations to demonstrate, using fact-based evidence, how the rules created for crews flying scheduled service flights are not applicable for other forms of aviation.

CBAA is currently preparing to respond to TC's next step, which is expected to be a formal Notice of Proposed Amendments. Members are encouraged to stay informed and involved, and should watch for a Members' Forum email update, or check CBAA's weekly e-bulletin for updates. 🍀

CBAA monitoring, ready to push back against new CRA interpretation

The value of the personal use of a business aircraft is being subject to a new and unfair interpretation, according to reports from CBAA members who have experienced an audit. Prior to 2012, the value was deemed to be the equivalent of the cost of a commercial first class fare. Now, it appears that at least in some cases, CRA has created a new determination, based on the annual rental value of such aircraft. The key flaws of this approach is that, irrespective of the actual facts and context involved, it presupposes that:

1. there is no valid business use during this period, and
2. the value of the benefit should be determined based on the period in the year that the aircraft was available for use by the individual (i.e. any time that it was not being used by anyone else) rather than the period of actual use.

The CBAA has had a positive relationship with CRA in the past, collaboratively resolving an issue related to HST assessments. We are prepared to discuss this issue

with the CRA to avoid the multiple litigations that will follow if this unjustifiable interpretation continues.

Given the impact of business aviation's \$10.9 billion contribution to Canada, it is our view that the CRA's actions are short sighted and could well have unintended consequences. These actions may generate additional tax revenues in the short term, but at a potential loss of hundreds of millions of dollars in lost sales opportunities as people re-evaluate business aviation in light of CRA's rulings. 🍀

Rudy Toering puts business aviation on the table at Transport Canada Round-table

CBAA's president attended a Transport Canada roundtable consultation on "the traveller" -- and made sure that issues related to business aviation travellers were also put on the table for discussion. CBAA followed up on the meeting with a submission that issues and recommended actions in greater detail. The submission offered a number of recommendations focussed on three critical areas of transportation policy: access to airports and airport services; identifying ways to improve TC levels of service and standardize delivery across the country, and a number of recommendations related to ways to improve business aviation's regulatory framework. 🍀

THE CBAA HONOURS.....

CBAA 2016 was a time for us to honour members who, in some way, have gone above and beyond the ordinary, and have acted in ways that are a credit to our sector.

This year, we also were pleased to recognize the efforts of some of our Alberta members, who were instrumental in saving the lives and property of thousands during the Fort McMurray and northern Alberta wildfires.

Lifetime Honorary Member

Former Chair, Frank Burke, recently retired as Chief Pilot of Tidnish Holdings was named a Lifetime Honorary Member, in a special presentation made by Dave Hall, CBAA's Immediate Past Chair. Frank was instrumental in guiding the association through its reorganization and search for a new president and also volunteered his time to develop the CBAA Ops Manual template that has proven to be a popular tool for many members.

Alberta Wild Fires

CBAA members were asked to nominate those whose actions merited a special recognition at CBAA's annual event. We are proud to acknowledge the heroic efforts by the following organizations and their employees: Canadian North, City of Lloydminster, Enbridge, Clean Harbors Industrial Services Canada Inc., Suncor, Sunwest and Syncrude.

Rod Barnard Elected 2016-2017 Chair

Rod Barnard, Director Aviation and Travel Services and Chief Pilot, Kal Aviation Group, has been named Chair of the CBAA board of directors. Anthony Norejko, Director Travel Services and Aviation/Chief Pilot, Walmart Canada Corporation has taken on the position of Vice Chair.

Rod joined Kal Tire in 2004 as a Line Captain, after launching his career as a commercial pilot in the early 1990s, including positions at Kenn Borek Air and Trans Maldivian Airways. He became Flight Department Operations Manager and Chief Pilot for Kal Aviation in

2005 and currently holds the position of Director, Aviation and Travel Services/Chief Pilot".

Other executive committee members include Past Chair, Dave Hall, Maintenance Manager/General Manager, Irving Air Service Inc.; Secretary, Bill McGoey, President, Aurora Jet Partners, and Treasurer, Michael Fedele, Vice President and General Manager, Execaire, a division of I.M.P. Group Limited.

"I am excited at the opportunity. There is no other organization or association which serves



this constituency as CBAA does" said Rod. "I thank our outgoing Chair, Dave Hall for his incredible leadership, and look forward to working with Rudy, the board and our members to continue to build success for the CBAA – and increase prosperity for Canadian business aviation." 🍁

Abbotsford International Airport to host CBAA 2017

CBAA has announced that the Abbotsford International Airport in B.C.'s Fraser Valley will play host to Canada's \$10.9 billion business aviation sector for CBAA 2017, August 9 – 11.



As an added bonus for attendees, convention will take place just before the Abbotsford Airshow and will coincide with the Aerospace, Defence & Security Expo also held at the Abbotsford airport, giving CBAA delegates access to two of Canada's most important – and influential – aviation events.

"The fact that we could time our event to both the Airshow and Expo is sure to be a huge attraction. Holding the three events together gives Canadian aviation unprecedented level of synergy and focus." said CBAA president & CEO Rudy Toering. "The airport facilities are excellent – and we have the full commitment of the city and airport team to make our convention a success. Watch for more information over the next few months." 🍁

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CBAA Welcomes New Members

Calgary Airport Authority
The Calgary Airport Authority is responsible for the management, operation and development of Calgary International (YYC) and Springbank (YBW) Airports. One of Canada's busiest airports, and Alberta's cargo gateway, YYC is an important economic engine for the city, region and province, supporting 48,000 jobs and generating more than \$8 billion per annum in economic activity.

Airco Aircraft Charters Ltd.
Airco Aircraft Charters Ltd. has been in the aviation industry since 1987. Airco has been a charter service provider since 1991 and currently has 1900Ds, King Airliners and Navajos available for charter. Airco operates out of the Edmonton International Airport from a brand new and spacious hangar. In the hangar there is space available for short-term or long-term aircraft storage. In addition to charter services and hangar storage Airco also offers maintenance services to a wide variety of aircraft with the help of our team of dedicated and experienced AMEs. Call Airco today at 1-800-724-7261 or email Mary Anne at ma@aircocharters.com for a quote on any of the services listed above.

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Save the Dates!

Join us and our Diamond Sponsor, Abbotsford International Airport, as we host CBAA 2017, featuring targeted educational sessions, networking events, exhibits and Canada's largest static display of private and corporate aircraft.

CONVENTION & EXHIBITION

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Contact Lise Hodgson at 613.854.4686 or lhodgson@cbaa.ca

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