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Tuesday, June 10, 2014

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Chair

Mr. Larry Miller

Standing Committee on Transport, Infrastructure and Communities

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•(0845)

[English]

The Chair (Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC)): I want to welcome and thank our witnesses for being here today. We're winding down our study on the transportation of dangerous goods.

With us today we have a number of witnesses. We're going to get right to presentations. I would like to call on Captain Dan Adamus, president, and Mr. Mark Rogers, first officer, of the Air Line Pilots Association.

Go ahead for 10 minutes or less, please.

Captain Dan Adamus (President, Canada Board, Air Line Pilots Association, International): Good morning, Mr. Chairman and members of the committee.

My name is Dan Adamus. I'm the president of the Canada board of the Air Line Pilots Association, International, and I'm a pilot with Jazz Aviation.

With me this morning is First Officer Mark Rogers. He is the director of the dangerous goods program with ALPA and is chairman of the dangerous goods committee for the International Federation of Air Line Pilots' Associations, IFALPA. First Officer Rogers is a pilot with United Airlines.

I'll share our views on safety management systems, and First Officer Rogers will address our concerns regarding the transportation of dangerous goods.

The Air Line Pilots Association, International represents more than 51,000 professional pilots who fly for 32 airlines in Canada and the United States. ALPA is also the largest non-governmental aviation safety and security organization in the world. As well as being our members' certified bargaining agent, we are also their representative in all areas affecting their safety and professional well-being. ALPA, therefore, has a significant interest in all issues affecting aviation.

ALPA supports the effective implementation of safety management systems in aviation. ALPA has embraced SMS as the next great leap forward in advancing aviation safety. We see it as a comprehensive corporate approach to safety that involves both management and employees. But here I must share a cautionary note: ALPA supports the "effective" implementation of an SMS. Now that SMS has been implemented for airline operations, our experience shows that a company may become technically compliant

but not embrace the underlying concepts. Such an SMS is not an effective SMS.

ALPA strongly supports SMS for many reasons: it clearly establishes accountability for safety at the highest levels within a company; it provides for the reporting of safety occurrences and information without fear of retribution; and it requires employee involvement and a formal risk assessment and decision-making process. Under SMS a company is not able to ignore a safety issue by saying that it is regulatory-compliant. If a safety hazard is known or has been identified, a company is required to do a risk assessment and make a conscious decision on what mitigations are required to deal with it.

SMS clearly establishes responsibility for identifying safety risk where it belongs: with the aviation industry. The traditional method of safety oversight based on detailed technical inspections may appear to take on the role of operational safety assurance. That may allow the aviation industry to lapse into thinking and believing that safety is solely the government's responsibility.

We believe the following provisions are absolutely essential to the success of a company's SMS. To proactively address safety issues, data is required. Strategies to enhance safety need to be data-driven. In the absence of accidents, the right kind of data is required. Human and organizational factors create errors or hazards that remain largely undetected until the right set of circumstances results in a serious incident or even an accident.

An organizational climate in which people feel free from negative consequences when reporting errors, deficiencies, and hazards is essential to obtaining all the data that is available, and, therefore, to be effective, a reporting program must provide confidentiality and immunity from discipline, except in cases of a wilful or deliberate act, gross negligence, or a criminal act.

It has been ALPA's experience that most companies initiating SMS have fully embraced the concepts, adopting a safety culture from top to bottom. Unfortunately, a few do not. We have heard expressions of concern regarding protections from punishment and of confidentiality in reporting. In some situations personnel who bring forth safety concerns or self-report incidents have still been subject to disciplinary action. The effect is that employees cease to self-report, which stifles the flow of data, thus defeating the very premise of the safety management system. In these instances, the company has an SMS on paper, but has failed to change its culture.

Even with an effective SMS, the minister is still responsible for providing comprehensive and effective oversight and for taking the appropriate measures when necessary. When it is apparent that a company does not fulfill its obligations under an SMS, we believe that traditional oversight rather than the SMS audit system should be utilized.

• (0850)

ALPA understands that Transport Canada has delayed the implementation of SMS for 703 and 704 operators, and is in agreement with the decision. It is a relatively simple matter to legislate the requirement for an SMS, but you cannot legislate the cultural change required for an effective SMS. Therefore, taking the extra time for education, encouragement, and mentoring of these operators will be beneficial in the long term, as ALPA believes a voluntary, confidential, and non-punitive reporting program is an essential element of an effective SMS.

I will now turn it over to Mark for the dangerous goods portion of our presentation.

Mr. Mark Rogers (Director, Dangerous Goods Program, Air Line Pilots Association, International): Good morning.

I will provide our perspective on the safe carriage of dangerous goods, and how the implementation of an effective safety management system focused on the transportation of these goods can improve aviation safety.

Specifically, this morning I would like to focus on the transportation of lithium batteries and what must be done to ensure they are carried safely aboard aircraft. Lithium batteries are part of everyday life for millions of people throughout the world, powering applications as varied as laptop computers, cell phones, flashlights, and cameras. These batteries are available in two major chemistries, lithium ion and lithium metal. Lithium ion batteries are generally rechargeable and contain a flammable electrolyte, while lithium metal batteries are non-rechargeable and contain metallic lithium.

While the vast majority of lithium batteries shipped as cargo or carried aboard aircraft by passengers and crew members arrive at their destination safely, there have been numerous incidents involving overheating and fire aboard aircraft, including two fatal 747 cargo accidents with onboard fires that involved lithium batteries. Additionally, testing conducted by the FAA at the William J. Hughes Technical Center in Atlantic City has shown that fires involving lithium batteries represent a significant risk to aircraft. If a single battery in a shipment is defective, damaged, or improperly packaged, it can spontaneously catch fire. This fire will then spread to every battery in the shipment, resulting in what may well be an uncontrollable fire. Consignments of lithium batteries may also serve as fuel for an independent fire, greatly increasing the intensity and severity of that fire.

Because the risk of a single lithium battery in transportation is low, both the ICAO technical instructions and the Canadian dangerous goods regulations provide exceptions for the shipment of small quantities of consumer-sized lithium batteries. If a package contains fewer than two lithium ion cells, or eight batteries, it is exempted from the majority of dangerous goods provisions, including the requirement to place a dangerous goods label on the package, train the shipper, and notify the pilots that the shipment is

aboard the aircraft. The threat to the aircraft, however, comes from the fact that the dangerous goods regulations stop at the package level. There is nothing to prevent a shipper from consolidating many packages containing eight or fewer cells on a single pallet, and nothing that prevents the operator from loading the entire aircraft with lithium batteries. In fact, there were approximately 80,000 to 90,000 lithium batteries aboard the cargo 747 that crashed in 2010 in Dubai, a situation that would still be allowed today.

There has been recent progress, however. In April of this year I represented IFALPA at an ICAO working group in Montreal tasked with considering the transportation of lithium metal batteries aboard passenger aircraft. Recognizing that halon is ineffective at suppressing a fire involving lithium metal batteries, the ICAO dangerous goods panel recommended that these batteries be prohibited as cargo aboard a passenger aircraft. If approved, this decision will take effect on January 1, 2015. This is a significant safety step, yet it does nothing to address lithium metal batteries on cargo aircraft, lithium metal batteries in equipment, or lithium ion batteries on any aircraft. ALPA therefore believes much more work needs to be done.

From a systems-safety perspective, the transportation of thousands of lithium batteries at a single location represents an unacceptable risk to the aircraft and its occupants. An effective safety management system involving dangerous goods would recognize the risk of large quantities of lithium batteries aboard an aircraft instead of focusing the regulations on the package level. Lithium batteries should be recognized as dangerous goods, packed in an appropriate manner, and loaded into a cargo compartment with fire suppression. Additionally, the quantity of batteries must be limited to that which will allow the suppression system to be effective.

In conclusion, ALPA believes Transport Canada should now take steps beyond those required by ICAO to ensure the promulgation of measures that will protect the public, flight crew members, and other individuals travelling on cargo aircraft and those involved in the air cargo transportation system from the hazards currently associated with the shipment of lithium batteries by air. This action is necessary for improving the overall safety of air cargo operations and the protection of lives and property whenever lithium batteries are moved through the air transportation system.

On behalf of ALPA's members, we would like to thank the committee members for the opportunity to appear before you today.

• (0855)

The Chair: Okay, thank you very much.

We'll now move to the Air Canada Pilots Association. We have Captain Craig Blandford and Captain Ed Bunoza.

Go ahead for 10 minutes or less, please.

Captain Craig Blandford (President, Air Canada Pilots Association): Good morning, Mr. Chairman and committee members. Thank you very much for the opportunity to speak to you today. We'll focus on SMS in the few short minutes we have.

I started flying when I was 15 years old in Newfoundland as a young air cadet. At the age of 18, I joined the Royal Canadian Air Force and was formally educated at the Royal Military College in Kingston. I flew for almost 20 years in the air force, and since 1998 I've flown with Air Canada as an airline pilot and airline captain. If you do all that math, that's about 38 years of experience, and I have a few good years left in me yet.

Captain Ed Bunoza is with me. Ed is the chair of our flight safety division at the Air Canada Pilots Association. Ed is also formally educated and has equal or superior experience to what I have. I'm also the president of the Air Canada Pilots Association and we're the largest professional pilot group in Canada. We represent more than 3,100 professional pilots who fly more than 35 million passengers around Canada and the world annually and safely, on Air Canada and Air Canada rouge, our new leisure carrier.

Our members work every day on the front lines of safety. This is what they do. This is their life and their livelihood. They eat and breathe safety every single day of the week. From them and through us, we can give you real-life experience with SMS. You asked us to review SMS and to make some recommendations for improvements, so we'll relate to you our experience in evaluating SMS, which we support in commercial aviation, given the benefit of the varied experience we have from bush flying and military flying, along with the experience of our pilots who've flown helicopters. We have varied backgrounds and experience levels. We'll make recommendations for changes and improvements, but of course, within a 10-minute time frame, we'll keep them very brief and focus on a few key points.

The first thing we'd like to recommend is that any and all lessons you learn from SMS should be transferred and carried across all modes of transportation. What we learn from aviation must be shared with rail and marine. I think it's very important that we do that.

As my friend and colleague Dan alluded to earlier, the very foundation of any SMS program has to be the creation of a solid safety culture. The very rock of an SMS program is creating that safety culture in your airline. Of course, the cornerstone of the safety culture is a voluntary, open, and non-punitive reporting system. We have to be able to report safety issues openly and freely. The users of the safety system must have trust in the system and confidence that they will not face retribution or punishment for reporting safety-related issues. Incidents of a deliberate nature, intentional actions, or professional negligence cannot hide behind safety. We would never ever support or condone that. There must be a mechanism to deal with those kinds of incidents, but that's beyond the scope of SMS and safety.

Currently, there's nothing in the regulations or system that protects the confidentiality of flight safety or air safety reports filed by pilots or other employees with their employer. ASRs can be and have been accessed through the Occupational Health and Safety Act. When the first incidents of that occurred, our pilots went into a hugely defensive posture and were very reluctant to continue reporting

freely and openly, because they felt what they would report would be used in some other fashion. Loopholes need to be closed to prevent confidence in SMS from being eroded. Others want to use these reports for different non-safety-related purposes—in the courts for workers' compensation or for lawsuits. Of course, we can't permit that to happen or the very foundation of our culture will be eroded.

Loss of confidence will result in fewer reports and an inability to find and fix problems. Fulsome, open, and honest reporting is the best way to identify and then correct safety issues and problems.

