The Honourable Josée Forest-Niesing Senator - Ontario



L'honorable Josée Forest-Niesing Sénatrice - Ontario

VIA EMAIL

Ottawa October 21st, 2020

The Honorable Marc Garneau, C.P. Minister of Transport House of Commons Ottawa (Ontario) K1A 0A6

Subject: Regional air service transport

Dear Minister Garneau,

All aspects of Canadians' lives have been impacted by the current pandemic which is in its second wave. The Federal Government's rapid response resulted in a series of measures that supported so many Canadians through this pandemic, and for that, we are truly grateful. We have heard the analogy of designing and building an aircraft while it is in full flight to describe the challenge of ensuring that programs were being designed rapidly but efficiently, while mitigating the risk of any individuals or groups being overlooked or falling through the cracks.

Regional community airports belong to one such group reporting losses in revenue ranging as high as 85% to 90%. Most are ineligible for the aid programs aimed at the air service industry due to a governance model where many are operated by municipalities despite facing considerable fixed costs. As a result, many of Canada's regional airports are facing imminent bankruptcy and permanent closure.

The closure of any one of Canada's regional airports would be catastrophic, with consequences reaching far beyond the region it serves. It bears reminding ourselves that regional airports, carriers and other suppliers of regional air service transportation play a critical role in providing goods and services to smaller and remote communities, including indigenous communities, often serving as their only link with the rest of the country.

Regional community airports have committed to do their part to get through these extraordinary times but their survival is dependent upon the other players within the broader airline industry. Large increases in airport fees and reduced hours of operation, necessary to survive this ongoing

pandemic and its aftermath, seriously threaten the attainability and viability of regional air service.

Recovery of the airline industry and more particularly regional community airports is highly dependent on the preservation of consumer confidence in air service transportation and the adoption of a holistic approach that will engage all the major players in the industry. Regional and community airports provide an essential domestic and international transborder link, hence the large carriers and large airports across the country depend upon them. Support from the government must be linked to a formal commitment from all the players that the relief money will be allocated to surviving the pandemic while avoiding increased pricing to be borne by the end consumers whose confidence and increased use of airline services must be encouraged.

We therefore urge the Federal Government and in particular, the Ministry of Transport to consider the following recommendations:

- Ensure regional and community airports' eligibility to all federal COVID assistance programs (i.e. emergency wage subsidy, debt relief and loans programs, and rent subsidy etc.) regardless of governance or ownership model.
- Stabilize the Canadian Emergency Wage Subsidy for airports to not less than 75% for 2021 to protect the employment capabilities of these airports for employees.
- Provide financial assistance to cover fixed operating costs at 2019 levels to eliminate deficits and avoid rates and fees increases in order to bolster airline and travel activity.
- Increase Airport Capital Assistance Program funding to \$95mil annually (as lobbied for by industry for the last 5+ years).
- Adjust the federal contribution limit in the ACAP to not less than 75% of eligible project costs and relax the eligibility requirement of commercial schedule passenger service for current eligible airports for 2021 through 2025, to ensure the protection and maintenance of essential infrastructure and equipment during the post-pandemic recovery period.

We understand that demands on the government are at their highest, but we strongly believe that survival of communities are in danger if concrete support is not urgently provided. As Senators, we each represent a region of Canada whose residents deserve the quality of life that continued regional community air services will ensure.

Thank you for your consideration,

The Hon. Josée Forest-Niesing Senator for Northern Ontario The Hon Wanda Elaine Thomas Bernard Senator for East Preston Nova-Scotia

The Hon Doug Black Senator for Alberta

The Hon Robert Black Senator for Ontario

The Hon. Gwen Boniface Senator for Ontario

The Hon Yvonne Boyer Senator for Ontario

The Hon. Bev Busson Senator for British-Colombia

The Hon Dan Christmas Senator for Nova-Scotia

The Hon René Cormier Senator for New-Brunswick

The Hon Mary Coyle Senator for Antigonish, Nova Scotia

The Hon Marty Deacon Senator for Waterloo, Ontario

The Hon. Nancy Hartling Senator for New-Brunswick

The Hon Mobina Jaffer Senator for British-Columbia

The Hon Judith Keating Senator for New-Brunswick

The Hon Marty Klyne Senator for Saskatchewan The Hon Frances Lankin Senator for Ontario

The Hon Mary Jane McCallum Senator for Manitoba

The Hon Marilou McPhedran Senator for Manitoba

The Hon Julie Miville-Dechêne Senator for Quebec

The Hon Lucie Moncion Senator for Ontario

The Hon Rosemary Moodie Senator for Ontario

The Hon Kim Pate Senator for Ontario

The Hon Chantal Petitclerc Senator for Quebec

The Hon Mohamed-Iqbal Ravalia Senator for Newfoundland and Labrador

The Hon Paula Simons Senator for Alberta