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Chair

Mr. Luc Berthold

Standing Committee on Transport, Infrastructure and Communities

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• (1100)

[*Translation*]

The Vice-Chair (Mr. Luc Berthold (Mégantic—L'Érable, CPC)): I call to order this meeting of the Standing Committee on Transport, Infrastructure and Communities of the 42nd Parliament, 1st session.

Pursuant to Standing Order 108(2), we are continuing our study on aviation safety.

We are pleased to welcome the following witnesses: Glenn Mahon, Director of Operations, St. John's International Airport, representing the Atlantic Canada Airports Association; Steve Maybee, Vice-President of Operations, Edmonton Airports, representing the Canadian Airports Council; and Harry Gow, Immediate Past President, National, Transport Action Canada.

Good morning, everyone.

Without further ado, I give the floor to the witnesses.

Mr. Mahon, would you like to go first?

You have five minutes.

[*English*]

Mr. Glenn Mahon (Director of Operations, St. John's International Airport, Atlantic Canada Airports Association): Thank you.

Mr. Chairperson and members of the committee, on behalf of Atlantic Canada's airports, it is a pleasure to be here today as part of your study on aviation safety. The Atlantic Canada Airports Association has 12 airport members responsible for nearly all passenger and cargo traffic in our four-province region.

My name is Glenn Mahon, and I'm the director of operations for St. John's International Airport. While we are a medium-sized airport nationally, we're actually the second-largest airport in the region after Halifax, with about 1.5 million passengers last year. For some context, that compares with about 46 million passengers at Toronto Pearson. By contrast, passenger levels at the 11 other ACAA airports range from about 52,000 passengers at Bathurst to 3.9 million passengers a year in Halifax.

Mr. Maybee and I work closely together as part of the CAC's operation safety and technical affairs committee, and many of his concerns are shared by airports in our region, albeit often with smaller operational teams and fewer resources with which to address

similar challenges. Through the ACAA and the CAC, collaboration with the aviation community is a tremendously important way for us to extend our airports' reach and capabilities and address safety-related concerns. It also helps us communicate collectively with the regulator in ways each airport would be challenged in doing individually, on points of mutual interest.

Like Edmonton, St. John's International Airport is one of the 21 national airports system airports that have been responsible for funding almost all of their own operating infrastructure and capital costs. St. John's was the recipient of rare federal funding in 2011 under the Atlantic gateways program, when matching government funds were provided for installation of a \$37 million instrument landing system to significantly enhance safety and improve service in our foggy part of the country.

While St. John's is able to self-fund investments in its own safety infrastructure, support from the federal and provincial governments was important to implement this project. For many smaller airports with lower traffic volumes than ours, projects cannot proceed on revenue from operations and airport improvement fees alone. This is why the federal government created the airports capital assistance program.

Designed in the 1990s for airports with fewer than 525,000 passengers a year, ACAP has about \$38.5 million a year for safety and security-related projects, safety systems, and essential equipment. While it is not a program for medium-sized airports like St. John's, it is very important for small airports in our region and throughout Canada. Unfortunately, ACAP money has not increased since the program was created 20 years ago, while airport costs have increased significantly over the same period.

Six of the smallest NAS airports, four of which are located in Atlantic Canada, are ineligible for ACAP because they are located on federal land. My colleagues at these airports have been working on a change to this inequity for six years, but while they have received a lot of support from MPs in the region and even Minister Garneau himself, this is still an outstanding safety-related infrastructure concern.

Regulatory requirements for runway end safety areas anticipated in the next few months will further impact an as-yet-unknown number of small airports. Runway upgrades could cost tens of millions of dollars for each airport affected, a significant financial cost burden affecting airports without access to any federal programs, which will have to be covered through an increase in user fees. But there is strong pushback from air carriers against any increase in user fees.

While there is agreement among all that the issue of runway overruns requires attention, airports also require sound justification from Transport Canada for the financial and operational challenges they will be facing in implementing RESAs. Safety improvements should be supported by sound root cause analysis and be proportional to risk.

We have noted some discussion in this committee on safety management systems, which is an invaluable approach to aviation safety that industry experts perhaps need to do a better job of explaining. Rest assured that aviation safety is our top priority and an ongoing team effort. Technology is constantly improving, and we are frequently learning new and better ways to operate airports safely.

The Canadian regulatory environment is evolving and modernizing as well, in part to keep up with ever-changing international safety standards. SMS establishes accountability with its top-down approach and the identification of an accountable executive, which is typically the airport CEO or a senior executive. With senior management support, the system focuses on a proactive approach to safety through the implementation and progressive improvement of regular airside inspection and monitoring programs in an effort to identify and mitigate safety risks before they result in accidents. In essence, it keeps safety at the forefront within the organization.

In closing, I would like to say that co-operation within the industry is one of the greatest strengths of the Canadian aviation sector today, and it is essential in a country like Canada where aviation is built on a network of independently operated local airports.

I thank you again for the opportunity to present here today, and I look forward to answering any questions.

Thank you.

•(1105)

[*Translation*]

The Vice-Chair (Mr. Luc Berthold): Thank you very much, Mr. Mahon.

I commend you for staying strictly within your time.

Mr. Maybee, you have five minutes.

[*English*]

Mr. Steve Maybee (Vice-President of Operations, Edmonton Airports, Canadian Airports Council): Mr. Chair, ladies and gentlemen of the committee, on behalf of the Canadian Airports Council and our 51-member airports, thank you for the opportunity to present before you today on a topic that is important to airports, aviation safety. My name is Steve Maybee. I am vice-president of

operations for the Edmonton International Airport, and chair of the CAC's operations, safety and technical affairs committee.

The CAC's members include busy international airports, such as Toronto Pearson and my own airport, but also smaller commercial airports like Saskatoon, Prince George, and other affiliated airports in Atlantic Canada. As the voice of Canada's airports in areas where our members have shared views, the CAC also provides a platform for airport professionals to collaborate among themselves, but also with Transport Canada, the Transportation Safety Board, air carriers, Nav Canada, labour groups, and other partners on ways to improve safety at Canadian airports and within the aviation sector.

Aviation is a very capital intensive industry, and regulatory requirements on airports have grown even more complex since they were transferred from the federal government, starting in the early 1990s. Edmonton International Airport is one of 21 airports designated as part of the national airports system and run by private, non-share capital corporations responsible for shouldering their own operating and infrastructure costs.

Using user fees and funds from operations, NAS airports have invested more than \$22 billion in airport infrastructure since 1992. These investments have included not only improvements to the traveller experience, such as renewed terminals, but also airside investments with a focus on improving safety.

Airports work on an ongoing basis with the dedicated professionals in the civil aviation branch of Transport Canada. To the extent that we see opportunities for improvements in government's approach to aviation safety, please understand that the bulk of our concerns are directed at the mechanics and processing within the system itself, rather than at the hard-working bureaucrats who are often as frustrated as we are with the pace of work to support our shared objective for a safe, modern, and efficient world-class airport system. We challenge government and government challenges us. That's how a collaborative air transport regulatory system works, resulting in healthy, robust, ever-evolving regulations, and one of the safest aviation sectors in the world.

Airports are strong and proactive advocates of measures to address safety concerns in the vicinity of airports, for example, laser strikes on air crews and the proliferation of unmanned aerial vehicles or drones near airports. Our airport members were very pleased to see Transport Canada recently release an interim order addressing the rapidly growing UAV/drone problem.

Canada's air transport regulations are being more closely aligned with international standards developed through the International Civil Aviation Organization, where Canada has at times played a strong leadership role. This has resulted in a more uniform and global approach to applying aviation standards and regulations.

Aviation safety is an evolving discipline, and we are never done. Budget cuts at Transport Canada have seen periods where the regulator is less able to engage with industry. The CAC and other aviation associations provide valuable forums for transport officials to meet with a broad spectrum of industry professionals, but cuts have impacted their level of service and important collaboration with industry in recent months. There are always choices to be made, but there is a significant benefit to aviation safety when the various components of the system, including Transport Canada, are able to work together.

Resources and the pace of work go hand in hand, and Transport Canada has not been immune from government-wide deficit reduction efforts. In practice, this means officials have to prioritize their work and less pressing items go on the back burner. In one particularly frustrating example, in 2015, Transport Canada finally released the fifth edition of TP312, an important technical standards document that airports rely on heavily. This update took 22 years.

Another concern is the attrition of expertise. Aviation is an industry with highly specialized disciplines. When Transport Canada ran airports, the department was its own institution for training and professional development on airport management and operations. Since the transfer of airports to local airport authorities and municipal governments, airports have had to develop their own proficiency in recruiting, training, and providing ongoing professional development. Airports have developed this capability internally by hiring consultants and by collaborating among airports.

The CAC is part of an international network of airports called Airports Council International, and airport professionals in Canada have access to international training and certification training. Canadians are active participants in ACI's airport excellence, APEX, in safety program, which sees airport leaders worldwide participate in safety reviews at airports. Designed initially to provide peer support to airports in the developing world, it has proven to be an invaluable tool for promoting safety at all airports.

• (1110)

We need to ensure that a healthy pipeline of aviation professionals is in place for Transport Canada. Many of today's inspectors have never worked at an airport, challenging Transport Canada's effectiveness in its demanding function as the country's regulator. The problem will only become more acute as retirements at Transport Canada further deplete the already limited number of highly experienced officials.

[*Translation*]

The Vice-Chair (Mr. Luc Berthold): Mr. Maybee, could you wrap it up? Are you finished?

[*English*]

Mr. Steve Maybee: Thirty seconds.

Airports have offered to help by working with Transport Canada on an employee exchange program in which Transport Canada

officials would spend time working at airports. Our colleagues at Transport see the merits of such a program. However, getting this set up runs up against the limitations of government hiring practices.

Thank you for your time, and I look forward to your questions.

[*Translation*]

The Vice-Chair (Mr. Luc Berthold): Thank you, Mr. Maybee.

Mr. Gow, you have five minutes.