Another source of reliable safety data is a flight data monitoring and a flight data analysis system, sometimes also referred to as FOQA. SMS programs are supposed to include an FDM program as well. FDM systems monitor and record flight data for review to identify systemic risks. This allows safety programs to identify trends in flight and address an issue before it actually turns into an incident.

● (0900)

We can give you lots of examples of how the flight data monitoring systems monitor all the parameters of a flight. For instance, you can monitor a routine flight into a specific runway in, say, Halifax; identify a potential issue; educate our members on the problem they're dealing with; and train in the simulator to prevent that from occurring again, all without ever having an incident using flight data analysis.

Currently under the law, under the regulations, there's no protection for that data either, similar to the case for ASRs. There should be a program, and there should be guidelines. It works at Air Canada. It works with Air Canada Pilots Association because of the tremendous flight safety relationship that's been developed with our employer. We're able to write our own regulations and our own protections for that kind of a system so that we're able to enhance our safety at Air Canada.

Of course another key component for SMS success is oversight, but not the way it was before, not within a culture of enforcement. We need a system that corrects problems when they're identified. Of course we know that the 2012 Auditor General's report found that Transport Canada was not sufficiently managing risks in civil aviation. We'll give you a very quick example: regulations to address pilot fatigue have been stalled at Transport Canada. We have a great relationship with the department, and they're working on this, but the regulations are still stalled in the bureaucracy a little bit. It's been 18 months since a panel of experts created a report and made recommendations. My friend Dan co-chaired and co-authored that report, and we're still waiting for some regulations with respect to flight and duty times, because fatigue is an issue that we've identified. Meanwhile the Americans and the European Union have advanced and created new regulations, and we're still lagging behind the rest of the world.

Transport Canada's oversight of SMS does not always meet the ICAO standards. ICAO requires a state authority to set acceptable levels of safety. ICAO requires an operator to have specific safety performance indicators and target values. ICAO requires audits and inspections at least once every 12 months.

Transport Canada, while still there and still providing some oversight, has managed to somehow replace or modify most of these things to some other standard that's acceptable to Transport Canada. Yet at Air Canada we have a very good SMS system. It works. It works because of the good relationship between the pilots and management, and among our employees, management, and the employer.

I've heard SMS explained as "managers manage safety, and employees deliver safety". Well, I like to think that SMS is like a three-legged stool. You have the regulator; you have the operator; and you need stakeholders. In our case pilots are the employees. Input from the front-line stakeholders—in our case, pilots—is essential to the success of a good SMS program. When we have the stakeholders and the operator working together to develop a good safety program, we can often set our own standards. We can often monitor our own guidelines such that the regulator doesn't always have to be there. But there must be a resolution mechanism when we disagree on the resolution of a safety issue. Again, that's where the regulator and oversight from Transport Canada are essential, but they must be more sophisticated than the traditional model of inspections and enforcement. That has not worked in the past and it will not work again.

I have three main points to finish up and leave you with, if I may, Mr. Chairman.

We do remain concerned that Transport Canada is not adequately verifying regulatory compliance with SMS, especially for carriers or operators without organized labour, organized pilots or some way to provide feedback to the employer. We believe that lessons learned from SMS in aviation should be shared across all modes of transportation, and that the lessons learned by those airlines and operators with a more sophisticated SMS program should be de-identified and shared with those that are not as sophisticated so that they can also learn. Finally, the most important thing is a very solid safety culture. We believe any loopholes must be closed to ensure confidentiality and integrity of data reported through SMS. That is

essential, and without those protections, reporting will stop and our safety culture will be eroded.

Thank you very much, Mr. Chairman.

● (0905)

The Chair: Thank you very much.

We'll now move to the Air Transport Association of Canada with Mr. John McKenna and Mr. Michael Skrobica for 10 minutes or less, please.

Mr. John McKenna (President and Chief Executive Officer, Air Transport Association of Canada): Good morning, ladies and gentlemen members of the committee. My name is John McKenna, and I am the president and chief executive officer for the Air Transport Association of Canada. I am accompanied today by Mr. Mike Skrobica, our senior vice-president and CFO.

The Air Transport Association of Canada has represented Canada's commercial air transport industry for 80 years. We have approximately 180 members engaged in commercial aviation operating in every region of Canada and providing service to a large majority of the more than 600 airports in the country.

[*Translation*]

Our members include large airlines, regional airlines, commuter operators, air taxis, aviation educational organizations, and flights schools. Our membership also includes the air industry support sector involved in all aspects of the aviation support industry. We refer to them as Industry Partners.

We really appreciate the opportunity to appear before you today to address the important aspects of our industry that you have undertaken to study. The transportation of dangerous goods is an area where the airline industry has been most progressive for a very long time due to the obvious potential adverse impact on airline operations.

[*English*]

I will focus my comments on safety management systems. However, I will gladly answer questions on either dangerous goods or SMS.

The implementation of SMS was to be facilitated by amendments to the Aeronautics Act. Bill C-6 and Bill C-7 were tabled respectively in 2006 and 2007. Key proposed amendments to the Aeronautics Act included the following: provisions to ensure employees of Canadian air carriers report safety concerns voluntarily without fear of legal or disciplinary actions, or what has been referred to as the non-punitive clause; provisions to allow for more self-regulation in low-risk areas of the Aeronautics Act, thus allowing the better use of Transport Canada resources for those areas of higher risk; additional tools for the Minister of Transport to ensure compliance; and increased penalties for contraventions.

[Translation]

The House of Commons was adjourned or prorogued before either of these two bills could be tabled for final reading. The amendments were on the table when the larger air carriers were involved in the collaborative development of Safety Management Systems and were supposed to help its implementation both at Transport Canada and with operators.

[English]

ATAC is convinced that SMS yields both a safety and financial return. It is, however, a considerable investment regardless of the size of the carrier's operations. Larger carriers designated as 705 operators in the Canadian air regulations tell us today that they wouldn't do without SMS, but all agree that they had underestimated the task at hand when they started its implementation.

In its 2012 watch list, the Transportation Safety Board showed that from 2001 to 2010 the 703 category—the air taxi operators—had incurred many more accidents and many more fatalities than the commuter operators—704—and the airline operators combined. During that decade, TSB numbers show that in the 703 category, 359 accidents resulted in 132 fatalities, whereas the commuter ops and the airline operators had reported 44 accidents and zero fatalities.

Canadian regulations mandating SMS have been in place since 2006, but so far only the 705 operators—the airlines—and the approved maintenance organizations that support them are obliged to implement a fully compliant SMS. ATAC wants to encourage and facilitate implementation of SMS for all commercial operators. We are very conscious of the fact that the SMS model that Transport Canada has approved for the 705 level is not reasonable for implementation by the smaller operators. In addition, the air transport industry has been getting mixed messages from within Transport Canada as to the future of full implementation of SMS throughout our industry.

● (0910)

[Translation]

Consequently, we have developed the ATAC SMS Tool Kit and Guide. This innovative tool, designed to help small and medium-sized operators develop, implement and maintain a compliant SMS, was distributed free of charge to all our members.

We spent over one year on the investigation into determining the type of appropriate SMS and subsequently developing the necessary tools and services required to help the small and medium-sized operators.

Our challenge was twofold. The first was to design an SMS model that would meet Transport Canada's requirements; the second was to come up with a model which would be accepted by the intended users that is commensurate with the size and complexity of their operations and that provides an operational and efficiency improvement.

[English]

Large organizations accumulate and report colossal volumes of complex data. Organizational size and complexity and cultural change challenges would make it difficult for these organizations to implement reactive and proactive SMS processes simultaneously. Smaller organizations need to efficiently identify and meet the needs of the regulatory requirements by clearly identifying safety critical information as being different from nice-to-know information. This ultimately reduces the complexity of many of the processes, procedures, and subsystems of an SMS. Not separating business goals from safety goals simplifies and supports the cultural change necessary for the good implementation of an SMS.

The risk management system is the procedural meat of an SMS. The organization's safety oversight system is its risk management system. It is made up of four distinct processes: reporting, investigation and analysis, corrective action development and implementation, and the measurement of effectiveness.

One must avoid confusing Transport Canada's responsibility for safety oversight with an organization's obligation to meet the safety oversight requirements of an SMS. While impossible to achieve in any organization, freedom from error is even more difficult to achieve in smaller organizations in Canada. They generally employ a wide spectrum of experienced personnel, from neophytes to experts, operate the least sophisticated and often older equipment, and operate in the least technically sophisticated and, therefore, potentially higher risk environment. Given this reality and TC's regulatory requirement to create an SMS commensurate with the size and complexity of an organization, the goal is to provide verifiable insurance that operations are safe.

I conclude by repeating that ATAC firmly believes that safety management systems offer both safety and a financial benefit. SMS must be a major element of any air carrier's corporate culture for SMS to be fully functional and yield the many benefits it offers. The key message from Transport Canada as to the implementation of SMS in all segments of the air transport industry must be clear. We at ATAC want to help operators welcome this vital element into their corporate culture and day-to-day operations.

Thank you.

A safety management system is not just a strategic document. It is the implementation of an even greater safety culture. The plan, and its supporting processes, is the way an organization sets itself up and runs its day-to-day operations.

The Chair: Thank you very much.

We'll go right into questioning and to Mr. Mai for seven minutes.

Mr. Hoang Mai (Brossard—La Prairie, NDP): Thank you, Chair. I'd like to thank all the witnesses for being here today.

Chair, there's an important issue that I'd like to address. I'd like to put forward an oral notice of motion. I'll read the motion, as follows:

That, pursuant to Standing Order 108(2), in view of the fact that previous members of the Standing Committee on Transportation, Infrastructure, and Communities have asked to review any proposed regulatory changes, because the 2003 risk assessment has not been updated, and since critical documents including the 2001 Wokes report have not been made public, the Committee undertake a study on proposed flight attendant requirements by Transport Canada, which would allow Canadian airlines to reduce the number of flight attendants on flights, including the impacts of any regulatory change on the safety of passengers, particularly with regard to the "flip flop" rule which is an internationally unprecedented option; that every effort be made to ensure that the meetings be televised; and that the Committee report its results to the House of Commons.

● (0915)

[Translation]

Thank you very much, gentlemen, for being here today.

I would like to talk about this issue. We have received representatives of the industry who spoke about changing the flight attendant ratio; they stated that that would have a direct impact on the safety management system.

What is your point of view on changing the flight attendant-passenger ratio? As you know, certain proposals would see the ratio change from one flight attendant for 50 passengers to one for 40. Do you have any opinion on that?

[English]

Capt Craig Blandford: Our views on the flight attendant ratio is that we defer to the aircraft manufacturers and the safety standards that have been set in the manufacture and the certification of aircraft. There's a process that the aircraft manufacturers follow to ensure that the proper number of assistants, of flight attendants or other folks, are on board for the evacuation of aircraft with specific guidelines and standards that are set by the regulators, whether it's Transport Canada, FAA, or any other around the world.

The other thing that we do know is that the ICAO standard is one to fifty. Most airlines around the world use the one to fifty rule. That's the only position that we take with respect to that.

[Translation]

Mr. Hoang Mai: Very well.

I would like to go back to what you said earlier. I think that this has in fact been mentioned by everyone today.

I am referring to the worry around reports prepared by employees. People fear there will be punitive action, or reprisals on the part of the employer when an employee, a pilot or other employee, raises security problems.

Do you have any concrete solutions to propose in that regard? This problem always seems to exist in the field. All of the employees do not feel secure; they are still afraid that there will be job repercussions if they raise security issues.

