



## AVIATION CLEARLY NOT AN ELECTION ISSUE IN CANADA

The decision taken by the Government not to help regional air carriers during this devastating pandemic has clearly demonstrated that aviation scores very low in terms of importance in electoral issues.

One cannot deny that the Canada Emergency Wage Subsidy Program played a key role in Canadian air operators' survival during the pandemic. However, the absence of direct financial support by the Government of Canada has only added to the already heavy debt burden of Canadian air carriers and has seriously threatened our industry's competitiveness and hindered its ability to bounce back as the pandemic recedes.

Recovery efforts being developed jointly by the industry and Transport Canada have been painfully slow in gaining approval and support by this Government. Criticized at the onset of the pandemic for being late to bring in health controls for inbound air travelers, this Government was lately criticized by our major European trading partners for the slow response to putting in place efficient measures that would allow us to welcome international travelers to Canada in a wholesome way.

In this minority government situation with an election on the horizon, the electoral agenda dominates all decisions to the detriment of our economy which is struggling to recover. The Canada Emergency Response Benefit is a case in point. While it certainly helped Canadians remain solvent when first introduced, prolonging it this far has seriously hurt Canadian employers' ability to re-engage the workforce required to ramp up the economy. Businesses across the country have had to cut production or reduce operating hours due to the shortage of available labour. There is no shortage of job opportunities in Canada right now, so extending this program is an obvious election manoeuvre.

That being said, the aviation industry is pleased to acknowledge that throughout this pandemic we have found a valuable ally in Transport Canada. The department has shown real concern and flexibility in keeping aviation operational through a very difficult time. Transport Minister Alghabra has demonstrated genuine interest in helping our sector overcome this debilitating pandemic. Unfortunately, Transport Canada and its minister are evidently not key players in the government decision-making process. Instead, the airlines are left in the hands of people and organizations who, while of good intentions, can't begin to understand the short- and long-term ramifications of their decisions on our industry.

For over 18 months now, the aviation industry has been patiently waiting for the Government to table a strategic plan for recovery which includes tentative implementation dates set in collaboration with industry. Too often, key decisions concerning air travel restrictions have been shared with carriers at the last minute without prior consultation with the industry.

It has become abundantly clear that decisions are made in a close-knit circle of the PMO and Health Canada, and that Transport Canada is privy to information on a need-to-know basis rather than invited to share in the decision-making process as a key stakeholder.

While some sectors of the aviation industry have been addressed as they qualify as political opportunities, by and large, the Government has completely cast aside any thought of helping Canada's regional aviation and has decided to let the chips fall where they may, regardless of the consequences to the regional air network and well being of the country. The larger carriers also ended up with little more than an increased debt load rather than valuable financial help in the form of support grants and interest-free loans as dispensed to their airlines by most of our important trading partners. Ultimately, this approach by the Government will result in higher costs to travel for the consumer.

It is also regrettable that the Government has not financially supported NAV CANADA during this crisis. Air traffic control is a key essential service which provides safety to all air travellers. For the Government to turn down a call for help on the grounds that NAV CANADA is a private user-pay entity is a serious financial error and safety cop-out that will impact any future government privatisation initiatives. The very least that the Government should do at this late stage to support NAV CANADA is to begin paying air navigation fees for government and military aircraft which are exempt from paying and are therefore subsidized by private industry.

There should really be no doubt whatsoever as to who shares the blame why air travel in Canada is expensive and not easily available for many regions. Canadian electors might very well keep that in mind when next called to cast their vote.