Mr. Harry Gow (Immediate Past President, National, Transport Action Canada): Thank you, Mr. Chair and honourable members of the committee.

[*English*]

Transport Action Canada, founded in 1976, is a non-profit national organization promoting the rights and interests of passengers—air, rail, bus, transit—and advocating for the use of public transit. It's a registered charity.

I shall probably have to summarize my notes a bit because we have to fit everything into five minutes.

Transport Action notes with approval the intent of the federal government to establish an air passenger rights regime with an airline code, and maybe an airline passenger complaints commissioner.

We agree with the recommendations of the Public Interest Advocacy Centre in their report for the Transportation Act review secretariat.

Now I shall present some of our questions. Some of this will be in English, but I will start out in French if I may.

[*Translation*]

I will now talk about personnel issues.

The first issue is flight crew fatigue management. How adequate are rest times between assignments? Are crew and passengers put at risk by long hours or do crew get adequate respite between and during flights? Are methods of keeping the crew awake effective, or are they a form of harassment that can be counter-productive to alertness? Can video surveillance of the cockpit crew respect the rights of personnel while enhancing safety, or is it rather a form of intrusive micromangement?

The second issue is the proficiency of foreign flight crews. What will be done by Transport Canada to screen foreign flight crews to determine the adequacy of their training, safety record, number of hours flying, and so on? Is it safe to allow any crew from any other country to operate a Canadian aircraft without approval by Canadian authorities?

The third issue concerns the effects of toxic vapours inside the cabin. Our question has a specific focus on flammable materials such as some wiring insulation—for example, Kapton—and thermal insulation, such as Mylar. What is the current use of such materials in Canadian commercial aircraft? Are counter measures in place to prevent vapours and/or smoke to avoid another disaster like that of Swissair Flight 111?

• (1115)

[*English*]

With regard to enforcement and monitoring of legislation, there are several questions, but we are particularly interested in training and competencies as well as audit and inspection practices and procedures. This relates somewhat to the previous colleague's presentation.

The Canadian Federal Pilots Association recently cited an Abacus study that revealed “broad concern about recent cuts to aviation safety oversight and an ominous sense that a major aviation accident in Canada is likely to occur in the near future”. That's a quote. That's not me saying that. They said it.

At the heart of these concerns are reductions in inspection personnel and Transport Canada's reliance on the carriers' safety management systems in place of regular inspections. Questions include whether any study has been undertaken on the safety effects of cuts to inspection personnel, and whether any empirical evidence exists as to the effectiveness or not of the airlines' SMS, particularly if it is not strongly backed by Transport Canada's own vigilance.

Following the Lac-Mégantic disaster, Transport Canada eventually hired more railway inspectors. Will the aviation authorities at Transport Canada follow suit is the question.

We didn't select sections 3 and 4 for comments or questions, so we'll go to accident intervention in French.

[*Translation*]

The Vice-Chair (Mr. Luc Berthold): Mr. Gow, unfortunately, I will not let you begin a new part, as your five minutes are up.

Mr. Harry Gow: It's over?

The Vice-Chair (Mr. Luc Berthold): Yes.

I still want to thank you and all the other witnesses for your efforts to keep things concise, as it is not easy to make a presentation in five minutes. Rest assured that my colleagues have looked at the documents you sent them beforehand to prepare for this question and answer period, which begins now.

Mr. Rayes, you have the floor for six minutes.

Mr. Alain Rayes (Richmond—Arthabaska, CPC): Thank you very much, Mr. Chair.

I want to thank the witnesses for being here and sharing their experience with all the committee members.

Before I start asking the questions I have prepared, I would like to check something with you, Mr. Maybee. In your conclusion, when the chair told you that your time was up, you said that you are limited by Transport Canada's hiring practices. Did I understand correctly?

[*English*]

Mr. Steve Maybee: It goes to the lack of expertise and experience that they have within the inspector group now. There are very new inspectors and those who do have expertise there now will be retiring over the next several years or have already retired, and they only have a limited number of inspectors to interact with industry.

We need additional inspectors, and they need to find ways to get more experience and expertise in airports. These folks have never worked at an airport, and they don't know the operations. We have proposed ways to do a work exchange with Transport Canada, and airports would be willing to take inspectors within the airports and let them work there for a period of time. Going back with that expertise and experience would be highly beneficial for them.

[*Translation*]

Mr. Alain Rayes: Mr. Maybee and Mr. Mahon, I would like to know whether the budget cuts imposed on the Department of Transport have had an impact on aviation safety. If so, do you have any examples to give us?

[*English*]

Mr. Glenn Mahon: In the Atlantic region, one of the things that has an impact—certainly on accessibility to Transport Canada inspectors—is the high turnover rates. As Mr. Maybee also said, there appear to be declining levels of knowledge and so on associated with these high turnover rates.

I guess if there's anything that we would like to say, it would be to request further support from Transport Canada to their civil aviation inspectors, to get them the training skill sets and resources they require to do their jobs.

• (1120)

[*Translation*]

Mr. Alain Rayes: Mr. Maybee, I am listening.

[*English*]

Mr. Steve Maybee: Aviation in Canada is the safest it's ever been, but it can always be better. The thing we'd like to see is more interaction with the regulator. We used to have the ability to call up the regulator and ask for a review of the regulations, or to get an interaction with them around the regulations. We don't have that ability anymore, or it's very limited. So we take the regulations....

The airports have to work together. The Canadian Airports Council and ACI are our peer group, and are where we get most of our information and best practices now—not from within Transport Canada. We would like to have more interaction with Transport, and I think it would make the industry safer if we had more ability to do that.

[Translation]

Mr. Alain Rayes: Mr. Maybee, why is that interaction not as fluid or as accessible? Is it because there are fewer people and the personnel is overburdened, or is it rather because the department's culture is making it difficult for it to work directly with you, to share information, to be more transparent or to recognize that your expertise may help it improve aviation safety?

[English]

Mr. Steve Maybee: I believe there are a number of things that contribute to it. One is that there are fewer inspectors than there were before, especially within the regions. As I mentioned, the experience and expertise level isn't there, so they can't consult on things as much as they used to be able to.

The other piece of it is that they're busy auditing paperwork. Our SMS programs are very effective; the SMS programs in Canada are better than they've ever been, especially in the airport sector. But when they come on site now, they're auditing paperwork. They're not talking to us about aviation safety. They're not talking about what's happening on the airfield. They're talking about what's in our paper, whether that paper meets what the regulation says, and whether that paper meets what our airport operations manual says. So their function has changed.

[Translation]

Mr. Alain Rayes: Mr. Mahon, would you like to add anything?

[English]

Mr. Glenn Mahon: Yes, if I could. I would just like to add that there seems to be less interaction with the regulator from the airport's perspective now, because the oversight process has changed. I don't think that necessarily means that oversight has diminished; it's just a different process.

If you look back 10 years ago, an inspection at an airport would involve a team of inspectors coming in to do a physical inspection of an airfield. They would then develop a report for the airport authority, which would in turn identify the deficiencies and submit corrective actions.

The process now has changed to more of an audit process, as Mr. Maybee mentioned, with their coming in and inspecting our systems more from a documentation perspective.

[Translation]

Mr. Alain Rayes: I don't know whether I can summarize that by saying that there is a lot of red tape in the system and that, if it was reduced, efficiency would be enhanced. Is what I said correct?

The Vice-Chair (Mr. Luc Berthold): Mr. Rayes, after that nice summary, I must tell you that your time is up. Thank you.

I must now give the floor to Mr. Fraser.

[English]

Mr. Sean Fraser (Central Nova, Lib.): Thank you to each of our witnesses for being with us today.

I'll start with Mr. Mahon.

As a fellow Atlantic Canadian, I recognize the fog you mentioned during your remarks. Are there other unique safety concerns specific to the Atlantic region that are different from the rest of Canada?

Mr. Glenn Mahon: Certainly I think so. When you look at the Atlantic region in particular, there's certainly fog and inclement weather in general. You need go no further than Environment Canada to understand that the Atlantic provinces have some of the worst weather in the country. Dealing with those types of situations requires additional resources, state-of-the-art equipment, and systems and processes to deal with them effectively.

Mr. Sean Fraser: One of the reasons I asked is not just out of personal interest, but I know you've flagged that as well for the six small NAS airports in Atlantic Canada—and don't scare me too much, as I'm flying to Charlottetown tonight. But if we were able to compete with other larger airports for infrastructure funding at small airports, would that help address the specific safety aspects facing the Atlantic region? How would allowing these small airports to tap into the same pool of infrastructure money that other airports can use improve safety?

● (1125)

Mr. Glenn Mahon: I think that is it in a nutshell, the ability to tap into federal funds. These smaller airports in particular do not have the passenger base to be able to sustain this critical infrastructure on their own, whether it be through airport user fees or an airport improvement fee specifically.

Again, their infrastructure is aging and deteriorating, which increases operating costs and so on. They desperately need to be eligible for some of these programs that exist, such as APEX.

Mr. Sean Fraser: Mr. Maybee, I believe you mentioned that it's safer today to fly in Canada than it's ever been, but that we can always be better. Do you know if that safety record is improving at the same rate for small airports as it is for the rest of the Canadian aviation system?

Mr. Steve Maybee: I don't have that detail with me. We can get that for you.

Mr. Sean Fraser: That would be helpful.

Mr. Steve Maybee: When I made that comment, I meant that when we look at the overall safety stats across Canada, incident rates are down.

Mr. Sean Fraser: If you could get it, I'd be very curious about it.

You mentioned as well that training is the focal point of your remarks. I think this is going to be a growing problem over the next generation. I saw a report the other day suggesting that there are more Canadians over 65 than under 15. To the extent that we've already lost skills and knowledge through attrition, I'd suggest it's only going to get worse, particularly in Atlantic Canada where this trend is exacerbated.

From an aviation safety perspective, where can we focus the training resources that I know were a priority in budget 2017 to make sure that we're training people for the needs of the aviation safety sector a generation from now?