What type of concrete mechanism could you suggest? Why has the government still not acted on this? Is this something you have been asking for for a long time, even though no system has yet been put in place to protect employees?

[English]

Capt Craig Blandford: I apologize for responding in English, but I was born and raised in Newfoundland, and forgive me.

There are two issues. It's the actual reports and the culture of flight safety reports and incident reporting, that they must be used and used for safety only. As I emphasize, it is the very rock and culture of... When I was a "baby" air force pilot, the very first thing I learned was that if I saw a problem, I reported it fully. As long as I'm not doing anything wrong, intentionally deliberate, or professionally negligent, the report will be used for safety and not for anything else.

So, we need to make sure there are regulations. You folks would know better than I where those regulations need to be, to prevent the misuse of those reports. We're not saying that they need to be hidden. We're not saying that people can't see them. But we would argue that only people who are trained, and who understand what they're looking at, should be allowed to see those reports that have been written, with complete and utter honesty, to help protect safety.

The second part of that is the flight data management. Right now, the amount of data we can collect from an airplane is incredible. I'll ask Ed to tell you about that in one second. We can create and produce a lot of data about flights—in flight, as they're landing, and all around. There is nothing; there are no regulations and no protections for that data. So, when I'm flying an airplane, if you want to collect data about how I have performed my duties on an airplane, especially in the event of an incident, that is not protected at all. The only protection we have is an agreement in our contract with our employer to use it for safety only. And I might add—

Mr. Hoang Mai: Maybe I'll have ALPA answer the question.

Capt Dan Adamus: Thank you.

We represent pilots from nine airlines in Canada, and there have been a number of instances where pilots have been disciplined after they've self-reported. To us, it's a cultural issue within the particular airline. We work with these airlines, and for the most part, it happens a couple of times. It doesn't happen after that. In extreme cases, we've had meetings with Transport Canada. We're not afraid to go to Transport, and Transport will pay particular attention to those particular operators, do an audit on their SMS, and ask some questions, if the procedures were followed properly.

That in itself has helped change the culture at some of these airlines, because, as Craig has said, if you can't report with confidence, knowing that you're not going to be disciplined, then the information flow stops.

• (0920)

Mr. Hoang Mai: Mr. McKenna, go ahead.

[Translation]

Mr. John McKenna: We had supported the proposed amendments to Bill C-6 and C-7, which in fact included protection of that sort of information for all companies, and would have seen that protection regulated by law, and not by the good will of the companies involved. These bills both died on the *Order Paper*, because the government was a minority government.

We totally support the fact that this information should be protected. There is information provided by employees, but there is also information related to the activities of a company, that can be accessible to competitors; for reasons other than security, we consider that that too should be protected.

[English]

The Chair: Okay. Thank you.

We now move to Mr. McGuinty, for seven minutes.

Mr. David McGuinty (Ottawa South, Lib.): Thank you, Mr. Chair.

Good morning, gentlemen.

Mr. Blandford, in your testimony you said that “a voluntary, open, and non-punitive reporting system” was instrumental and foundational to a successful SMS. Is that right?

Capt Craig Blandford: Absolutely, sir.

Mr. David McGuinty: So can you tell us what happened with your predecessor, Captain Paul Strachan?

Capt Craig Blandford: That's an open-ended question. What do you mean? Did something happen to him?

Mr. David McGuinty: Well, I've got something right here that says he was disciplined by Air Canada and threatened to be fired because of remarks on safety on CBC Television.

Captain Ed Bunoza (Chair, Flight Safety Division, Air Canada Pilots Association): You're mistaking it for two different things.

If you submit an air safety report at Air Canada you will not be disciplined. I've been the chair and the vice-chair for the last six years. I'm usually the guy who calls you first when something happens in the middle of the night. I go with you into the interviews. With Air Canada they have a very robust reporting system. If I write an air safety report, if I self-report, I will not be disciplined.

Mr. David McGuinty: But if you go on television and tell the Canadian public as the president of the union, the union chief, and you make a comment about an international company that is in receivership and that is responsible for servicing Air Canada aircraft, you can be subject to threats from the CEO of Air Canada?

Capt Ed Bunoza: I wasn't privy to what happened in that incident, so I can't—

Mr. David McGuinty: Is anybody able to tell us what happened? It was widely reported in *The Globe and Mail* and in the *Financial Times*.

Capt Craig Blandford: I'm not aware of the intimate details of the discussions between the CEO and Captain Strachan at the time. I

do know it was related to an employee-employer relationship with respect to things you say about your employer and that could damage the employer.

Otherwise I don't know the details, sir. I apologize.

Mr. David McGuinty: Do you know what the outcome of this dispute was between these two parties?

Capt Craig Blandford: I can't comment on that, either.

Mr. David McGuinty: You don't know?

Capt Craig Blandford: No.

Mr. David McGuinty: You don't know.

So clearly there are limitations to a “voluntary, open, and non-punitive reporting system”.

Capt Craig Blandford: I think it's important that our chair of our flight safety division, sir, expressed that what we're talking about when we're talk about an open—

Mr. David McGuinty: I understand what you mean by internally, but I just want to get on the record that there are limitations. There are limitations for a union chief who speaks openly about his concerns about safety at Air Canada.

I want to move on if I can. You rightly point out, Mr. Blandford, in your deck, that the Auditor General's report from 2012 found that Transport Canada was not sufficiently managing risks in civil aviation. You then go on to tell the Canadian public today that Transport Canada after 18 months still has no standards on pilot fatigue. You say that the United States and the European Union have already done so. Then you go on to say that Transport Canada's oversight of SMS does not meet international standards, and that the international standards require that the Government of Canada set acceptable levels of safety, and that Transport Canada and the Conservatives allow air operators to determine their own acceptable levels of safety. Then you say that internationally, operators must have specific safety performance indicators, target values. Transport Canada under the Conservatives does not have that, either. Then you say, internationally they're supposed to have audits and inspections at least once every 12 months. Transport Canada under the Conservatives assess once every 36 months.

We have a pretty big problem here with one of the three legs on the stool of SMS, don't we?

• (0925)

Capt Craig Blandford: I would argue that the sky is not falling, SMS is not broken, and I don't think there's a big flaw in the system. I think what this committee is doing is taking a pause and taking a look as the house is being constructed; and before we put the drywall on, we're looking to see if we should modify a room or two. I think that's a very smart thing to do.

So there are some issues and we get our standards from ICAO. So when we defer back to anything, we always ask what is the international standard that we're trying to shoot for. All I'm pointing out is that yes, we don't always meet the ICAO international standards, goals, and objectives.

Mr. David McGuinty: And that's okay?

Capt Craig Blandford: Not always, sir, no....

From time to time, I think Canadians should be leaders and we should make our own standards and set our own goals and objectives, and we don't always have to follow things that are set by other folks. But in the international world there are some standards that we try to achieve, and I just wanted to point out that those are some of the things we should be shooting for.

Mr. David McGuinty: So let me ask you this. How many direct and unannounced inspections by qualified Transport Canada inspectors have been conducted in the past, say, five years?

Capt Ed Bunoza: We don't have access to that information—

Mr. David McGuinty: You don't know that?

Capt Ed Bunoza: No. There have been two SMS audits, one in 2009 and I believe they completed one last year.

Mr. David McGuinty: So you don't know anything about direct and unannounced inspections?

Capt Ed Bunoza: No. We don't have access to that information.

Mr. David McGuinty: Does anybody at this table know about direct and unannounced inspections? The representative of the airline companies, the representative of the pilots, another group that represents the pilots, you don't know anything about direct and unannounced inspections?

Mr. John McKenna: Specifically, no. We know these things are carried out.

Mr. David McGuinty: You do?

How many are there, because we had union testimony here last week telling us there has not been a single direct and unannounced inspection in the last five years.

Mr. John McKenna: Well, I would contest that.

All I'm saying is that although there are regulated, scheduled inspections varying from one to three years, depending on the risk assessment of each company, unannounced inspections occur whenever Transport Canada decides they are needed.

Mr. David McGuinty: Mr. McKenna, can you undertake for this committee to go to your members, get the data on how many direct and unannounced inspections have occurred with all your member companies, and table it here within, say, two weeks? Can you commit to the committee to do so?

Mr. John McKenna: I will commit to ask them. I don't think I will report back to you within two weeks, considering that we have about 180 members.

Mr. David McGuinty: How about a month?

Mr. John McKenna: That would be closer to what I could probably achieve.

Mr. David McGuinty: So we can expect, then, to get the facts from your members, because we're being told something by the

front-line inspections, including Captain Slunder, that the numbers are jived, that there are sleights of hands at play, that the numbers are not accurate, that the number the minister is using is false.

Could you help us with the facts, because you are on the front line of companies that have actually complied? Can you tell us how many direct and unannounced inspections there have been?

Mr. John McKenna: I will inquire among my members to give you that information, absolutely, as far as scheduled inspections and unscheduled inspections are concerned. I will give you that raw data with pleasure.

Mr. David McGuinty: Great. It's very much appreciated.

Thank you, sir.

The Chair: Thank you.

We'll move to Mr. Watson for seven minutes.

Mr. Jeff Watson (Essex, CPC): Thank you to our witnesses for appearing.

Just off the top, either Mr. Blandford or Mr. Adamus, whoever would like to tackle this, what is the difference—for the public who are listening in—between a compliance inspection, an SMS audit, and a process validation inspection? Can you briefly outline the differences between those?

Capt Dan Adamus: I'm certainly not an expert in those areas but we always refer to the traditional audit as “kicking the tires”. I've been in this business for over 30 years and in the early days you would see inspectors walking around the aircraft taking a look at it.

Mr. Jeff Watson: Are you calling that an audit versus an inspection?

Capt Dan Adamus: We knew at the time it was a traditional inspection.

Mr. Jeff Watson: Because definitions matter....

We've heard from witnesses last week. In the first testimony we heard, no inspections were done whatsoever. We have to be careful about what the differences are between a compliance inspection and a safety management system audit and a process validation inspection. Transport Canada has responded to an order paper question in the past on those specific definitions and provided numbers. For the comfort of Canadians who are watching, they need to know what the differences are and who's doing what.

● (0930)

Capt Dan Adamus: Again, for the terminology, I'm probably not the person to ask. That's not something we normally discuss with our company. We know that inspections are going on. That said, for example, I'm doing recurrent training in a simulator next week, and there could be a Transport Canada inspector sitting beside the instructor to ensure that everything is as it should be. I've gone through that many times in my career.

Mr. Jeff Watson: Go ahead, Mr. Blandford.

Capt Craig Blandford: I know there's a lot of labels and names. Some folks say that we should have these inspections and some folks say that we should have audits. The ultimate goal is to make sure that we're safe and set up a system that ensures we're safe. That's why I emphasize to you that with the three legs of that stool, the third leg is not formal, and that's the stakeholders, and in our case, the pilots. I will argue any day of the week that we have in our group as much or more experience than any of the pilots at Transport Canada do. We have similar training and similar backgrounds. That doesn't mean we're any better or any worse. My point is that if we're part of that three-legged stool, we can ensure that the appropriate standards and the appropriate safeguards are in place such that we're operating safely. And we do, and we are safe.

Mr. Jeff Watson: This isn't a theoretical discussion, however.