Mr. Steve Maybee: One is to get young people interested in aviation, to attract them to careers within aviation. Once they're there, there are opportunities for training. We talked earlier about training the inspectors for what they're doing. The auditing function is not necessarily an inspector's role. It's what they're doing today, but there are people who can audit and then have the inspectors do something else.

Maybe it's about role definition and bringing other folks into roles where they could do audit paperwork and audit programs, versus having inspectors doing that work and taking them away from the other valuable work they could be doing.

Mr. Sean Fraser: Certainly. On the training of inspectors, we've heard some really conflicting testimony to date on the importance of having inspectors both keeping up their flying time and actually doing their training in the air as opposed to in a simulator.

I'm curious as to what your view is about ensuring that the inspectors have the best quality training. Are we doing enough to actually get them in the plane to keep their skills sharp in different kinds of environments, whether it's weather, nighttime flying, or whatever else it might be?

Mr. Steve Maybee: I can't speak to the type of training they are getting flying-wise. I can talk to the expertise within airport operations and how it works on the ground.

Mr. Sean Fraser: We can follow that up with another panel. That's fine.

Mr. Gow, I probably have a minute or two left. You have mentioned the passenger bill of rights and some of the benefits to having that kind of a system put into place. What are the essential factors to a passenger bill of rights, in your mind? How can we help inform the process to make sure we do it right?

Mr. Harry Gow: Well, there are many, and some of them are not in the safety area.

In the area of safety, there is the question of the right to have food and water during lengthy delays at airports, sitting on the tarmac waiting to either go back to the airport or to go somewhere.

There's the question of the vital space allowed to passengers, and there is some controversy in Canada and overseas over deep vein thrombosis. This is a condition that some allege may be caused by the very small seat pitches on some flights, and perhaps more commonly, on extremely long flights, if the passenger does not get up and move around.

The passenger, therefore, has some rights that are basic human rights, which may or may not be included in the code. The rest of the code will go on to such things as booking and overbooking, refunds, complaints about various matters, and so on. So it's a very vast thing, and only a portion of it bears down on the area of concern here today.

Mr. Sean Fraser: Sure. I feel like I might be in a position of conflict of interest if, at 6-foot, 7-inches, I recommend that we have larger seat spaces.

• (1130)

The Vice-Chair (Mr. Luc Berthold): With that recommendation, Mr. Fraser, your time is up.

[*Translation*]

The floor now belongs to Mr. Aubin.

You have six minutes.

Mr. Robert Aubin (Trois-Rivières, NDP): Thank you, Mr. Chair.

I want to thank our witnesses for being here this morning and for sharing their expertise with us.

I must say that, since the beginning of this study on aviation safety, I have been feeling like a ping-pong ball. Two opposing views have been presented to us. On the one hand, Judge Moshansky is telling us that the situation is so critical as to warrant a public inquiry to shed light on this issue. On the other hand, Transport Canada is saying that safety has never been better and that, even with an increased number of flights, there are apparently fewer incidents.

In light of your earlier testimony, some of the elements seem questionable, even contradictory to me. For example, it was said that oversight or document verification by inspectors is as effective and produces the same outcome in terms of safety as if inspectors were carrying out an inspection on the ground. That's at least what I understood from one of Mr. Mahon's comments. It seems to me that those are two completely different types of inspections.

I will put my first question to Mr. Maybee. I will first establish the context. On August 17, 2016, Transport Canada implemented a policy whereby Canadian airports are no longer subject to a comprehensive assessment of the safety management system. Unless I am mistaken, airports will now be subject to partial inspections that the department refers to as "program validation inspections" or "process or procedure inspections". So, instead of evaluating an airport's 10 most important activities, Transport Canada will evaluate sometimes one, or sometimes a few, but not all of the activities.

As you probably know, that decision was made and published in an internal process bulletin—in other words, without informing parliamentarians or the public of the decision. Were you aware of that Transport Canada directive at the time, Mr. Maybee?

[English]

Mr. Steve Maybee: No, I'm not fully aware of that directive. We haven't seen that. However, we still follow the SMS regulations, which have a time frame in them for our inspections and the inspections of Transport Canada. In the absence of Transport Canada's doing them, we hire third parties to do full audits of our airfields and our programs.

[Translation]

Mr. Robert Aubin: Your answer has coloured my second question, but I will put it to you anyway because I feel it is important.

Your organization represents 51 Canadian airports. Does Transport Canada consult you when it's time to implement procedures like this one?

[English]

Mr. Steve Maybee: Typically, we are consulted by Transport Canada. We have an excellent working relationship with the heads of Transport Canada in Ottawa, and we meet with them on a regular basis. In fact, we met with them recently and went through a number of files. When they come out with notices of proposed amendment, they typically run those past us for comment first. We have an ability to comment on suggestions around how to make it better, more efficient or effective, and we bounce those back and forth.

[Translation]

Mr. Robert Aubin: Thank you.

Mr. Mahon, I would like to get further clarifications on the equivalence you seem to see between a document inspection and inspections that used to be carried out by people who would go directly on the ground to examine the situation with their own eyes. How does that seem equivalent to you?

[English]

Mr. Glenn Mahon: As I said earlier, in the past Transport Canada would send in a team of subject matter experts. They would go physically into the airfield, boots on the ground, and conduct an inspection based on specific standards and regulations. They would identify deficiencies found, and those deficiencies would have to be addressed by the specific airport authority within a predetermined time frame.

With the implementation of SMS now, again, I don't see it as less oversight. I see it more as that the process has changed. With the implementation of SMS, which occurred over a four-year period, and significant consultation with Transport Canada, airports now conduct inspections and maintenance of their airfields on a daily basis. Throughout that process—a proactive process—they identify deficiencies and areas where corrective actions are needed, and that feeds through a specific process.

As Mr. Maybee mentioned, every three years the airport authority itself will have an independent auditor come in and audit our processes to make sure we're picking up on safety issues and concerns, hazards, and so on. Transport Canada really audits from the same perspective, the oversight of how those things are working internally.

● (1135)

[Translation]

Mr. Robert Aubin: The majority of witnesses—I don't have the figures to show that it is indeed the majority of them, but that is what I would conclude based on the testimony we have heard so far—or definitely a good number of witnesses, say that SMS is a good system, but that it is incomplete. It is not enough to use only SMS, and I feel that this is the main issue.

Mr. Gow, do you have any comments on that?

Mr. Harry Gow: Absolutely. I spent several months helping the Institute for Research on Public Policy, here in Ottawa, carry out a study on the Lac-Mégantic accident. I do understand that this accident had to do with another sector—rail transportation. The principal investigator, Bruce Campbell, concluded that the existence of SMS is good, but that boots on the ground are also needed. In other words, on-site inspectors need to examine the railway's weaknesses.

When it comes to aviation safety, inspectors can see first-hand problems in the installation of certain screws, rivets and other parts, or the condition of the wiring in aircraft fuselage. So I think that SMS is a good tool, but that it is not adequate as the only tool. It should be supported by the presence of trained and seasoned inspectors—human beings.

The Vice-Chair (Mr. Luc Berthold): Thank you very much, Mr. Gow.

I now give the floor to Mr. Hardie, who has six minutes.

[English]

Mr. Ken Hardie (Fleetwood—Port Kells, Lib.): Thank you, Mr. Chair.

Thank you all for being here.

Mr. Gow, I'll start with you. We've heard before, and particularly in the study of rail safety and on a visit to my colleague's community of Lac-Mégantic, about the potential for gaps to exist in the SMS system versus what maybe had been happening in the past.

I'll ask you this, and also throw it open to the other two gentlemen. Have there ever been incidents where the audits show one thing and then a subsequent physical inspection shows a gap between what was reported on paperwork—not dishonestly—and what was actually going on in the facility itself? Are there any examples of this?

Mr. Harry Gow: I think we could say that in the ground sector, where I have done more recent work, that the Lac-Mégantic disaster was in part an example of the kind of thing you're talking about. SMS reports were filed. They were checked by auditors. Sometimes they went back and told people to pull up their socks at the Montreal Maine and Atlantic, and this was sometimes done and sometimes not. The “sometimes not” was in part because there was nobody going to see, on the ground, what was going on.

In the aircraft sector, I can recall a report that came out, I think, from the Transportation Safety Board over a decade ago, about minor airlines in central Canada—that is, operating out of the Winnipeg area and beyond—not doing enough inspections and keeping sloppy records. It's not quite an answer to your question, but the danger is there that the SMS report might be a little over-optimistic—gilding the lily—and it's possible that the inspectors or auditors reading it might not detect that. That was an instance where we could smell the gunpowder but we didn't see the explosion.

Mr. Ken Hardie: I hear you.

Mr. Mahon and Mr. Maybee, do you have any comments on that?

Mr. Steve Maybee: The comment I would have is similar to Mr. Gow's comment, in that the management systems are a tool. That's simply what they are. They're a tool to help us manage the processes in the safety programs. But they're heavily reliant on people, and that gets into culture. Safety culture does not change overnight. Safety culture is something that you have to develop and work on and embed into your organization, and when that culture gets to a point, then the programs all work in synergy together. It takes time to do that. I can't think of any one instance where there was a significant gap between what the program was saying and what people were doing. We try to close those gaps. I can't think of anything offhand, but it's heavily reliant on people.

• (1140)

Mr. Ken Hardie: Talk to me, Mr. Mahon and Mr. Maybee, about this issue of runway overruns. Obviously there are some very expensive remedies, i.e., lengthening runways involved here. What's going on there? Is this an issue all of a sudden, or has it been creeping into greater prominence over time?

Mr. Glenn Mahon: Certainly when it comes to runway overruns, one of the things that have been proposed is the implementation of runway-end safety areas. From an airport operator's perspective, I guess, we look at that as a somewhat reactive response to a safety concern. The implementation or installation of runway-end safety areas at airports will certainly diminish the risk of passengers being injured and it will also minimize the damage to an aircraft in the event of an overrun, but it will not prevent aircraft overruns.

Mr. Ken Hardie: But are they happening more often?