I'm thinking about a report called "Stronger Ties". It was a report done on the rail safety side by an independent advisory panel. They talked about a five-point grading system for safety management systems, from immature to fully mature. According to that ranking, a five, which is fully mature, would be that SMS audits replace traditional inspection. In other words, compliance inspection would be done on an as-needed basis if anything is identified as a risk in the safety management system. The question really relates to the following. Is that what we desire? Is there a proper mix, short of that, that's much more desirable? If SMS is to be an added layer, it probably shouldn't be replacing traditional inspection, but what is the balance between the activities of not only airline companies but also Transport Canada in forming that mix? How many audits are appropriate? How many compliance inspections are appropriate? Transport Canada will say that it tabled in the House information that it had done some 13,000 traditional inspections in 2010-11. We have a union that says they've done zero since 2004.

We have to get to the nub of this question. It's very important.

Capt Ed Bunoza: With regard to how the system works, your SMS program is approved by Transport Canada.

I come to you and say that this is my plan; this is how I'm going to deal with the paperwork, basically. Every 18 months to 36 months, they'll come back and do a PVI, a performance validation inspection. They'll take a component of it, let's say the flight safety component, and they'll look at it. They'll do the PVI on that portion of it and they'll come back with it.

Now, they used to give you a grading score from zero to five. I think they've removed that now. They just assess the program and they give you a report. If they see you're weak in some area, you have anywhere from one to 30 days to create a corrective action plan. That's how it works at Air Canada.

Mr. Jeff Watson: So nobody is kicking the tires anymore?

Capt Craig Blandford: Every day.

Capt Ed Bunoza: Every day the tires are kicked.

Mr. Jeff Watson: By Transport Canada?

Capt Ed Bunoza: No—

Mr. Jeff Watson: Is anybody at Transport Canada kicking the tires anymore?

Capt Ed Bunoza: Well, what do you mean by "kicking the tires"?

Mr. Jeff Watson: Mr. Adamus used the expression that in terms of a traditional inspection, somebody would be kicking the tires, so to speak.

Capt Ed Bunoza: I think we have to ask ourselves, was that method of doing business more effective than the way it is now?

Mr. Jeff Watson: That's a separate question. I'm just trying to verify whether in fact anybody at Transport Canada is inspecting any particular aspect. Is anybody looking at wheel bearings, the safety of emergency doors, flight instrumentation, or any of those types of aspects? Is anybody verifying that at Transport Canada?

Capt Ed Bunoza: I had a Transport Canada inspector in my jump seat, doing a check on me; they just showed up impromptu.

Mr. Jeff Watson: That's in direct contradiction to what the UCTE said.

Capt Ed Bunoza: That's kicking the tires. That was a year and a half ago, so....

Mr. Jeff Watson: You said the national audit program was replaced by Transport Canada. Do you know when that was done?

Capt Ed Bunoza: The national audit—

Mr. Jeff Watson: Yes. Your deck states, on slide 8 or 9, that Transport Canada replaced the national audit program with SMS assessments every 36 months. When did that happen?

●(0935)

Capt Craig Blandford: I'm not sure of the exact date it was done.

Mr. Jeff Watson: Was it one year ago, two years ago, five years ago, ten years ago...?

Capt Craig Blandford: I'm not sure. I could find out, if it's important, sir.

Mr. Jeff Watson: It is important. We have a union that says no inspection has been done since 2004. It's critical that we get to the veracity of that particular number, whether it's an outlier in terms of information—maybe even an outright lie, for all that matter—or whether in fact that's true.

By the way, with respect to NPR, non-punitive reporting, I think we should be accurate about what happened with the Aeronautics Act amendments. There was a hoist motion in the House in a minority Parliament, which, according to House of Commons procedures, is tantamount to the defeat of a bill in that it hoists it from the order paper and doesn't allow it to be discussed for an indefinite period of time. Without voting it down, the bill was effectively defeated by the opposition.

For the purposes of understanding what NPR is, what are the differences between CAIRS, CADORS, and non-punitive reporting? For the benefit of the people who are looking in, why is NPR different? How is it different from the other two?

The Chair: Your time has expired, but I'll allow the answer.

Capt Ed Bunoza: CADORS is the Canadian aviation daily occurrence reporting system. Let's say I take off out of Calgary and I mis-fly the standard instrument departure. The tower controller will submit a report, and it's called a CADORS.

The other one is a CAIRS report. In the SMS system, if I have a safety concern, I go to my employer, I submit a report, and I'm not happy with the outcome of that report, then I can submit a CAIRS report. I believe that goes to the TSB, who handles that report and follows through with it.

That's the difference between CAIRS and CADORS.

The Chair: Thank you very much.

We now move to Mr. Komarnicki for seven minutes.

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): Thank you.

I'm just curious about what your understanding is of a traditional inspection. As we've heard before, there weren't traditional inspections being held, and yet I heard Mr. McKenna say that you had an inspector unannounced.

What's your understanding of a traditional inspection, and have you experienced unannounced traditional inspections, as you define it?

Mr. Blandford, or perhaps Mr. McKenna, or Mr. Bunoza, go ahead.

Capt Ed Bunoza: I think we're confusing things here. Is this an inspection of a carrier or is this an inspection on a particular flight that day? What are we looking at?

Mr. Ed Komarnicki: You tell us the difference between the two and what your understanding of a traditional inspection would involve.

Capt Ed Bunoza: From a pilot's perspective, I can tell you that 20 years ago a Transport Canada inspector would show up on my flight from wherever I was going, and he'd sit in that jump seat and he'd conduct an inspection of me and my first officer. I can tell you that I've had in the last five years maybe two cases where they've shown up unannounced—I wouldn't say unannounced, because I know the day prior that he's coming there—and he'll be in the jump seat and he'll conduct an inspection of me.

Now, that's the day-to-day operational guy on the line. How they conduct the inspections with the company, the carrier, they could probably give you a better answer to that, but I know they do a PVI. I know they did a PVI in, I believe, 2009 and I know they just finished one up last year.

Mr. Ed Komarnicki: Mr. McKenna, you said the inspection that you had was unannounced, impromptu, no one day in advance.

Mr. John McKenna: I didn't say that I had one. I'm saying that these things exist.

The important inspections are the PVI. That requires a lot of time, a lot of preparation, and usually a team of inspectors come into your firm and can camp there for two to three days while they conduct all this stuff.

Mr. Ed Komarnicki: Do you know instances when they've come unannounced?

Mr. John McKenna: Not as a team, but you've had inspectors drop in following up on things, yes.

Mr. Ed Komarnicki: I heard Mr. Blandford say that of course effective implementation is probably key in SMS, and that SMS, on paper, doesn't necessarily result in a culture of safety, so I appreciate that.

One of the statements you've made also is that ICAO requires state authority to set acceptable levels of safety. I guess the implication is maybe that Transport Canada doesn't do that. As I understand it, don't the Canadian aviation regulations themselves define the acceptable level of safety so that there is state intervention in setting sort of a baseline of safety?

● (0940)

Capt Dan Adamus: Let's start with ICAO.

ICAO has standards and recommended practices. It's up to a state to either adhere or not adhere to them. If they do not adhere, they file a difference to let the rest of the world know that they're not in compliance with this particular area. One area is where ICAO says the maximum age of an airline pilot should fly is age 65. Canada files a difference because you cannot discriminate based on age in Canada. That's an example where Canada would not comply.

Mr. Ed Komarnicki: But by and large, the Canadian aviation regulations set out safety standards that everyone must comply with.

Capt Dan Adamus: Absolutely.

They would take the standards and recommended practice and make regulations to ensure that they adhere to the ICAO standards. Canada is actually a leader in the world for this, has an exceptional safety record, and was one of the leaders out of the gate with SMS.

I want to talk a little bit, if I could, on the inspection side.

When I say "traditional", you looked around and if there were something leaking from the engine, you would ask, why is that leaking? They would write a up a report. You'd probably get fined or have a few days to fix it. Now with SMS, there's a culture that's been put in place that allows the workers and the operators to identify risks and problems, assess them, and look for outcomes on how to best fix them. Because that's in place, Transport Canada believes that they probably don't have to go down and walk around that aircraft as much as they did in the past. They still have to do it occasionally to keep the system honest, just like the CRA. We file income tax, and every once and a while the CRA will audit us.

Mr. Ed Komarnicki: A safety management system that actually is properly implemented and works—

Capt Dan Adamus: It does. We have great—

Mr. Ed Komarnicki: —not only identifies a safety hazard, but also conducts a risk assessment and actually does something to mitigate the risk that's identified. That's what safety management systems are meant to do.

Capt Dan Adamus: Yes. Look at it as being proactive. Why wait until an accident happens to correct an action? Let's be proactive so we prevent that accident.

Mr. Ed Komarnicki: Of course, when I look at the Canadian aviation regulations, section 107.03(b) states that "A safety management system shall include...a process for setting goals for the improvement of aviation safety and for measuring the attainment of these goals." Not only do you assess if there's a risk and then mitigate it, but it's an ongoing process for setting goals for improvement and for measuring the attainment of these goals.

A properly implemented safety management system would have a process, would have goals, and would measure whether they're achieved or not. Wouldn't that, in essence, almost be superior to simply having an inspection to see if the regulation is met?

Capt Dan Adamus: Absolutely.

Capt Craig Blandford: I would agree.

Mr. Ed Komarnicki: And so again, it's a question of properly implementing that. I noticed you say in your deck that Transport Canada does not require identification of any specific safety performance targets. Yet, by virtue of CARs, they say that you must identify risks and you must set targets and you must try to achieve those. Isn't that contrary to what I've just said?

Capt Craig Blandford: This is my fault, and I apologize that you took so much focus on those particular points. I guess I'm just trying to point out that some of the ICAO standards that we're trying to meet have not necessarily been met by Transport Canada, even though I'm not suggesting that our system is broken, sir. I'm saying that Transport Canada doesn't say what the goals are; they say "air operators: set some goals". I'm telling you that it works if you have the third leg of that stool, and the third leg of that stool are the employees or the pilots saying, yes, we think these are reasonable goals and we can evaluate and we'll operate safely and we'll fix the problems that exist. We don't need to have constant inspections for that to occur.

The Chair: Thank you very much.

Your time has expired, Mr. Komarnicki.

I'm moving to Ms. Morin for five minutes.

[*Translation*]

Ms. Isabelle Morin (Notre-Dame-de-Grâce—Lachine, NDP): Thank you very much, Mr. Chair.

There are two things I would like to talk about.

Mr. Adamus, you said that lithium batteries were a problem for you. In your recommendations, you stated that knowing that there were lithium batteries present could influence a pilot's decision-making process.

Mr. Blandford or Mr. McKenna, could you tell us what would make you act differently if you knew there were lithium batteries on the plane? How would that change your behaviour?

• (0945)

[*English*]

Capt Craig Blandford: As a pilot, we just make sure that we have documentation that tells us how these things should be packaged, protected, how many, what—

[*Translation*]

Ms. Isabelle Morin: How would the fact of knowing that there are lithium batteries on board the plane change your actions as pilot?

[*English*]

Capt Craig Blandford: Nothing changes. As long as it's packaged properly and it's in the airplane properly, if we have any kind of incident, we just make sure that the fire marshals are aware that they're on board. Otherwise, it makes no difference to our job.

[*Translation*]

Ms. Isabelle Morin: Mr. McKenna could answer.

We could then ask Mr. Adamus to tell us what he thinks about that.

Mr. John McKenna: Well, quite simply, an operator must make sure that those batteries are well-anchored and are perhaps located at a certain distance from certain sensitive equipment.

Ms. Isabelle Morin: Fine.