Mr. Glenn Mahon: I can't speak to whether or not they are happening more often. I guess just by the nature of the fact that more aircraft are flying and the fact there certainly is more coverage of those types of things, it's probably more noticeable.

But from an airport perspective, one thing I would say is that if we look at the Transportation Safety Board watch list, we feel there is a direct correlation between two items: unstable approaches and aircraft overruns. If an aircraft approaches a runway too high and too fast, the end result, typically, can be an aircraft or a runway overrun. In those types of situations, what we'd like to see is not only a complete focus on the reasons, but also a look at the situation of unstable approaches and what that means and the root causes. Addressing those issues in and of themselves can minimize the potential for runway overruns.

Mr. Ken Hardie: We heard, in fact, in earlier testimony that unstable approaches might have to do with an over-reliance on auto-

pilots and the hand-off, if you like, between the automated system and hands-on flying. Is that your observation?

Mr. Glenn Mahon: Again, from an airport operator's perspective, I can't speak to the flight operations part of it, but I would like to say again that there is more than runway-end safety areas that need to be looked at in resolving those issues.

Mr. Ken Hardie: Mr. Gow, do you have a comment on that? Again, it's the whole issue of there maybe being overreliance on auto-pilots, and maybe a lack of experience in actual hands-on flying in certain conditions, particularly the dicey parts of takeoffs and landings.

[Translation]

The Vice-Chair (Mr. Luc Berthold): I ask that you keep your answer very brief, Mr. Gow.

[English]

Mr. Harry Gow: That would be the particular concern, I think. We can go back to reports on historic crack-downs such as the Moshansky report. I think that was on Dryden, where a plane went into the bush. But currently I think the issue is more of the potential of trouble, and it may relate in part to the lack of flying time and experience and boots on the ground inspections by Transport Canada inspectors. It's a bit of an indirect link to overruns—

[Translation]

The Vice-Chair (Mr. Luc Berthold): Mr. Gow, I must unfortunately cut you off. We are out of time.

Thank you very much.

Mr. Badawey could continue on the topic, if he wants, during his six minutes.

Did you want to pursue this further, Mr. Badawey? The floor is yours for six minutes.

[English]

Mr. Vance Badawey (Niagara Centre, Lib.): Thank you, Mr. Chairman. I will invite the witness to finish his answer.

I'll let you finish what you were answering before you were cut off.

Mr. Harry Gow: Thank you very much.

This is a question of potential trouble, as has been stated. Air traffic is increasing. The number of landings and takeoffs is increasing. The number of overshoots can go up just arithmetically without there being an increased danger. But I think the real concern now these days is the attempt to economize within Transport Canada in its oversight practices and the mechanical aspects and so on. That is where I think we have a problem. That attempt to economize could cost us dearly in the long term. Right now, we're lucky. We've just been lucky.

Mr. Vance Badawey: That's great to know.

If I may, Mr. Chairman, I have some comment on some of the— for lack of a better word—cutbacks that we've experienced throughout the past decade. According to the Canadian Federal Pilots Association, the civil aviation flying program of Transport Canada has been cut back starting in 2008-09 from over \$8 million. Although it was \$8 million in that timeframe, the data shows it being as low as \$3.5 million of late in 2016-17, while flying hours have dropped from 10,000 to just under 4,000 in the same time period.

As well, if I may, the number of aircraft used in training has dropped from 42 to 14 in that same time period. The department suffered several rounds of full-time equivalent job cuts during the former government with respect to over 100 positions between 2009-10 and 2014-15.

Can I get some comment on that from one of the witnesses?

• (1145)

Mr. Harry Gow: Perhaps the other gentlemen could comment.

Mr. Glenn Mahon: From the flight operations perspective, it's really not our area of expertise. It's more on the ground, the airport environment and the infrastructure on the ground, that is really the area for which we're probably best capable of responding.

Mr. Vance Badawey: Let's get directly to that, then.

In its watch-list, the Transportation Safety Board notes that many Canadian airports do not yet meet the Transport Canada guidelines of 150 metres, and most large airports do not meet the International Civil Aviation Organization recommended practice of 300 metres.

With that, what is the current compliance rate for Canadian airports in regard to the standards and guidelines for runway end safety areas. That was the first question. The second question is what prevents Canadian airports from meeting the standards and guidelines for runway end safety areas. In your opinion, should Transport Canada establish runway end safety area regulations to that end? I'd like to hear some more thought or explanation on that.

Mr. Glenn Mahon: Right now, over the last couple of years, there's certainly been significant consultation between the air operators and stakeholders and Transport Canada on the implementation on runway end safety areas. There was an extensive risk assessment done by Transport Canada at the request of airport operators and certainly other aviation stakeholders. I guess that's where the process is right now. It's gone to a recommendation from Transport Canada to the CARAC process.

I guess our understanding right now is that we'll be hearing within the next six months or so as to what the outcome will be from a regulatory perspective for implementing RESAs at airports.

Mr. Vance Badawey: Thank you.

Mr. Chairman, I'm going to split my time with Mr. Iacono.

[Translation]

Mr. Angelo Iacono (Alfred-Pellan, Lib.): Thank you, Mr. Chair.

I have a question for Mr. Maybee. Landings and takeoffs are critical moments. Runway incursions pose significant risks, according to the Transportation Safety Board. What are airports doing to prevent runway incursions, and how can the federal government help them?

[English]

Mr. Steve Maybee: Those periods of time in the flight are the riskiest from an aviation perspective. From a regulator's perspective, it's making sure that the regulations get through quickly and don't take so much time. We started working on runway end safety areas a number of years ago after they appeared on the watch-list, and we're still waiting for the regulation. Some airports have already undertaken to start putting in 150-metre RESAs. Some airports have actually moved to 300 metres.

Airports are starting to do that. But they do that at their own risk because they don't know what the regulations are going to finally say. So they're moving those things through quickly.

I talked about other things like the TP312 document. That's a regulatory document to which airports build and maintain their infrastructure. Twenty-two years between editions is far too long. Airports started looking to ICAO annex 14 standards for input and direction on what to do at their airports. We can't allow those processes that take so long, because they are so critical to what we do every day.

[Translation]

Mr. Angelo Iacono: Thank you.

I have a question for all three witnesses.

What, in your opinion, is the most significant issue in terms of aviation safety in Canada?

Please keep your answers short.

Mr. Harry Gow: Mr. Iacono, I would say it is investment, be it investment in training and professional practice for pilots, in inspections, in the updating of navigation and landing systems or in secondary airports. Major airports, like those in Ottawa and Toronto, don't seem to be having any problems.

Mr. Angelo Iacono: Thank you.

We will give the other two witnesses an opportunity to answer the question.

Mr. Maybee, go ahead.

[English]

Mr. Steve Maybee: One of the main concerns right now is funding for all the activities we have to do. Airports are heavy on infrastructure, and the cost of doing all of these items is a balance between everything we do.

Mr. Angelo Iacono: Mr. Mahon.

Mr. Glenn Mahon: I would have to agree with Mr. Gow. We need to provide civil aviation inspectors with adequate training, resources, and so on to enable them to be more accessible to the stakeholders and to more effectively implement the regulations.

•(1150)

[Translation]

Mr. Angelo Iacono: Thank you.

The Vice-Chair (Mr. Luc Berthold): Thank you very much, Mr. Iacono.

All our colleagues are giving you this additional time on your wedding anniversary. I know that Rana and you are celebrating your wedding anniversary. We are pleased to give you this additional time as a small gift.

Mr. Angelo Iacono: Thank you very much.

We often say, happy wife, happy life. That's important.

The Vice-Chair (Mr. Luc Berthold): Happy wedding anniversary, Mr. Iacono.

I now give the floor to John Barlow for six minutes.

[English]

Mr. John Barlow (Foothills, CPC): Thank you very much, Mr. Chair.

Again, thank you to our witnesses for being here today and sharing your very critical information as we proceed through this.

I'm just filling in today, so I haven't been informed of the entire study, but I have several smaller airports in my constituency of Foothills in southwestern Alberta, including the Springbank, Okotoks, and Pincher Creek airports. With some of these new regulations, they've really been struggling to try to stay open.

Mr. Maybee, are the new regulations for SMS nimble enough to address all the situations at all sizes of airport, whether it's Edmonton International or Springbank, which is more of a regional airport?

Mr. Steve Maybee: The regulation is really effective at the larger airports. It gets very difficult for smaller airports to fulfill all of the requirements, especially when it comes to the audit processes and staying on top of them. It's tough for a small airport to go out and hire a third party consultant at \$30,000 to \$50,000 to do a full audit. It's tough to have internal people follow up on all the SMS parameters and any issues that need to be followed up in documentation, because SMS is a management program. It's very difficult for smaller airports to maintain.

Mr. John Barlow: Mr. Mahon, you have a bit of a smaller airport. How has it been for Atlantic Canada and some of the airports you're dealing with out there?

Mr. Glenn Mahon: Our experience has been that SMS can be geared to the size and complexity of the individual airports and so on. As Mr. Maybee said, one of the biggest challenges with SMS implementation is the administrative side of it. It takes resources and so on to be able to keep that system operating the way it should. One of the things the airports have done is collaborate with the ACI and the CAC on the Canadian airports national audit program.

Those are some of the steps that we're taking to try to minimize the cost and the effort for airports, and to provide consistency among airports on how some of these things are done.

Mr. John Barlow: I appreciate the answers that all three of you have given today, but I've heard a lot comments to the effect that

“SMS is the best system we've ever had. It's doing great, but...”. There are a lot of “but”s and a lot of concerns that still arise from it.

One of the things that I had an opportunity to read before being here today was a survey by the Canadian Federal Pilots Association. My colleague, Mr. Badawey, touched on that a bit. One of the things that really jumped out at me was a change in the requirements, so that pilots can now renew their flying certificates only by simulator and not by being in the air. This concerns me, in the sense that they may not be training in situations in the simulator that happen in the air. You never know what can happen when you're actually in the air. Does this concern the airport operators? Is this something that you've had an opportunity to discuss with Transport Canada and the pilots' association?