[*English*]

Mr. Mark Rogers: Thank you. Certainly, if you have a fire on board the aircraft, you're going to want to land the aircraft as quickly as possible. Having said that, when you actually make a decision on where to land, different factors can influence that. Something that we practise all the time in the simulator is landing as quickly as possible, but you will have a choice of an airport that is very close but perhaps has a very short runway, or poor weather, or a bad instrument approach procedure, and choosing that airport over an airport that's farther away but has better facilities. That's the job that we do as pilots.

If I have an aircraft and I know I have a fire on board, and I know that this fire cannot be put out by any of the extinguishing measures I have on the aircraft, and if I knew I had, say, 90,000 lithium batteries on board, I may make a decision to land at a closer airport that doesn't have as good a facility or possibly even to ditch the aircraft in the water. The Asiana accident that happened, they attempted to do that.

[*Translation*]

Ms. Isabelle Morin: And what is preventing people from disclosing that to pilots at this time?

Moreover, your fifth recommendation concerns the fact that no dangerous goods labels are required for some lithium batteries. What is preventing us from doing that currently? What is the rationale behind that?

[English]

Mr. Mark Rogers: Certainly the batteries, initially, became part of the dangerous goods system through other chemistries of batteries that, prior to the 1990s, were not nearly as dangerous in transportation. When lithium batteries came on the scene, they were added to these provisions. The difficulty becomes that if you regulate the batteries, then any time somebody ships a spare battery for a cellphone or a computer, they become a dangerous goods shipper. That presents a lot of difficulties in transportation.

Having said that, the way the dangerous goods regulations are structured, it looks at the individual battery and says a consumer-sized battery is therefore exempted from the regulations to allow that person to ship a battery. But once that battery is accepted, there is nothing in the regulations that prevents consolidations of those shipments, so we have thousands and thousands of batteries that individually do not represent a great risk to the aircraft, but when taken together, they do. Unless we regulate those batteries, there's no way for the operator to know.

[Translation]

Ms. Isabelle Morin: You say that no dangerous goods labels are required for some lithium batteries. What do you recommend be done about that?

Do you think that everyone on board the plane should be informed if a lithium battery is present? Do you think the pilot is the only one who should be informed? What do you want exactly?

[English]

Mr. Mark Rogers: Certainly, the way that we inform pilots of dangerous goods shipments is through an established process. For all kinds of dangerous goods we have a pilot notification form.

The point I'm making here is that if you have a five-gallon drum of paint, or even dry ice, the pilot is notified of that dangerous good, but if that's next to a pallet of thousands of lithium batteries, the pilot would be unaware that those batteries were on board. So yes, because they represent a risk to the aircraft, we do want batteries to be included in the established dangerous goods system and have the appropriate labels and notification.

[Translation]

Ms. Isabelle Morin: Thank you.

I have another question on another topic.

Mr. McKenna, you mentioned that according to the category of carrier, there can be changes to the way SMS are drawn up. You said it was slightly more difficult for categories 703 and 704.

Could you give us some concrete examples of what could be done in a terminal to improve the safety management system? What prevents the small companies from having one?

• (0950)

Mr. John McKenna: Did you refer to terminals? I did not understand the question.

Ms. Isabelle Morin: You told us that...

Mr. John McKenna: I understood that you wanted to establish a difference between categories 704 and 703.

Ms. Isabelle Morin: I also want to establish a difference with respect to category 705.

You said it was easier for 705 category operators to have safety management systems than for operators of categories 703 and 704.

Mr. John McKenna: I said that we should not transfer a system that applies to category 705 and expect that operators of categories 703 and 704 will implement the same system in their organization.

The challenge is to develop a system that is appropriate to the size of these enterprises.

Ms. Isabelle Morin: Fine.

[English]

The Chair: I'm sorry, but you're out of time.

I will now move to Mr. Braid for five minutes.

Mr. Peter Braid (Kitchener—Waterloo, CPC): Thank you very much, Mr. Chair.

Thank you, gentlemen, for being here this morning.

Captain Blandford, I want to start with you. Thank you for a very helpful presentation.

I want to zero in on your two main concerns and recommendations. First, with respect to protecting the confidentiality of ASRs, air safety reports, filed by pilots, I'm trying to understand what the role of government would be here, and specifically what you're looking for in terms of changes or improvements to better protect the confidentiality of information in these reports.

Capt Craig Blandford: I would argue that, first of all, nobody's trying to hide anything. That's not what it's about. It's about protecting confidentiality and making sure there's free and open reporting.

If for some reason a department of government, whether it's occupational health and safety folks or others, feels it need to see an air safety report that was written by a pilot about an incident, that the appropriate person have the appropriate expertise to be allowed to see that for a specific purpose.... For example, if a flight attendant were injured in flight, or if on the ground somebody were injured because I forgot to set the parking brake, and then I wrote the safety report being completely honest about why I think I failed to set the parking brake, then the occupational health and safety folks or a lawyer wants to see my report because he wants to sue me because a guy was injured, that's not the reason we have safety reports. So we need protections and we need the appropriate people with knowledge and understanding of what the reports are about to be the only ones permitted to see those things, and in appropriate circumstances. Otherwise we'll stop reporting.

Mr. Peter Braid: Okay.

Are you familiar with some of the aspects of the government's proposed legislation five or six years ago, Bill C-7, that Mr. Watson was describing? It was hoisted or subverted by the opposition at the time. There were elements, as I recall, of non-punitive reporting in that legislation. Are you familiar with those, and is that what you're looking for?

Capt Dan Adamus: I am familiar with that. We wanted that bill to pass specifically for that reason, to protect the data. We need legislation to protect it, because if the data's not protected and it gets in the hands of government access to information, we know how that would be. We definitely need that data protected.

Right now, the gatekeepers of this information are the airline operators. They keep the data. That way it's not available for access to information. But if the government wants it, the only way we'll hand it over is if there are proper procedures in place to ensure that it will stay confidential and be used appropriately.

Mr. Peter Braid: So one recommendation that this committee could perhaps make at the conclusion of our study in this important area is to suggest that those provisions be brought back and reintroduced. Would you support that?

Capt Dan Adamus: ALPA would support that.

Mr. Peter Braid: I'm seeing nodding heads across the table. Do you have any further comments?

Capt Craig Blandford: Again, it's essential, and I want to emphasize the flight data analysis and flight data monitoring. That information is hugely valuable for safety and for commercial reasons, but there are no protections whatsoever for that data. In other jurisdictions in other parts of the world if you land too far down the runway and they look at the flight data analysis stuff, you're fined \$3,500 because they're using that data against you and it's not for flight safety. We want to emphasize that this stuff has to be protected for safety purposes.

• (0955)

Mr. Peter Braid: That was where I wanted to go next: flight data monitoring data. How's that different from the confidentiality of reports that we just touched on?

Capt Ed Bunoza: The flight data monitoring system in Canada is FDM. In the U.S. it's called FOQA, flight operations quality assurance, and it is software on the aircraft that measures somewhere between 2,000 parameters a second. People say they want recorders in the cockpit. You already have that. You've got that FDA there. It can tell you everything. Why it's not mandated I don't know.

Mr. Peter Braid: How is the information from flight data recording being used now, and what specific changes are you looking for?

Capt Ed Bunoza: We have a joint agreement between the carrier and the association. We supply two gatekeepers, and pilots review this data daily. If they see something they don't like, such as Ed flying into Hong Kong and being really quick on the approach, not following the SOP, this guy will call me and ask what happened last night. I can tell him to get lost, but that's not the road I want to go down. The road I want to go down is to be able to say, the controller had me in really quick; a monsoon was coming, and we had to get down on the ground. He's going to look at it and say, I still should have followed the rules. He might recommend a course of action, or he might say that was a good call and have a nice day. That's how it works.

Capt Craig Blandford: If I could add really quickly—

Mr. Peter Braid: What's wrong with it?

Capt Ed Bunoza: Nothing. It's a great system. It works great, but the problem is that not everyone has it. It's not mandated. I believe Transport did a risk assessment last year and said we didn't need it.

Capt Craig Blandford: And there's nothing to protect the employer from using it for other purposes unless we have a good agreement, as Ed just explained that we have with our employer. Otherwise it can be used for any purpose.

Capt Ed Bunoza: As you were telling them...[Inaudible—Editor]...cockpit, you can read whatever you want off that.

Mr. Peter Braid: Thank you for clarifying that.

The Chair: Mr. Adamus, did you want to comment on that as well?

Capt Dan Adamus: It works for the Air Canada Pilots Association because they have an agreement with their operator. They have the agreement, but it's not in regulation. It's just another example of flight data monitoring. I've heard that you'll land somewhere and maintenance will show up and say that they're there to change that fuel pump, and the pilot will ask what fuel pump? They saw a couple of hours ago that it was starting to go, so they know in advance. It's a good tool.

The Chair: Just before we go to Mr. Sullivan, Mr. Blandford, you commented two or three times. Just for clarification to help me understand, you talked about protection of your reporting from your employer, it appears. It seems to me that when a mistake is reported or whatever—and reporting I think is the right thing to do—you're talking about protection from being reprimanded, unless I'm misunderstanding you. If somebody makes a mistake—I'm not going to get into what the penalty or punishment should be—but shouldn't there be some kind of a process in place whereby it is dealt with in some manner?

Capt Craig Blandford: Absolutely. There's no way we should be hiding behind flight safety if a deliberate, intentional, or criminally negligent action is taking place. Never. What used to happen in the air force is that we'd have a flight safety stream, and the flight safety person doing the inspection would call the squadron commander and say that the commander needed to start a parallel investigation. That's all he could say, because they'd identified something criminally negligent or damaging. There's no way that can occur. What we're talking about on a day-to-day basis is that the normal flight safety report of something that may cause injury can't then be summoned by lawyers or brought out in court to use for other purposes than safety; otherwise we're not going to get honest and fulsome reporting.

As for what you said, sir, absolutely, we don't condone that at all. We could probably give you examples of flight data management when the gatekeepers have looked and put up a red flag that's caused some ramifications not related to safety.

Capt Ed Bunoza: We're getting a little confused with the confidentiality issue and everything. The reports are confidential; no one sees them other than the appropriate people.

Our concern is that several years ago they were getting court orders. I wrote an actual copy of that report. As a line pilot, I'm looking at that and saying that I'm not going to give you a full, robust report because it could end up on the front page of a national newspaper. So now what the guys are writing is, "Took off, had hydraulic failure, landed". You don't get the meat of what happened there.

• (1000)

The Chair: Don't take this the wrong way, but it seems pretty irresponsible to me for somebody to say, "Well, if I don't get what I want on the reporting end of it, I just won't report". That bothers me as a passenger or as somebody who flies quite regularly, so I don't like that.

It seems to me that agreement on the protection of this information is something that your union or your organization needs to take up with your employer. I don't see that Transport Canada needs to get into that.

Capt Ed Bunoza: Our employer vehemently fought the release of those reports. They knew what the damage would be.

In a perfect SMS system, that report is meant... If a city OSH group comes along and says they're concerned about, say, a hard landing somewhere, we want to look at it. The OSH component and the pilot component of that group should look at that report and say yes, these are the details you need. But that actual piece of paper I wrote should never ever be released.

Capt Dan Adamus: Mr. Chairman, if I could say, one of the first things that happens when an SMS report is filed is that the receiver looks at it and if they believe it's outside of the parameters of the program, such as maybe it's wilful conduct, they will then immediately say, "You're going to have to file this a different way. This doesn't fit the program". That's one of the first things that happens.

The Chair: Who tells you that? Is it Transport or—

Capt Dan Adamus: No, it is the operator, whoever the gatekeeper of the SMS is.