Mr. Steve Maybee: We're doing a bit of work in Edmonton around simulator training. We have two simulators on site. They're the only ones of their kind in North America: one for helicopters and one for 737s. There are some advantages to simulators: you can practise things in the simulator that you can't practise in the air. By the same token, hands-on training in the aircraft is not something that's going to be replaced by simulator training. Simulator training should be used to enhance what is learned in the cockpit, but you can't remove it.

Mr. John Barlow: I know that Mr. Badawey also touched on the fact that runway overruns have been added to the watch-list, but Transport Canada undertook a study, and it guided future actions.

In its response it stated:

...the TSB remains concerned that the Transport Canada study methodology and proposed criteria may not adequately address the underlying safety deficiency which gave rise to its recommendation on runway end safety areas.

Mr. Maybee, Mr. Mahon, and Mr. Gow, I'll give each of you a chance, but what do you see as the way forward from here? What could be a possible resolution?

Mr. Glenn Mahon: As I mentioned earlier, at our airports, we don't feel that runway end safety areas are a proactive solution to the problem of aircraft overruns. There's certainly value in RESAs, and they are able to minimize risk, damage, and so forth, but really, I think it needs to be done in combination. We need to look at unstable approaches, the effects of RESAs, and so on.

•(1155)

Mr. Steve Maybee: I would agree with that. A runway end safety area is the catchall. If something else goes wrong, it is there to save the aircraft, but if an aircraft touches down, halfway down a runway, how long does the runway end safety area have to be? Five hundred metres, 1,000 metres? Where do you go?

We have to address the key issue, which is the stabilization of the approach and the nav aids, and different things that we can put in the way of wind, animals crossing the track, and unexpected rain bursts; and the situation wasn't dealt with adequately by the machine.

Mr. John Barlow: Mr. Gow?

Mr. Harry Gow: If I may say so, I believe in training, training, training, and hands-on practice in real situations.

I'll just relate quickly that a railway tried to run its locomotives without people in the cab, which is a bit like having a simulator simulating a flight. It didn't work out because there was too much in the way of wind, animals crossing the track, and unexpected rain bursts; and the situation wasn't dealt with adequately by the machine.

Again, a machine cannot perhaps easily invent a fox or a deer that dashes across the runway, or a flock of geese that flies into a motor. It can be done, but I have not heard of it being done a lot.

In the end, in a situation where climate change is making things more unpredictable and unstable, the real world and training in it seem to me to be what will help prevent accidents on landing and takeoff.

[Translation]

The Vice-Chair (Mr. Luc Berthold): Thank you, Mr. Gow, Mr. Barlow, Mr. Maybee and Mr. Mahon, for joining us and being so understanding of our little time requirements.

We will suspend the meeting for a few minutes to allow the witnesses for the second hour to take a seat.

•(1155) _____ (Pause) _____

•(1200)

The Vice-Chair (Mr. Luc Berthold): We will call this meeting back to order.

During the second hour, we will have the pleasure of hearing from the following witnesses: Mark Beaugard, Vice-President, Regulatory Affairs, Aerospace Industries Association of Canada; Robert Donald, Executive Director, Canadian Council for Aviation and Aerospace; and Robert J. Deluce, President and Chief Executive Officer, Porter Airlines Inc.

Gentlemen, thank you for joining us today.

Mr. Beaugard, I give the floor to you for five minutes, so that you can make your presentation.

[English]

Mr. Mark Beaugard (Vice-President, Regulatory Affairs, Aerospace Industries Association of Canada): Good afternoon. My name is Mark Beaugard and I am the vice-president for regulatory affairs at the Aerospace Industries Association of Canada.

Our members manufacture aeronautical and space products and engage in aircraft maintenance, repair, and overhaul. They contribute \$28 billion to the economy each year and help to employ well over 200,000 people. Over 80% of the aerospace industry's goods and services are exported. Much of this is for civil applications.

Our industry complies with a vast regime of safety standards and regulations destined to ensure that air travel remains safe, reliable, and sustainable. Of course, safe products and services are an

essential, necessary part of this safety imperative. This is only possible through international cooperation and a network of global regulatory bodies and arrangements.

Canada has long been a global leader in this area. Transport Canada's civil aviation branch, or TCCA, is known worldwide as one of the big four regulatory bodies, along with the U.S. FAA, Europe's EASA, and Brazil's ANAC. This is important not only because of the clear role TCCA plays in aviation safety, but also because TCCA's approvals and certifications open doors for Canadian products and services into global markets and make it easier for Canadian manufacturers and service providers to do business in foreign jurisdictions. TCCA's leadership doesn't only keep us safe, it also helps make us more prosperous.

We estimate that TCCA's continued position as a global certification leader can be directly linked to at least 30% of all Canadian aerospace activity. That's an economic impact of \$10 billion in GDP each year. This should be a good news story, an example of how a modern regulator keeps Canadians safe and creates economic opportunity for innovative and entrepreneurial Canadian businesses. However, Transport Canada's ability to maintain its standard of service is at risk, even as its role is more important than ever.

Over the past 10 years, Canada's aerospace industry has grown substantially. Our economic impact has increased by 31% in terms of GDP, by 39% in terms of productivity, and by 64% in terms of R and D spending. Over the same period of time, the budget for Transport Canada's certification and standards branch has not increased at all. In fact, in real terms it has actually been reduced. This is having a significant negative impact. The lack of adequate funding has resulted in delays on certifications and approvals. It is creating bottlenecks and is impeding the industry's ability to keep up with demand and stay competitive in foreign markets. We are now seeing warning signs that TCCA's global reputation as a leading aviation authority is being questioned by the international community. Once that reputation is lost, the competitive advantage enjoyed by Canadian companies that rely on TCCA services will also disappear.

It's a well-known truism that reputations take years to build, but can be lost very quickly. This is certainly applicable to TCCA. To put it bluntly, TCCA's long-held position as a leading global certification and regulatory authority is at risk.

But there are a couple of pieces of good news. First, it's not too late to fix the problem and restore Transport Canada's ability to continue its role as a world-leading aviation authority. Second, it's not a difficult fix. We estimate that a budget infusion of \$30 million over five years into TCCA's certification and standards branch would be enough to protect the \$10 billion that TCCA helps drive into our economy each year.

As you look at the study, we encourage you to consider the important role that TCCA plays in ensuring Canada's aviation safety, as well as the impact it has on Canadian businesses and communities that reap the rewards of its global leadership. I urge you to ensure that TCCA receives the financial support it needs to do its very important work.

Thank you for your time. I'm happy to answer any questions.

• (1205)

[*Translation*]

The Vice-Chair (Mr. Luc Berthold): Thank you very much, Mr. Beauregard.

Mr. Donald, you have five minutes to make your presentation. Go ahead.

Mr. Robert Donald (Executive Director, Canadian Council for Aviation and Aerospace): Thank you, Mr. Chair.

[*English*]

Good afternoon.

As noted, my name is Robert Donald. I'm the executive director of the Canadian Council for Aviation and Aerospace.

This is the first time we've had the privilege of being here, and I thank you for inviting us.

For those not familiar with our organization, our council, we are not a trade association or a union. We're an industry resource. We are a not-for-profit national partnership that brings together business; industry associations, such as many of those in the room; educators; organized labour; and governments.

We focus on the national labour force in the aviation and aerospace industry on behalf of all the subsectors—helicopters, business jets, ATAC, AIAC, and others, who are all represented on our board, together with colleges, industry, and organized labour.

We implement solutions to the specific skills and demographic needs of the industry to help ensure that industry has enough people with the right skills for today and for the projected growth in our industry, which you no doubt have heard about over the last few days.

Our funding comes principally from corporate partners, training, and government projects, who give us contracts to do labour market studies and other initiatives on behalf of the industry.

There are three points I'd like to talk to you about this morning, all of them related to personnel issues, which is on your agenda. One, our industry is facing increasingly critical skills shortages. These shortages impact not only our economy and the viability of companies but also safety. Two, we need a national labour market strategy, supported by government, to address these skills gaps in our industry. Three, national standards and certification for non-licensed trades improve safety.

Turning to critical shortages, CCAA has just completed the most comprehensive labour market study ever undertaken for our industry. Copies are available on our website, if you would like.

Seventy-three per cent of respondents agreed they have immediate and persistent shortages, such that current positions are going unfilled. These same companies are projecting different metrics of growth. However, all that will do is exacerbate the problem. If Canada doesn't have sufficient workers with the right skills, the jobs will go elsewhere and may never come back. It's a global competition. We are also competing with every other sector in this country for the available talent.

The lack of experienced personnel can lead to those without the traditional levels of competence doing the work and the training. This applies to the industry workforce as well as to regulators. The risks to safety would seem to be self-evident if we have fewer and fewer people without the traditional levels of competence.

We need a national labour market strategy to address these skills gaps. Only governments can take the extended view. We need government support. Industry can look out a couple of months for the SMEs. It can look out a couple of years for the Air Canadas and Bombardiers. Colleges can look out a little further. But only government can take that extended view that we need for a long-term strategy in this industry. It's crucial.

As for the question of national standards and certification, hopefully you've received some of our material showing what we have done developing standards over 25 years. They're unique in the world. No other country has this. ICAO has asked us to show this Canadian system to the world. Standards and certification promote safety. A certified painter is safer than a non-certified aviation painter, even if the work is signed off by an AME.

Thank you for your time. I'm happy answer questions.

Merci bien.

• (1210)

[*Translation*]

The Vice-Chair (Mr. Luc Berthold): Thank you very much, Mr. Donald.

I will now give the floor to Mr. Deluce.

Thank you for taking the time to come meet with us, Mr. Deluce. You have five minutes to make your presentation.

[*English*]

Mr. Robert Deluce (President and Chief Executive Officer, Porter Airlines Inc.): Thank you, Mr. Vice-Chair and honourable committee members, for inviting me to speak today.

I am Robert Deluce, president and chief executive officer of Porter Airlines.

Porter is Canada's third-largest scheduled commercial airline. We service some 23 destinations in Canada and the United States. Our fleet is comprised of 29 made-in-Canada Bombardier Q400s, and we employ approximately 1,500 team members.