You talk about pilot unions talking to the operators. There are a lot of pilots in this country who are not unionized and do not have a formal process to go to their employer.

The Chair: Good point.

Just one last thing, Mr. Blandford, I believe you mentioned a \$3,500 fine for landing too far down the runway. Is that from Transport Canada or your employer?

Capt Craig Blandford: No, I was using it as an example of how another jurisdiction in the world has no protections in flight data management and flight data analysis, so they look at the computer at the end of the day and they say, "Oh, you landed too far down the runway, therefore we're going to fine you".

So there are no protections. They're not using the flight—

The Chair: Does that actually happen?

Capt Craig Blandford: No, not here, sir. But I'm saying we want protections.... What if somebody wants to do that?

The Chair: I got you. I just wanted to clarify that.

Mr. Sullivan, for five minutes.

Mr. Mike Sullivan (York South—Weston, NDP): Thank you, Mr. Chair.

I appreciate the more robust discussion of what's really driving this. We've heard testimony from the railroad industry that is having similar difficulties. The Transportation Safety Board has recommended for the past eight to nine years that there be voice and video recorders on board. The railroad said, "We'll put them in tomorrow as long as you let us use them for disciplinary purposes".

You don't do that in the airline industry, clearly, and you never have, yet they're there and they're useful, and they're made use of for incidents circumstances. So we're still fighting that old battle.

But your battle, Bill C-6 and Bill C-7 would have corrected, as I understand it. That was first introduced eight years ago. So, what's the hold-up? Has anybody talked to you folks about that? No? It's just sitting there somewhere in a thought of this government.

In terms of the SMS itself, the other thing we have heard in the conduct of our discussions with the railroad industry, in particular, is that SMSs are confidential, proprietary, and competitive pieces of information.

Is there any reason an SMS system should not be disclosed publicly, so we can know exactly what's in it and maybe help work on it?

Mr. John McKenna: It's not only so much the system, the system is how a company works day-to-day and that is the operations of the company. Sometimes a company will even self-report on incidents or there will be reports following from PVIs or whatever.

That information, when it's disclosed to the government, is no longer protected. We have many members who have been fighting, for example, third party access to commercially sensitive information, that is included in those reports, from being divulged by the company.

For example, if I have a company and I report something to you, within six months or within a period of time, I could get a request from somebody to have access to the information, and I'm not allowed to know by whom the request has been filed. A lot of this information needs to be protected and it isn't in the current legislation.

• (1005)

Mr. Mike Sullivan: Right. In terms of Air Canada in particular, you have a good, strong trade union relationship between yourselves and Air Canada. So you have managed to protect the integrity of the SMS system from the prying eyes of the outside world—some of it anyway—and from disciplinary use.

I guess the problem that some members of this committee are having is with human nature. If you're going to get punished for something, you're not going to talk about it. Safety can't be like that. It's essentially right.

Capt Craig Blandford: You've hit the nail on the head, sir. That's exactly it.

We're not trying to prevent anything from being publicly accessed. We want to enhance safety. And what is the best way to enhance safety? It's a safety culture. It's open reporting and a good system that identifies the safety issues and a mechanism for fixing them. Then when we can't agree as stakeholders and an operator, the regulator should help us provide a mechanism for fixing those problems. That's the closed loop as simply as I can state it.

Mr. Mike Sullivan: The other testimony that we had last week, which I don't know if you guys heard, is that Transport Canada is planning for more air accidents over the next few years. Their accident rate target per 100,000 flight hours goes from 6.3 in 2010-11 to 6.7 in 2014-15, which is essentially 40 to 50 more accidents in the air or on the ground in Canada over the next three or four years.

That seems to smack of a failure of some system or other, whether it's SMS or Transport Canada. Do you folks have any comment on that?

Capt Craig Blandford: I was shocked when I read that number. Speaking quite frankly, like I should be doing here, I think—

Mr. Mike Sullivan: Absolutely.

Capt Craig Blandford: I was very shocked and it's unbelievable. I can't believe it. I'm not sure of the source. I would love to be able to dig deeper, because we see everything getting better and safer in the world that we fly in. Airplanes are safer. They're built stronger. The monitoring systems are better. Pilots are well-trained. We have good systems and to see that was quite surprising for me. I'm not sure what Dan would say.

Capt Dan Adamus: I'm not too sure where their numbers came from either, but if they are valid then we should be promoting SMS even more, so that we can find those areas that need to be fixed and we can be proactive.

The Chair: I'm sorry, Mr. Sullivan.

Mr. Mike Sullivan: I have where it came from.

The Chair: Okay. I'll allow it.

Mr. Mike Sullivan: It came from Transport Canada's own report on plans and priorities for 2014-15, and there's a website where it came from. So it's Transport Canada itself.

The Chair: Thank you.

Ms. Young, five minutes.

Ms. Wai Young (Vancouver South, CPC): Thank you very much for being here, gentlemen.

I have some other questions, but on that point I think I do recall them saying this. Would you say there are substantially more flights in Canada than there were years ago?

Capt Dan Adamus: Yes.

Ms. Wai Young: And so there is an error of margin, and therefore an error of accidents and incidents in safety. So would you say that that could be part of where that may come from?

Capt Dan Adamus: I'm not a statistician, but sure.

Mr. John McKenna: I would say that there are more flights, but the safety record is also improving. It would be useful to know in which segments of the air industry they get these numbers from, rather than just throwing out a number.

Ms. Wai Young: Yes, absolutely. We heard from the chair that we will track that down, because I'm very sure that this committee is interested in that. I fly every week because I'm from Vancouver, so of course air safety is a primary concern to me.

I was particularly interested in these agreements that you just spoke about. We understand that you've been very clear that you don't want to release these to the public because that detracts from your ability to have the safety culture. All right.

But having said that, what elements are in these agreements that could or should perhaps be part of some government regulations so that we can track these elements and perhaps even put them into regulation to ensure better SMS? Do you have any thoughts or ideas around that?

• (1010)

Capt Dan Adamus: Certainly in an act of Parliament we'd like to ensure that these reports remain confidential because that will help ensure that you get reports, because otherwise people are not going to self-report, even if there was a 1% chance that this could be used against them somehow.

Ms. Wai Young: No. We've heard that. We understand that. We understand about the safety culture and the need to report in an open manner that is non-punitive, as you said.

The question that I'm asking is, obviously you have all said that this agreement that you have between Air Canada and the pilots, et cetera, is extremely important. You get an amazing amount of data from this. On the other hand, we are feeling very uncomfortable about the fact that it's not obviously public. The public is on a three-legged stool and does not have access to this very important information, as you've said.

So the question then is what parts of it or what elements of it can be made public or should be made public and/or that we can then add to SMS to ensure that SMS is increasingly safer?

Capt Ed Bunoza: I think 30 years ago we didn't have a system like this, and then someone came along and said, "Let's have a system where the pilots and the line people can come along and openly report, and it's not going to be held against them." Now I'm hearing that people are suggesting, "We want to change it. We want everyone to know what's going on". You're defeating the purpose of the confidentiality there and not having it known.

The carrier will get these reports, called air safety reports. When they come in and do their PVI, or performance validation inspection, they look at how that carrier handles those reports.

I get the air safety reports sent to me every day, so I'm part of that three-legged stool. If I'm not happy with how the carrier's handling those reports, I go to them with the stats and ask, "What are we doing with these?" There are other mechanisms we can use to carry them on further.

Now when Transport does their audit on Air Canada or whoever they are doing it on, they have these reports and they ask what do we do with them? "Well, we took this report. We mitigated the risk". The HFACS classify them. So they put a level of—I won't say a level of blame—but they say, "Well, maybe it's not the pilot flying the airplane. Maybe it's further up the ladder there".

So, the system is taking care of itself. What are you going to glean from my writing a report saying that I took off; I had a hydraulic failure; I landed. Why do you want that?

Ms. Wai Young: Wouldn't you say that's part of SMS? Isn't that why we're here?

Capt Ed Bunoza: What are you going to do with that, though?

Ms. Wai Young: We're here to ascertain whether the system can be safer. You're saying to me that there are these private agreements between the corporation and the air pilots, and then you self-monitor, you self-regulate, and you fix those things.

Capt Ed Bunoza: [*Inaudible—Editor*]

Ms. Wai Young: We're asking whether there isn't a government role to then monitor or oversee that. It's kind of an odd thing, where this has been going on; it should be part of SMS, it is part of SMS perhaps. But are you saying that that should not be part of it?

Capt Dan Adamus: I will quickly give you an example of where SMS works.

A pilot is flying along, and he's given a clearance to climb from flight level 340 up to flight level 350. He reads back "360", and he climbs up to flight level 360. The next thing you know, he realizes that he's at the wrong altitude, and now what does he do?

In the old days, you would never say anything because you would be fined by Transport Canada. You would be punished for that. So, he writes up in an SMS report that "I thought I read back 350. The controller didn't say anything, so I assumed it was right."

The company gets his report. Over the span of a month, they get four and five reports of the same thing, so they say, "There's something wrong here."

It turns out, in this particular instance—I think it was in northern Manitoba—that the repeater for the VHF communication was in a poor spot. It wasn't very clear. They were always having trouble hearing each other. They put in a new tower and now communication is a lot clearer. We don't have those problems anymore.

After the fact, I suppose we could de-identify all this information and say that there was a bad transmitter somewhere, now it's fixed, so the system works. But I don't think it does any good—let's say it was me—for the media to find out that "Hey, Dan climbed to the wrong altitude." What does that do?

Ms. Wai Young: It's good for the public to know that it was fixed.

Capt Dan Adamus: As long as it's de-identified, and that it's not specific to an airline, you could certainly think about that.

Ms. Wai Young: Are there elements around this, that you could tease out, that we can therefore use to increase safety?

• (1015)

The Chair: You're out of time, Ms. Young.

Ms. Wai Young: Sorry. Thank you.

The Chair: If you want to respond very quickly, you can.

Capt Ed Bunoza: Again, on that scenario, if I mis-set my altitude and I climbed to flight level 360, you're going to know about it. You're going to know it in a daily CADORS report. The system takes care of that. That's where you're going to hear about it. The air safety reports are just another added layer of safety. So you have the layers, and the safety reports are just another layer.

The Chair: Thank you.

Mr. Toet, go ahead, for five minutes.

Mr. Lawrence Toet (Elmwood—Transcona, CPC): Thank you, Mr. Chair, and thank you to our witnesses. It's very insightful.

I want to quickly touch on this because it's been talked about a lot, and I don't want to go too far into this.

On the SR reporting, I understand 100% where you're coming from with the need for that not to be used as a disciplinary action, so I get that, and I understand that.

How do we separate that out in a practical way, though, from a situation where you do have a pilot—seeing as we have pilots at the table here—showing a pattern of a certain behaviour that is a danger, that is not safe management of his aircraft?

If the airlines are not allowed to use that data, how are they able to deal with that individual? Do you have a solution or an answer for that particular dilemma? If they are not allowed to look at that and say that there's a real danger and a situation of safety here, then how do we deal with that?

Capt Dan Adamus: That's in place right now. When the report gets filed, if the receiver of it looks at it and says, "No, that's not within the boundaries here", it will be taken care of in a different avenue.

Capt Craig Blandford: There are always two pilots. They're in the simulator every eight months. There are all kinds of monitoring and feedback systems other than the safety system when it comes to an individual pilot.

What we're most concerned about are trends among all of the pilots.

Mr. Lawrence Toet: I know, and I get that. I understand that's what you're talking about. I understand about the trends among the pilots.