Although there are many important issues where the federal government regulates and affects our operations, today I'd like to just focus my comments on the forthcoming regulations as they relate to crew fatigue management.

We are absolutely committed to safety, but the regulations as drafted would significantly affect the operations of Porter and many other airlines. The notice of proposed amendment on crew fatigue management was issued in 2014 and was met with concern by many in the industry. However, few revisions have been made. This proposed regulation implements a one-size-fits-all solution to an issue where individual considerations must be taken into account.

Porter has had tremendous success with our self-guided and Transport Canada-overseen safety management system. This allows us to emphasize best practices for safety within our particular operations. The restrictions in this proposed regulation necessitate a substantial increase in our crew numbers. We have to decide between eliminating over 650 flights per month or hiring 68 more crew members—34 pilots and 34 flight attendants—to cover the restrictions outlined in the notice of intent. This would be a 13% increase to our pilot roster. The total cost of implementation would be over \$6 million per year in 2017 dollars.

Global demand for pilots is outpacing the supply from Canadian aviation schools. The 2016-17 pilot turnover has been the highest in our 10-year history of operating. The proposed regulation will require every airline to increase their pilot roster by approximately 10%, which for Air Canada—and I'm not speaking for them—and their subsidiaries, including Rouge, would probably mean 300 additional pilots. That happens to be more than Porter's entire roster of pilots. This could be devastating to our operations, as we will either have an insufficient number of pilots or have to revisit standards for training and experience.

A negative policy consequence of this proposed regulation would be the hiring less-experienced pilots in Canada, or having fewer flight options and higher fares for passengers. As only a finite number of trained commercial pilots exist, the world has a shortage and is struggling to meet market demands. Porter and other carriers are already being affected by this, and this particular notice of intent will only exacerbate the current situation.

This proposed regulation does not promote safety, as there is no empirical evidence to support that claim. What it does is to make airlines in Canada less competitive compared to their U.S. counterparts.

In our 10 years, we have successfully addressed any concerns about fatigue with our safety management system. We believe that all carriers in Canada will have more successes with fatigue risk management and safety management systems than by putting in place a one-size-fits-all intent. This allows each airline to adopt best practices and can be monitored by Transport Canada.

●(1215)

Thank you very much. I look forward to any questions.

[*Translation*]

The Vice-Chair (Mr. Luc Berthold): Thank you very much, Mr. Deluce.

We will now begin the question and answer period, starting with Mr. Rayes.

Mr. Rayes, go ahead for six minutes.

Mr. Alain Rayes: Thank you, Mr. Chair.

I want to thank our three witnesses, who surely have very busy schedules, for joining us and spending some of their precious time with us.

My first question is for you, Mr. Deluce.

Before it amends its regulations or procedures, does Transport Canada consult companies like yours to gather their input.

If not, are you rather presented with a *fait accompli* and forced to fight to make improvements to the procedures after suffering the consequences of those amendments?

[*English*]

Mr. Robert Deluce: Typically, we would be consulted and briefed ahead of time, and have the opportunity to provide feedback. Along with other airlines, we have been providing feedback over the last several years. Very little, if any, of that feedback has been taken into consideration as far as we can see with the notice of proposed amendment now moving to a notice of intent.

[*Translation*]

Mr. Alain Rayes: Given your expertise on the ground, why did Transport Canada not take your recommendations into account?

Previous witnesses talked about a serious lack of interaction between Transport Canada and their company or association. We feel that there is something of a disconnect between the work done by those people on the ground and the work done by Transport Canada in its offices.

Mr. Deluce, go ahead.

[*English*]

Mr. Robert Deluce: I feel we have a pretty good rapport with Transport Canada in most areas. On this issue, a lot of the response came from several of the airlines that are perhaps larger than we are. We provided good feedback, as did various entities, including ATAC and others.

The thing that has not been taken into consideration though... Everyone has this objective of ensuring that the result ends up being a system that has a greater level of safety. We all share that. That's a preoccupation with almost anyone involved in this business. To look at the vast array of different types of airlines and services, stretching right from the long-haul international to the short-haul regional to the cargo to the northern communities, and to somehow determine that one size and one set of regulations will satisfy all those different requirements is really ill-conceived. If you look at the consequences, especially at this time when there's such a shortage of flight crews to start with, it will drive a result in a different direction from what was ever intended. You have to understand and appreciate that up front. If that's the direction you want to go, then be prepared for the consequences.

• (1220)

[Translation]

Mr. Alain Rayes: I would like to know whether the other two witnesses have anything to add.

[English]

Mr. Mark Beauregard: Our association is not involved with operations of aircraft. However, we are extensively involved with all kinds of regulations. One size does not fit all in aviation, and we see that in spades in manufactured aeronautical products. I urge you to listen to the number of witnesses who have urged you to take that concept into account.

Mr. Robert Donald: I would simply confirm what Mr. Deluce said about the shortage of pilots. ICAO, IATA, Boeing, and all others have confirmed the global shortage, the global competition for talent. As we get fewer and fewer pilots, it will exacerbate the problem as companies grow.

[Translation]

Mr. Alain Rayes: My next question is for you, Mr. Donald. It's related to what you just said.

You talked about recruitment difficulties. What could Transport Canada and the federal government do? When it comes to your companies, your organizations, as well as Transport Canada, we really feel that recruitment of personnel to ensure safety is a problem. We have heard other witnesses say the same thing.

What is the solution? Is it to increase the number of spaces in universities, cégeps and colleges, do more promotion, put more money into the system? It is certainly not to lower the requirements so that more people pass. What is the solution after coming to your realizations, which are shared by many others?

[English]

The Vice-Chair (Mr. Luc Berthold): You have 10 seconds.

[Translation]

Mr. Alain Rayes: You can give him more time to answer. This is an important issue.

[English]

Mr. Robert Donald: We have worked very closely with Employment and Social Development Canada to address precisely these issues over the last 25 years. We believe that we need a national strategy, looking at maintenance, pilots, and other crucial

elements, such as MRO, to address this issue. Companies can't do it alone. They need government support.

[Translation]

Since I have only 10 seconds left, I will stop here.

The Vice-Chair (Mr. Luc Berthold): Thank you, Mr. Donald.

I now give the floor to Vance Badawey, who has six minutes.

[English]

Mr. Vance Badawey: Thank you, Chairman Luc.

I have a question for Porter Airlines. You mentioned the current situation with pilots, and with that I'm assuming also a future situation with pilots and the lack thereof. That said, one of the safety concerns that was just brought to light relates to pilot fatigue. A notice of intent to amend the Canadian aviation regulations was published in part I of the *Canada Gazette* on March 25, 2017. The proposed regulatory amendments address fatigue risk management systems, FRMS, maximum flight duty times, and the concept of "fit for duty".

With that said, I have four questions.

One, what impact, if any, will these proposed regulatory amendments have on staffing levels at your airline?

Two, has Porter Airlines implemented FRMS? If so, can you explain the process involved in implementing such a system; and if not, could you explain how fatigue risk is otherwise managed?

Three, what recommendations, if any, would you make to Transport Canada concerning the draft regulatory amendments on FRMS?

Last, how does Porter Airlines currently assess whether pilots and/or crews are fit for duty, and how would practices change based upon the proposed amendments?

• (1225)

Mr. Robert Deluce: That's a multi-part question. We will see if we can work through that.

For starters, the impact is about 13% to our flight crew roster. That's pretty significant. Also, the turnover rate is the highest we've experienced in the 10-plus years we have been in operation. So it's two things coming at you at one time.

From Porter's perspective, and I think I'd have to say this would probably be an industry objective, it's to make the system safer. I don't think we should just focus narrowly on crew fatigue as an item in itself. Rather, how do you make the entire system safer? The notice of intent and the proposed regulations, in our view, will not make it safer. They will make it necessary for companies to re-examine some of their hiring standards and their training, and/or in fact go the other way and just start to eliminate flights.

In our particular case, if we were to take the opposite view that somehow we could not, because of our circumstances, adjust either our standards or our training or anything else to accommodate the hiring requirement in terms of crewing, and at the same time find ourselves with the shorter supply both now and for several years to come—before that pendulum swings—then we would have to eliminate, based on the present schedule, about 650 flights. That's fairly significant.

I think there was a third part to that. How do we deal with crew fatigue as it exists today? Primarily we do it through our own system of fatigue risk management, using largely the safety management system. We've really had two instances that I am aware of that were freely reported by crew members. And let me tell you; they're not bashful about reporting anything either as an incident or as a hazard. Everything goes into our SMS system.

We've had two reports. Those reports were dealt with through proper investigation and a remediation and mitigation against further occurrences, a full audit, and the implementation of procedures that would deal with those things that were brought forward as potentially being of concern to crew members in terms of potential fatigue as a result of the way schedules were deployed or anything else.

That's our way of dealing with it. It could be formalized in some manner. I do entirely buy into the risk management system, but I don't think just changing things unilaterally and creating one set of rules, right from long-haul international, to freight, to regional short-haul, to small charter operators, to those who deal in remote cities, is a good thing to do. Empirically, I think it will actually drive our joint objective of a safer system in the other direction.

• (1230)

Mr. Vance Badawey: Can I ask Mr. Donald the same question?
[Translation]

The Vice-Chair (Mr. Luc Berthold): You may ask a question, but the answer will be a short one.

[English]

Mr. Vance Badawey: That's stretching it.

Mr. Robert Donald: We don't lobby Transport Canada on the merits of different regulations. The trade associations do that. Our role is to help companies and the industry with training and standards to implement those. So we have training around quality assurance and around SMS, and we have national standards developed by industry on FRMS and other things. Our role is to support industry, regardless of what the regulations are. Even in the absence of regulations, we help industry implement best practices.

Is that a sufficient response?

Mr. Vance Badawey: It's a safe one.

Some hon. members: Oh, oh!

[Translation]

The Vice-Chair (Mr. Luc Berthold): We have a new master of the short answer among us.

Mr. Aubin, you may go ahead for six minutes.

Mr. Robert Aubin: Thank you, Mr. Chair.

Thank you to the witnesses for being with us today.

Before I get to my first question, I'd like to ask my fellow members a question, through you, Mr. Chair. I would like to put forward a motion for the committee's consideration. There is talk of our airports potentially being privatized, and even though nothing has been announced, it seems important and entirely relevant to me that we examine the effect it could have on safety.

But, as a member whose training never stops, I have no choice but to learn from what we experienced on Tuesday. Given the information we received this morning, it would seem that you are right and that Mr. Badawey is not wrong. You can see the situation that puts us in. I don't want a repeat of that. I am simply asking my fellow members whether there is unanimous consent to set aside three or four minutes at the end of the meeting to deal with the matter.

The Vice-Chair (Mr. Luc Berthold): Do I have the committee members' consent to set aside three minutes at the end of the meeting for Mr. Aubin's motion?

Some hon. members: Agreed.

The Vice-Chair (Mr. Luc Berthold): I will give you three minutes at the end of the meeting to put forward your motion, Mr. Aubin.

Mr. Robert Aubin: Thank you everyone.

My first question is for Mr. Donald.

During your presentation, you spoke at length about a shortage that is plaguing your industry at all levels, if I'm not mistaken. You said the skills shortage had a direct impact on safety, and that caught my attention.

Would you mind telling us what you were thinking when you said that?

[English]

Mr. Robert Donald: In short, I will borrow from Mr. Deluce's comments and the example he gave that when there are not enough pilots, they are forced to hire pilots with less experience for training or operations.

The same applies to everyone in the industry, including the maintenance people who are keeping our airplanes in the air and those who are doing the turnarounds. The worldwide shortage applies not only to pilots but also to maintenance staff globally. If we don't have people with experience, we have missed a generation in terms of our hiring, and if we don't have enough people with the right skills keeping the planes in the air, I believe that safety is impacted for that reason as well.

Is that sufficiently clear, Mr. Aubin?

[Translation]

Mr. Robert Aubin: Thank you.

My next question is for Mr. Deluce.

I'm going to try to be as mindful as possible here, but I still want to know your opinion. You made it very clear that you don't support an overarching policy that applies to all airlines in Canada.

When Transport Canada issues a measure publicly, everyone, including travellers, is aware of it. Without going into detail, we do know that your company initiated legal challenges to prevent the release of a safety audit focusing on Porter Airlines.

I realize that private interests are at stake, and I don't necessarily want to pursue this, but I simply have a question. How can your customers know what the safety procedures are if the audit isn't available?

[English]

Mr. Robert Deluce: I think you have to go back to SMS and how it was designed, and the requirement to have a completely transparent system internally so that individuals could feel absolutely in a good position to report and flag any and all things that needed to be considered from a safety perspective.

I think there are some occasions where we have opposed the release of some information that would have gone against the intent of the SMS system when it was put in place in the first place. It's not that we have anything to hide with respect to the audits. In due course, all of the material ultimately does come out, and we feel that we are one of the airlines that is now in a more mature stage of SMS development. We were the first 705 carrier in Canada to be fully compliant with it. It just happened that in 2006 we were the courier that was sort of the test vehicle.

It has been a learning process for everyone, including Transport Canada, in understanding that system and making it more effective. For our part, we're happy to be a part of that. We're fully supportive of SMS, and we're doing our part to ensure that as an airline we run things as safely as possible. We're being as transparent as we can, as well.

• (1235)

[Translation]

Mr. Robert Aubin: Thank you.

Mr. Donald, I'd like to give you the remaining 45 seconds to go one step further and tell us what the government could do to support training.

[English]

Mr. Robert Donald: We used to have a national labour strategy in this country. We no longer do. As I noted, we work very closely with ESDC on initiatives. We have projects pending with government as we speak to develop the labour market, either to develop new standards or outreach to youth or work-integrated learning programs, etc. So we work most closely with ESDC, and closely with Transport Canada, to try to support them with various initiatives where we do things and they do things. We're trying to eliminate duplication, and they respect the work that we do. We are trying to assist them by eliminating duplication where they can rely on the work we have done to assist them with some of their analysis. As I say, we are approached by ICAO and others around the world. We have a unique system of standards and certification in this country that is not as well known as it should be. It's been developed—

[Translation]

The Vice-Chair (Mr. Luc Berthold): Sorry, Mr. Donald, but I have to stop you there.

At least you were able to give a longer answer this time.

Mr. Robert Donald: My apologies. I went over the 45 seconds.

The Vice-Chair (Mr. Luc Berthold): That's fine.

Mr. Hardie, it is your turn for six minutes.

Mr. Ken Hardie: Thank you, Mr. Chair.

[English]

Canada has a history of doing some wonderfully innovative things. I'm old enough to remember the Avro Arrow and how those awful Conservatives—not those Conservatives, but the Conservatives of the day—killed that program.

Mr. Beauregard, what is the state of innovation in the aerospace industry? Put your crystal ball in front of you and tell us what's coming.

Mr. Mark Beauregard: It's obviously not an easy thing to predict exactly how both civil and military aircraft will evolve over time, but it's safe to say that if one wants to continue in the market-leading position or even just to stay in business in aerospace manufacturing and service, one must innovate. That's why, when you look at the aerospace industry, you'll find that the R and D intensity is about five times greater than all other manufacturing sectors in Canada. So we must innovate to stay competitive globally, and we do that in spades.

Mr. Ken Hardie: And you're going to need the backup of the certification standards branch if things are going to happen.

Mr. Mark Beauregard: Yes, of course. If one cannot certify the product in a timely way with modern standards, then, first of all, you cannot even operate the product in Canada and will have great difficulty exporting it to other jurisdictions—and 80% of our goods and services are exported.

• (1240)

Mr. Ken Hardie: This may be a difficult question for somebody like Mr. Deluce to answer, simply because you're already a player in the game.

Of course, we've seen the advent of the changes in ownership rules that have allowed the introduction of the so-called low-cost airlines into the mix to serve Canada. On the one hand, you have the opportunity to serve more markets more frequently perhaps, but I'm just wondering at what point does cutthroat, price-driven competition start to bring us to the line on safety?

Mr. Robert Deluce: I think that's a difficult question to answer. I don't think there's an airline out there that doesn't embrace safety, and certainly at Porter it is the number-one consideration in anything and everything we do. As far as the ownership thing and the—

Mr. Ken Hardie: I'm not so much concerned about that.

Mr. Robert Deluce: I won't go back to that, but how far do we go on it before that becomes a factor? I think—

Mr. Ken Hardie: What do we look for? What will the flags be? If you don't have an answer right now, if you have a chance to give it some thought, all three of you, then please send us something on it.

Alternatively, what are the triggers that suggest you really have to start being careful? Again, if you don't have a good answer right now, getting something after the fact would be really useful.

Mr. Robert Deluce: I think I'll reserve on that then and maybe think about that from my perspective, but I think it is self-policing in every way. I'll give more thought to that and give you an answer.

Mr. Ken Hardie: I don't know who said, about free enterprise, that the awfulest of people for the awfulest of intentions end up doing the right thing for everybody.

Mr. Badawey, do you want to speak?

Mr. Vance Badawey: Yes. Thank you, Mr. Hardie.

And thank you, Mr. Chairman.

Mr. Donald mentioned moving forward with a labour strategy. Quite frankly, I have to agree, in the bigger picture. I know that in my former life, we often became more and more concerned about the demographic shift and therefore the human resource crunch that we're going to find ourselves in overall in industry, whether it be engineers, doctors, or lawyers. The list goes on.

My question is more broad with respect to your thoughts on how we then embark on that. How do we empower the people who know best, yourselves, in terms of a process? That's what I'm looking for, to be pragmatic. Again, I'd like to get all three of your thoughts on how we then move forward and be more pragmatic in coming to some recommendations to overall attach to a labour strategy.

Mr. Robert Donald: We have started, I'm pleased to say. Last November, we had the first ever national labour market strategy day in Canada here in Ottawa. We had industry, governments, and educators in the room to start addressing the issue. Everybody spoke about the issues. We said, "Good; now we need a working group and sub-working groups to try to take these issues on." We are moving forward with it.

Bluntly, the question is how it is funded. We have no money. We're not-for-profit. We hope that ESDC will find a way to assist us with that. It has provided some assistance to us. Companies devoting the resources to it are already strained. What we need is industry, educators, and government all in the room. When I say "industry", I mean AIAC, ATAC, HAC, CBAA, and all of the groups.

Mr. Vance Badawey: I'm sure we can work within some of the resources we already have available to us, whether it be through education, secondary or post-secondary, or whether it be through different institutions or organizations such as yourselves or the existing government agencies that are currently working.

Do you find as well that within that process of—

[Translation]

The Vice-Chair (Mr. Luc Berthold): You'll have to wait until your next question, Mr. Badawey.

[English]

Mr. Vance Badawey: We'll talk later.

[Translation]

The Vice-Chair (Mr. Luc Berthold): Thank you very much.

[English]

Mr. Vance Badawey: Transport has a role in this as well.

[Translation]

Mr. Luc Berthold: It is now over to Mr. Iacono for six minutes.

Mr. Angelo Iacono: Thank you, Mr. Chair.

I'd like to thank the witnesses for being here today.

This is an issue we could spend all day talking about, but I am going to ask that you keep your answers short. That will give us an idea of things, at least. I encourage you to send the committee more detailed information by email, if you like.

My first question is for Mr. Beauregard and Mr. Donald.

We talked a lot about safety as it relates to manoeuvres, pilot working conditions, and safety management systems, but very little about the aircraft themselves. I'd like to hear your view, as a member of the aerospace industry, on how reliable and safe the aircraft currently operating in Canada are. What measures need to be implemented to make sure the aircraft taking off are in good condition?

•(1245)

[English]

Mr. Robert Donald: You go first, Mark. No need to thank me.

A voice: Give short answers, please.