I'm just asking if this would show a trend for an individual pilot.

I understand where you're coming from and that you don't want it to be used in a court of law. You want to have a robust report so you don't want them to thin it down so that it's next to nothing. But there needs to be a parallel system—and a fairly robust parallel system—and I'd love to hear from you—and maybe you could even table it rather than taking the time here—how that robust reporting on the individual basis would work, because both those mechanisms have to be in place.

I just don't want somebody to be able to hide behind the ASR. That's my concern, that somebody can say, "There is no way you can deal with me, because the ASR protects me".

Capt Dan Adamus: We don't want that either. We're absolutely vehemently against that.

As I said, there are checks and balances. Pilots are very proud individuals, and we have programs set up so if a pilot is flying with you and you think they're not doing too well, there is a system in place in which you can talk about that. We want to weed those individuals out. They're not good for anybody.

Capt Craig Blandford: We have gatekeepers, honest brokers who look at things and say, uh-oh, I need to tell somebody, without specifics, that they need to look into something. I gave the air force example. There is a duty, an obligation as well, and it's part of our ethical makeup to do that.

Capt Ed Bunoza: I have just one more point. You can't hide behind an air safety report. I can have a hard landing in Hong Kong and submit an air safety report that I had a hard landing. The fleet side, the operational side, of the airline also gets that, and they're going to look at that, and they're going to call you in and look at your file and look at what you've been doing. So you can't hide behind these reports.

If I could take just one more second, Ms. Young, I've been thinking about your question about the ASRs and everything. The Americans have a great system. It's called their ASAP system. The pilot submits their ASR. The carrier processes that ASR and then de-identifies it and puts it in a national database.

I'm glad you asked that question.

Mr. Lawrence Toet: I want to just go on quickly to something very different.

Captain Blandford, in your non-compliance examples you said that,

ICAO requires state authority to set acceptable levels of safety

and

TC allows air operators to determine own acceptable levels of safety.

Are you really saying that air operators can decide for themselves what level of safety is acceptable and that there is really no oversight, nobody saying, "Hold on a minute—that's not acceptable"? Transport Canada has just said, "Well, whatever you guys think is acceptable is fine with us"?

Capt Craig Blandford: I wouldn't go so far—and I know, sir, that you don't mean to be that casual about it—as that. I don't think anybody does that.

I'm saying that ICAO says that the state is supposed to set specific safety standards or guidelines to meet. All I'm saying is that here it's left to the operator to do that, but it works with us.

Mr. Lawrence Toet: Would Transport Canada not look at the levels you say are acceptable and say, "Yes, those would fall within the parameters we say are acceptable"?

Capt Craig Blandford: I would argue that, yes, they absolutely would.

Mr. Lawrence Toet: I think it's very important to have on the record that it's not just left up to any operator to decide that they have their safety levels which are fine with them, and that even if there is another guy up there, that's what works for them.

• (1020)

Capt Craig Blandford: I do not want to imply in any way, shape, or form that we don't have a good relationship with Transport Canada or that they're not doing what I think is their job on a day-to-day basis.

I'm trying to point out, however, that there are some improvements we can make to the SMS system, and that the oversight regulator can do some additional things in accordance with the ICAO standards to help us improve. We have a good relationship, and it works.

Mr. Lawrence Toet: I have just one last question, actually, if I can get to it.

We can come back to you, Captain Adamus, if there is a chance.

I'd like a quick yes or no answer from each of you. All of you talked about safety management systems in your introductions. Has Canada's aviation safety regime been improved through the introduction of SMS systems?

Capt Dan Adamus: Yes, absolutely.

Capt Craig Blandford: Yes.

Mr. Lawrence Toet: Good, thank you. I see a nodding head from Mr. McKenna also, so thank you.

Capt Dan Adamus: Could I go back to your original...?

Mr. Lawrence Toet: Absolutely.

Capt Dan Adamus: Transport Canada sets the regulations, and everybody must adhere to that level of safety. They absolutely have to.

But you can't regulate for every single scenario, and it's those scenarios that are sort of in the middle that SMS will help catch if there is an issue that's not quite going the way you want. You don't want to get into saying, "Well, on paper we're compliant". If you've identified some risks—and that's what SMS does—then you can fix them, going forward.

The Chair: You are out of time.

We're getting down to the end of our meeting. We have time for some four-minute rounds.

Mr. Mai.

Mr. Hoang Mai: My question is for ALPA. You represent 51,000 professional pilots. You represent 32 airlines, but you also represent First Air. Can you talk to us about the Flight 6560 crash? What I'd like to know is what happens on the ground with reporting. We know that the TSB actually came out with a report. They looked at the fact that there were issues with SMS. Basically it fell because of lack of reporting.

Can you talk to us about it?

Capt Dan Adamus: I'm not familiar with the details of that. I do know they did identify some areas. Some of it was equipment, and lack of equipment on the aircraft as well, and there have been some recommendations. It's unfortunate that it's taken an accident to get some recommendations for change, because, in our view, with safety management systems we try to identify those hazards before an accident so that we can make changes so that it won't happen again.

Unfortunately, I'm not familiar in detail with the report.

Mr. Hoang Mai: Okay.

Also there have been some issues with respect to maintenance. For instance, with Aveos in Montreal we know that everything has been transferred elsewhere, and also we know about some of the wet leasing issues. Can you talk about the impact of that on SMS?

Basically, we have maintenance being done elsewhere and reporting, and so are they compliant with the SMS system here? How does it work?

Mr. Adamus, and Mr. Bunoza.

Capt Ed Bunoza: Our association, our MEC, asked me to produce a report about a year and a half ago when Aveos was being transferred and everything. We looked at the MROs. They were conducting the maintenance for our carrier, and they were all world-class operations, using Lufthansa techniques. The one that does the work in the U.S. does it for DND, UPS, FedEx. They are not second-string operators, so on that aspect, no, the MROs are top notch.

Capt Dan Adamus: As far as I know from our nine operators, they do most of the work in-house or in Canada.

Mr. Hoang Mai: I have another question for ALPA again.

We heard that there were some issues with respect to inspection without notice. Can you tell us whether or not your members have been inspected without notice within the past few years?

Capt Dan Adamus: If you're talking pilots specifically, normally, if we're in a simulator, we get 24 hours notice, just to say that somebody is coming with you. If it's a line check, they show up at the gate, so it's completely unannounced.

•(1025)

Mr. Hoang Mai: Okay.

For my final question, it was raised that there is a fatigue issue and we also saw the same problem with rail. One of the problems that we have right now is that nothing has been done. Can you tell us more about that? For us, fatigue really is a safety issue.

Capt Craig Blandford: Yes, we have gone through the Transport Canada process of taking all the stakeholders, putting them into a room for several years, talking about what needs to be done, looking at the science of fatigue. That's very important, the science of fatigue.

All the stakeholders got together, wrote a report, made a recommendation. They were recommending changes to the flight and duty times in this country because our duty times are very much out of date. That report was filed in November, 2012, and it's going through the Transport Canada process of being evaluated, trying to create regulations. It's been 18 months, and, of course, we expect probably another year or two...it could create some regulations and go through Justice. It's going to take a long time.

We all know that the Colgan Air crash in the United States caused that process to accelerate greatly. We don't want that in this country, and I don't want to be dramatic. I'm not using safety that way, but flight and duty times need to be [*Inaudible—Editor*]. It is our biggest issue right now.

The Chair: Thank you.

Mr. McGuinty, for four minutes.

Mr. David McGuinty: Thank you, Mr. Chair.

Gentlemen, are you aware that in the public accounts from 2011-12 to 2012-13 there has been an 11% cut in aviation safety spending by Transport Canada?

Capt Craig Blandford: I'm not aware of those.

Mr. David McGuinty: You're not tracking those numbers.

Capt Dan Adamus: I do know there's been a cut to the budget. Yes, I do know that.

Mr. David McGuinty: Mr. McKenna, are your companies aware of that?

Mr. John McKenna: Yes, we are following that. Transport Canada assures us these cuts were not safety related.

Mr. David McGuinty: Although it's under the heading of aviation safety, they're not safety related. Is that right? I don't want to put you on the spot.

Mr. John McKenna: Well, that's their answer.

Mr. David McGuinty: I'm sure that's their answer.

Mr. Adamus and Mr. Blandford—Captains both, forgive me—do you know the Canadian Federal Pilots Association?

Capt Dan Adamus: We're aware of it.

Capt Craig Blandford: Yes.

Mr. David McGuinty: Is it a credible organization?

Capt Dan Adamus: They represent the Transport Canada inspectors.

Mr. David McGuinty: Are they credible?

Capt Dan Adamus: I don't know a whole lot about them; I'm sure they are.

Capt Craig Blandford: I don't know anything about their structure or their governance. I don't know what their mandates are. I know they're the union that represents the pilots.

Mr. David McGuinty: Right.

And so we're told through testimony by Mr. Daniel Slunder, who is the head of that association, that they represent 382 licensed pilots who work as inspectors at Transport Canada and at the Transportation Safety Board. They also represent 32 licensed pilots who work at Nav Canada. Those would be pretty qualified people, right?

Capt Dan Adamus: They certainly know Transport Canada, yes.

Capt Craig Blandford: Absolutely. Some of those are peers, people I went to school with, people I flew with in the air force. Absolutely.

Mr. David McGuinty: I want to review some of the testimony he's given us here and I want your reaction. Have you read his testimony?

Capt Craig Blandford: Yes.

Mr. David McGuinty: Great.

So what do you say to Canadians when he testifies that we have 50 fewer inspectors today than when Mr. Slunder last appeared before this committee in November 2009?

Capt Craig Blandford: That's a fact that he keeps track of, I—

Mr. David McGuinty: Are you concerned by that?

Capt Craig Blandford: No, I'm not.

Is that all you want me to say, sir?

Mr. David McGuinty: Yes, that's all I want you to say. You're not concerned by the fact that we have 50 fewer inspectors than we did in 2009.

He cites the Auditor General's review of Transport Canada's aviation safety program. He says:

...the number of inspectors and engineers needed to ensure safety is unknown; significantly fewer inspections are done than planned; minimum acceptable level of surveillance to ensure safety is not established; and there's no documented rationale for changing acceptable minimum level of surveillance.

How do you respond to that?

Capt Craig Blandford: I'd respond that safety has improved since we've implemented SMS and that we've gone away from the traditional cultural model we used to have of inspections, enforcement, and punishment. We have improved greatly in our safety since we've gone away from the model. And so I don't think that—

Mr. David McGuinty: So the Auditor General is wrong?

Capt Craig Blandford: —inspections alone are going to improve safety. I've said to you, sir, that we have as much experience as and do way more inspections of our own carrier than Transport Canada ever will. We do them on a daily basis.

Mr. David McGuinty: So when Mr. Slunder testifies that:

...Transport Canada's rosy forecast is based on a simple sleight of hand. Inspections, once required annually, can now be as infrequent as once every five years.

Is that true?

•(1030)

Capt Dan Adamus: I haven't talked to Mr. Slunder about his testimony.

Mr. David McGuinty: I've got four minutes, so yes, no, roughly.

Capt Dan Adamus: But the question is for me, if there are fewer inspections done, is that because we have a more robust SMS system in place? This has been in five years. I would say yes.

Mr. David McGuinty: He says that Transport Canada is:

...cancelling all comprehensive SMS assessments for airports and aerodromes in favour of doing only more narrowly focused process validation inspections.

Is that true?