Mr. Mark Beauregard: First of all, in Canada, some of the fleet of aircraft is domestically manufactured, but a lot of it is foreign manufactured by U.S. and European companies. All major jurisdictions have very strict certification standards. From a product perspective, they're very rigorously examined. From the perspective of what I call "continued air worthiness", whether the products already here are properly maintained and therefore safe, I would say yes, that Canada does in fact have very high standards for the maintenance of its aircraft. The standards that Transport Canada imposes are, in fact, very high. Frankly, I have great faith in the—

Mr. Angelo Iacono: Thank you.

Go ahead, Mr. Donald.

Mr. Robert Donald: It's about ensuring airline staff have the appropriate training and quality assurance training. It's the same thing for the regulators and the inspectors, ensuring that they are properly trained, know what they're looking for, and have the appropriate skills to do the inspections.

[Translation]

Mr. Angelo Iacono: Do you think current regulations are sufficient to ensure that the planes in the air are in good working condition? Should the regulations be improved?

[English]

Mr. Mark Beauregard: Again for existing products that are operating in Canada, there's always room to improve, but our standards are very high. I think some of the prior witnesses have said that the accident rates are going down, and that is absolutely true. The system is very safe, in my opinion.

Mr. Robert Donald: It's not our area of expertise but from everything we hear anecdotally from those who say it is, yes, we do have high standards, but I can't comment on what changes would help.

[Translation]

Mr. Angelo Iacono: My next question is for you, Mr. Deluce.

You were very clear in your remarks that you disagreed with the regulatory changes Transport Canada wants to make.

U.S. regulations on crew fatigue are more stringent than those Transport Canada wants to introduce. Would Canada be as competitive vis-à-vis the U.S. under the proposed regulations? Canada's regulatory regime is a bit different from the U.S.'s in that it is not as stringent. What do you make of that?

[English]

Mr. Robert Deluce: In the case of the U.S., the FAA has taken a different tack and targeted different areas of the industry and have come up with appropriate solutions to fit those different types of operations. That's a practical and pragmatic approach to it.

In Canada one-size-fits-all is embedded in the notice of intent, and that's ill-advised in our view. It will make us uncompetitive with the U.S. and not as narrowly focused on what should be our primary objective, and that's increasing safety.

[Translation]

Mr. Angelo Iacono: Mr. Deluce, I encourage you to send us your suggestion in writing. You said a one-size-fits-all solution wasn't appropriate for your company. What kind of regulatory approach, then, would work best for you?

Switching gears, I'd like to know whether you've put a safety management system in place. If so, have you found that it has made you a safer airline?

[English]

Mr. Robert Deluce: We have a safety management system in place. We were the first 705 carrier to be fully compliant. We weren't grandfathered as carriers like Air Canada and WestJet were, because they were operating prior to that regulation or that system's coming into place. We have been fully compliant since we started operating and we fully believe in SMS. We think it's made our workplace more

transparent, more open. It's made everyone more accountable, and I think as a result the safety record has been good and our passengers are beneficiaries along with our crews and everybody else.

• (1250)

[Translation]

Mr. Angelo Iacono: Thank you, Mr. Deluce. I hope you will be able to send us a proposal.

The Vice-Chair (Mr. Luc Berthold): Thank you, Mr. Iacono.

Mr. Barlow, you have six minutes. Please go ahead.

[English]

Mr. Robert Deluce: I'd be happy to do that.

Mr. John Barlow: Thank you very much, Mr. Chair, and thank you to our witnesses for being here with us today. They gave us some great information.

Mr. Deluce, I was interested in your comments on the potential costs to your business of pilot fatigue. That was a significant issue for us in Alberta as well—anywhere from helicopter companies working on forest fires and search and rescue, to the airlines that are shuttling people back and forth to the oil sands. It is going to be very difficult for them to address some of these pilot fatigue issues. I was interested in the numbers you had put out, that the changes could perhaps cost your company up to \$6 million a year.

But when I was thinking about it and you were mentioning that they haven't really listened to your input on that, and we were talking about piloting companies up to the oil sands, I'm curious if there had been any consultation with Porter and your company when the Liberal government imposed a carbon tax. Was there consultation, and have you costed what having to absorb the carbon tax is going to cost your business on an annual basis?

Mr. Robert Deluce: There was no direct consultation on that particular issue. I'm not sure that we expected it. I think the consultation probably was a bit broader and encompassed a wide cross-section of companies. Our focus has been more on what we could do environmentally with respect to the environment we're directly involved in. So it's more noise and aircraft that are fuel efficient and environmentally friendly. That's where we focus our energy.

We felt we were consulted with respect to the crew fatigue. But we did not feel that many of the recommendations, if any, that were made by the industry in total were actually listened to, or they certainly didn't manifest themselves in any real changes to the notice of intent.

Mr. John Barlow: If you potentially have to absorb \$6 million in additional costs to your business, are you saying that you don't know what the cost of the carbon tax will be, or has Porter costed that out? How difficult is it going to be for smaller airlines in Canada to be able to stay operating when they have to absorb some of these new costs?

Mr. Robert Deluce: I'd be happy to provide some feedback on that. I think we have measured that, but quite frankly, I came more prepared to talk on the crew management issue. Although there was a wide variety of options available to us in terms of what we would address, I really did focus more on that issue than on anything else.

Mr. John Barlow: Having said that, Mr. Deluce, and recognizing the additional costs that will accrue for your business, you will need to find new business and new opportunities to expand your operation. I would assume one of those would be the opportunity at Billy Bishop Toronto City Airport. With the C-series aircraft now approved to land at London City Airport, is this something you'd like to see the federal government, the Liberal government, revisit and withdraw its veto of the expansion of Billy Bishop?

Mr. Robert Deluce: The proposal that we put forward in 2013 was in our view a good proposal. It's one that we had confidence in. We were responding to our customers. On the other hand, we also respect the decision taken not to allow jets to operate from that airport. We've redirected a lot of our attention to the short-haul regional flights. We've bought additional Q400s, and that's our primary focus of growth here, at least for the short term.

• (1255)

Mr. John Barlow: I know my colleague mentioned it really briefly, but I'd like to get your opinion about the rumours of airports potentially being privatized. A lot of safety concerns have come up today about the funding cuts at Transport Canada—the inability to meet inspection needs, I guess we'll say.

What is your idea on the potential of privatizing airports?

Mr. Robert Deluce: The airport that we operate about 50% of our flights from is in some respects partially privatized. At least the terminal is privately owned. That seems to work. It's a delicate question and one that other airlines that have larger stakes and interests at some of the main airports are probably in a better position to give a view on. I think it's not something that we're preoccupied with one way or another. We're happy with the way the majority of the airports are operated.

I think there's always room for improvement as it relates to cost containment. But some of the airports now are doing a better job at focusing on that than a few years back. That's certainly something we would encourage them to continue doing.

[*Translation*]

The Vice-Chair (Mr. Luc Berthold): Thank you, Mr. Barlow.

Thank you, Mr. Deluce, Mr. Donald, and Mr. Beauregard, for appearing before the committee today.

Mr. Deluce, I noted that you said you would provide the committee with some additional information in response to committee members' questions. If you have further comments on those questions, kindly send them to us. Thank you.

You are now free to go, and the committee will now deal with Mr. Aubin's motion. There was unanimous consent to give Mr. Aubin time to move his motion.

Over to you, Mr. Aubin.

Mr. Robert Aubin: Thank you, Mr. Chair.

I'd like to again thank each of my colleagues for doing me this favour.

I think we need to talk about the elephant in the room. I realize that, as we speak, the government has not made a decision on the privatization of airports.

The Vice-Chair (Mr. Luc Berthold): Mr. Aubin, I would ask that you move the motion before discussing it.

Mr. Robert Aubin: Yes, of course. I thought I had done it.

The Vice-Chair (Mr. Luc Berthold): No, you hadn't.

Thank you.

Mr. Robert Aubin: With your help, Mr. Chair, I'm going to become an expert on procedure.

I move the motion for the record.

The Vice-Chair (Mr. Luc Berthold): We still don't know what you are referring to.

Mr. Robert Aubin: You're absolutely right.

Thank you, Mr. Chair.

The Vice-Chair (Mr. Luc Berthold): Thank you everyone.

Mr. Aubin, you can read the motion first, and then you can carry on with your explanation.

The Vice-Chair (Mr. Luc Berthold): Great.

I will read the motion you have in front of you.

That the Committee request the Minister of Transport to table all of the federal government's studies on the privatization of airports, including the study commissioned at Credit Suisse and the study by Moody's entitled "*Credit challenges emerge as Canada explores changes to airport Governance*".

Mr. Chair, as I was saying, I am well aware that the government has not made any decisions on airport privatization. To my mind, though, those studies would certainly seem to be germane to the safety measures the committee is currently studying. The committee's report would be far more comprehensive if we could consider both options, in other words, the situation now and the situation the government is considering but has not yet made up its mind about. If nothing in the studies pertains to the issue before us, our findings will show what they should. It seems to me, however, that it would behoove us if we could take a look at those studies.

The Vice-Chair (Mr. Luc Berthold): Thank you.

Mr. Rayes, you may go ahead.

Mr. Alain Rayes: Thank you, Mr. Chair.

I find the idea very appealing. We even have the parliamentary secretary here. In fact, I think the government should offer up her help to assist the committee. I have no doubt that, if the government is considering privatizing airports, it took safety-related considerations into account in its decision-making.

I think the motion is entirely appropriate. I have trouble seeing how the committee could possibly vote against such a request.

•(1300)

The Vice-Chair (Mr. Luc Berthold): Thank you, Mr. Rayes.

Seeing as no one else has anything to say, I will now put Mr. Aubin's motion to a vote.

The motion reads as follows:

That the Committee request the Minister of Transport to table all of the federal government's studies on the privatization of airports, including the study commissioned at Credit Suisse and the study by Moody's entitled "*Credit challenges emerge as Canada explores changes to airport Governance*".

(Motion negated)

The Vice-Chair (Mr. Luc Berthold): Thank you very much everyone.

The committee is hereby adjourned.

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