Capt Dan Adamus: I'm not familiar with the—

Mr. David McGuinty: So you haven't read his testimony.

The Chair: You're out of time, Mr. McGuinty.

Capt Craig Blandford: I don't know if that's true or not, sir. I'm not aware if it's true. I have read it, but I don't know if it's true or not.

Mr. David McGuinty: I recommend it to your members.

The Chair: Thank you.

Mr. Watson, you have four minutes.

I just want to remind the members that we have a motion that was put on notice with due time by Mr. Watson, so during the last 10 minutes we'll deal with that.

You have the last four minutes.

Mr. Jeff Watson: Thank you, Mr. Chair.

Thank you again to our witnesses here.

We've heard, in contrast to the UCTE's testimony, that inspections by Transport Canada are in fact occurring. They're not just paper exercises in the office, and we're hearing that Transport Canada inspectors show up unannounced at the gate. Those are important points to understand today.

I'm holding in my hand the Transportation Safety Board of Canada's report for aviation occurrences and accidents, their report on statistics for 2013. In that report it states that in 2011 civilian flights in Canada, not including ultralights, gliders, balloons, etc., represented an estimated 3,966,000 hours of flying activity. There has been a significant downward trend in accident rates in the last decade from 7.0 in 2002 to 5.7 in 2011. In fact these safety statistics are the best in a decade in Canada and are improving.

Mr. Chalmers, who was in front of this committee last meeting, suggested that design improvements in planes largely explain the improvement in safety. Is that a fair assessment? Isn't it interesting that the introduction and the maturity of safety management systems coincides very neatly in fact with the improvement in safety statistics?

Capt Craig Blandford: I would argue that you're right, sir. We're using the tools. We're way more sophisticated in identifying issues and fixing them today. The flight data management system for us is incredible. We can identify things that are going to happen if we don't fix it.

Without even reporting, we're using the technology of today—the sophistication and education and training systems—to identify the problems and fix them, and SMS has helped us to do that.

Is there room for improvement? Absolutely.

Mr. Jeff Watson: Sure, and that's what this committee is charged with.

I appreciate your positive outlook on that. If we were to listen to the UCTE, they've grieved this shift towards safety management systems some 1,000 times, as they confessed at this committee in the last meeting, and that's sad.

Mr. McKenna, I want to ask you a question. You did develop the ATAC SMS tool kit and guide for the non-major carriers here—you talk about other classes—in order to help them implement safety management systems or some version that would be adaptable or acceptable to their particular classes.

Have you had any response from Transport Canada about your particular tool kit? Is it something they're looking at? Is it something they've considered perhaps adopting as a standard? What feedback are you getting from the regulator?

Mr. John McKenna: We shared it with them from the beginning. From the design part of it all the way through, we've shared it. It's not necessarily known by all inspectors out in the field. Transport Canada would never go as far as sanctioning it or giving it its golden seal of approval, but they are encouraging us to distribute it, promote it, with our members.

Mr. Jeff Watson: Okay, thank you.

That's all I have.

The Chair: Thank you.

I want to thank our witnesses. We have a bit of committee business that we have to do in camera, so thanks again for being here.

I ask that if there are any media here who want to ask the witnesses questions, please go outside. I have to clear the room because we have to go in camera.

Do you have a point of order, Mr. McGuinty?

Mr. David McGuinty: Before we go in camera, Mr. Chair, I want to raise a procedural matter with you, which I think is very important. It relates to the minutes of the meeting of Tuesday, May 13.

•(1035)

The Chair: May 13. Okay.

Mr. David McGuinty: Correct. They clearly state that the committee adopted the subcommittee report indicating that Transport Canada officials and officials from the Auditor General's office would be invited to appear on Thursday, June 12. Do you recollect that, Mr. Chair?

The Chair: I know they were invited. I can't remember the dates, Mr. McGuinty—

Mr. David McGuinty: Those are the minutes of the meeting of Tuesday, May 13.

The Chair: Okay. Your point is?

Mr. David McGuinty: The first point I want to raise as a point of order, Mr. Chair, is that I understand that you, and not the trusted non-partisan official tasked with arranging these things for this committee and all committees, wrote to the Office of the Auditor General to invite him—

The Chair: Yes, and you asked for that, and I gave it to you.

Mr. David McGuinty: In your letter to him, you say it serves as an unofficial invitation to appear before the House of Commons Standing Committee on Transportation, Infrastructure, and Communities.

The Chair: Yes.

Mr. David McGuinty: Can you help me understand, just in terms of orders, Mr. Chair, why you, and not the clerk, would invite the Auditor General?

The Chair: The clerk would have been the official. I was putting them on notice. It was something that I dealt with. If you have a problem with that, well, I guess you—

Mr. David McGuinty: Is that normal practice, Mr. Chair? I haven't seen that happen before in my almost 10 years here.

The Chair: I don't know about you, Mr. McGuinty, but any time that I have a witness that I want to put on a list at all, I contact them in advance to make sure that they're even willing to come. In this case here, I wanted to see them here as much as you.

Mr. David McGuinty: Okay. The second point I want to raise, then, is that when the Auditor General actually agrees to come in his note to you, he says, "I am happy to make myself available to the committee on June 12 to further discuss findings in a 2013 chapter". My understanding is that you, as chair, unilaterally decided to—

The Chair: But if you—

Mr. David McGuinty: Let me finish my sentence.

The Chair: But you're only reading part of it. If you go in there, he has nothing to report, and I made the decision that if there's nothing to report, we'll have him at a later date when he does have something to report.

Mr. David McGuinty: With all due respect, Mr. Chair, is that your unilateral discretion?

The Chair: As chair, I have to make decisions, and I stand behind it.

Mr. David McGuinty: Are you not bound under the rules to proceed on the basis of the agreement, as I described from the minutes of the proceedings on Tuesday, May 13, 2014?

The Chair: Look, Mr. McGuinty, if you have a problem with that decision, that's fine, you made that point. But when I attend a meeting, I like it to be productive. If the gentleman has nothing to add at this time, it wouldn't then be a very productive meeting. So I made the decision. Obviously, you don't agree with that and I accept that. Do you have any other points of order?

Mr. David McGuinty: What I—

The Chair: Do you have any other points of order?

Mr. David McGuinty: What I would put to you, Sir, is that under the rules this is abnormal practice. In fact, what should be occurring is that once you hear back from the Auditor General, you should table his response to this committee in its entirety, and you can perhaps raise this point and have a discussion about it, and let this committee decide after it is already approved our extending an invitation to the Auditor General.

The Chair: Okay, point taken.

Mr. David McGuinty: It's not a discretionary matter for the Chair to decide.

The Chair: That's your opinion.

Do you have any other point of order?

Mr. David McGuinty: It's not an opinion. I'm asking you and the clerk to give me an idea, please, in terms of the rules of procedure in this committee, how this is working and how it's going to work forward.

It's not an opinion; it's a point of order.

The Chair: As far as the Auditor General is concerned, who is the witness in question here, he will be invited again.

Mr. David McGuinty: When will he be invited?

The Chair: When would you like him to be invited?

Mr. David McGuinty: It's not for me to decide, but for this committee to decide—

The Chair: Of course it is.

Mr. David McGuinty: —which is why we rendered a decision to invite him in the first place.

The Chair: Based on the letter—and I don't have it front of me—I'm thinking that he'll probably, at some point when he has something to add to it, get back to me or get back to the clerk, and he can be invited. If you want to say right now that we want to invite him back at the first meeting in the fall, then say so.

Mr. David McGuinty: I'd like to have him back here on June 12, pursuant to the decision this committee made.

The Chair: Well, if you want me to cancel, or have the clerk cancel the witnesses we have for Thursday—

Mr. David McGuinty: No, I think we could add him. Why don't we add him? He says he's ready to make himself available to the committee on June 12.

The Chair: What is the wish of the committee?

Mr. Watson.

Mr. Jeff Watson: I'd like to speak to the point of order, because the consent of the committee—at least from this side—was that the Auditor General would appear to respond to the work plan

developed by Transport Canada. That was our consent in suggesting that the Auditor General appear, not simply to appear in regard to a report for which he's already appeared before this committee. That's a waste of our time. So if Mr. McGuinty wants to raise the consent of the committee, our consent was given contingent—and you can check the blues on that—to his appearing to respond to Transport Canada's updated action and work plan in relation to his report, not in relation to his own findings in the 2013 report. I would therefore suggest the Chair has actually fulfilled the consent of the committee.

• (1040)

Mr. David McGuinty: I'm sorry, Mr. Chair. Who's contingency is Mr. Watson speaking about?

Mr. Jeff Watson: The government members here—

Mr. David McGuinty: Oh, I see.

Mr. Jeff Watson: —supported the Auditor General appearing before this committee to respond to Transport Canada's action plan on his report, not about the general findings of the report. We've already done that exhaustively.

Mr. David McGuinty: Through you, Mr. Chair, I didn't know that Mr. Watson and the government members had the right to impose contingencies on committee decisions. The committee made a decision, which I can read out here: “That, in relation to the study of the Review of the Canadian Transportation Safety Regime, officials from the Department of Transport as well as officials from the Office of the Auditor General of Canada be invited to appear on Thursday, June 12, 2014.” I see no contingency in this writing at all.

Mr. Jeff Watson: Read the blues, Mr. Chair.

The Chair: Do you have another point of order?

Mr. David McGuinty: I do.

Can we please invite the Auditor General and fulfill the actual minutes of the proceedings and the agreement of this committee? Let's get the Auditor General to this committee on June 12.

The Chair: Are you making that a motion?

Mr. David McGuinty: I'm asking for you to explain why the Auditor General will not be here on June 12.

The Chair: Are you making that a motion, that you want them to be added to Thursday's list?

Mr. David McGuinty: Absolutely.

The Chair: Okay.

All in favour of the motion?

Mr. Hoang Mai: I'd like a clarification on that point of order, because I don't have the minutes of the meeting. For the record, can we know exactly what was decided, because I understand from your... Anyway, we just need more information.

The Chair: What I'm trying to get at here is that clerk is right, in that we can't have a motion on a point of order. Is everyone here in favour of asking the Auditor General to come on Thursday?

Some Hon. Members: Yes.

Some Hon. Members: No.

(Motion negated)

The Chair: Okay, it's defeated.

Do you have another point of order?

Mr. David McGuinty: I do.

The Chair: Mr. Watson.

Mr. Jeff Watson: I didn't get recognized, Mr. Chair.

The Chair: Well, you never said anything.

So, Mr. Watson.

Mr. Jeff Watson: Thank you.

I move that we proceed in camera.

The Chair: Are we in...?

Mr. David McGuinty: What was the motion?

The Chair: The motion is to move in camera.

Mr. David McGuinty: Is Mr. Watson providing any kind of...?

Mr. Jeff Watson: It's non-debatable.

Mr. David McGuinty: I see. So we're shutting off the Canadian public right now, is that it?

Mr. Jeff Watson: Mr. Chair, there's no discussion.

The Chair: There is no discussion on it, and you know that. You've been around here as long as I have.

Mr. David McGuinty: So we're shutting out the Canadian public. I've got it.

The Chair: No, we're going in camera.

Mr. David McGuinty: Right, which means the public aren't following.

Mr. Jeff Watson: Call the vote.

The Chair: You're out of order.

We have a notice of motion that—

Mr. Hoang Mai: Are we going to...?

We have to vote on whether or not we're going in camera.

The Chair: All in favour? We know what the result's going to be. All opposed?

(Motion agreed to)

The Chair: Let me know when we are suspended.

[Proceedings continue in camera]

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