White Paper:

CHARTING A FLIGHT PATH FOR THE FUTURE OF CANADIAN AVIATION

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Foreword by Nick von Schoenberg and Capt. Tim Perry

2024 marks the 40th anniversary of the beginning of de-regulation in Canada's aviation sector. We moved from a state-owned, state-funded, and state-directed system, to one of privatization, liberalization, and market forces. This culminated in the privatization of government owned assets, leading to the creation of NAV Canada and Air Canada as we know them today. NAV Canada, Canada's air navigation services provider, was the first of its kind and designed as a non-share, not-for-profit corporation that operated independent from government. These decisions kickstarted competition in Canada's aviation sector, with new market entrants, new opportunities, and more options for Canadians. However, these new developments created a more unstable system, which yields unstable results, with entrants regularly entering and exiting the market, creating uncertainty for communities who rely on regular and affordable service. All of these changes were meant to make the system better for Canadians, for competition, and even to create new opportunities and jobs for workers. On top of these advances, there have been significant improvements for air traffic controllers, many pilots, and other air sector workers over the last 10 years, despite the significant shocks we saw from the COVID-19 pandemic. These changes mean many workers are better compensated, but they also create winners and losers which destabilizes the industry, and while new regulations are advancing the safety envelope for workers and passengers, our system is far from perfect, and we still have a long way to go to having the world class air sector that Canadians deserve.

The Air Line Pilots Association (ALPA) and the Canadian Air Traffic Control Association (CATCA) represent about 15 000 of Canada's highly skilled pilots and air traffic controllers. They work tirelessly, 24 hours a day, 7 days a week, 365 days a year, to keep our skies safe. Obviously, we are not alone, but we are the front line of operational aviation in Canada, and we believe it is time to present a holistic view rather than relying on the traditional calls of Canada's aviation industry for further deregulation and cost cutting as the only solutions to our problems. It is time to learn the lessons of our past, take stock of where we actually are and why, and look to the future with open eyes.

The recommendations in this White Paper will help rebuild our system, go beyond the legacy of the last 40 years, and build a modern and reliable air transportation sector for the next 40 years. The focus of last decades has been efficiency, profit maximization, and lowering headcount as much as possible. Decades-long focus on short term balance sheet wins have prevailed at the expense of any long-term considerations for ensuring a healthy, resilient system with enough people and expertise to run it. Efficiency means one thing – extracting the maximum amount of work for the least amount of money from highly skilled, safety critical

workers. Nonetheless, we know that there are no perfect solutions to fix our system, only trade-offs. We are aiming for balance.

40 years on, Canadian's faith in the aviation system is shaken. Service is often unreliable, unpredictable, and expensive. The pandemic revealed significant deficiencies in the system and exposed the fragility of our current industry and the foundational elements it relies upon. Workers across the sector feel more pressure than ever before to deliver, while airlines and industry are asking to claw back regulatory protections for workers. We must not allow the sector to hide behind the shadow of the pandemic as they demand the rollback of important protections for workers and the system. Our goal is different from employers in the air sector, who seek to drive down costs as much as possible. We are seeking to create conditions for long-term, well-paid, and accessible careers that contribute to reliable, resilient, and affordable air services.

One of the key concerns we highlight in this White Paper is the International Civil Aviation Organization (ICAO) 2023 Audit. The Audit highlights Canada's lack of regulatory modernization and compliance with international norms, slashing our international standing amongst its peers for safety, security, organizational structure, regulatory compliance, and training. Canada's air sector is not meeting the standards passengers and international counterparts expect. This is a deeply troubling indictment of the state of our aviation system.

As we approach 2025, workers and Canadians are rightly asking if we are on the right track. It is time to take a serious look at our aviation system and find solutions that make sense for workers, travellers, government, and industry. By bringing together all parties, from airlines, to airports, workers, Canadians, and even shareholders, we will develop a cohesive vision that benefits all, rather than pits one group against another. This White Paper represents the innovative perspectives of workers, consumer advocates, Indigenous communities, and Canadians, for a reliable, efficient, resilient, sustainable, and accountable air transport sector.

This vision is not a shopping list for the federal government and goes beyond the traditional finger-pointing we see in the aviation sector. We are highlighting challenges from the perspective of the frontline workers who keep our system moving on how to comprehensively address the challenges we face. The pandemic showed all Canadians the importance of aviation. We are calling on all parties in our industry to look beyond simply profit, and for industry, workers, governments, and communities, to come together for the benefit of all and define a realistic and inclusive vision.

We wish to thank our friends and colleagues at UNIFOR, the Canadian Labour Congress, the International Federation of Airline Pilots' Association (IFALPA), the Canadian Federal Pilots Association, the International Federation of Air Traffic Controllers' Associations, and the

International Transport Workers Federation (ITF) for their invaluable input to this White Paper and their dedication to creating a better aviation system for all in Canada. We also extend our thanks to the Canadian Automobile Association for their invaluable help in ensuring this White Paper also reflects the importance of passengers and the passenger experience in thinking about our aviation system.

In solidarity,

Nick von Schoenberg and Capt. Tim Perry

Executive Summary:

Canada's aviation sector, comprised of airlines, airports, air traffic control, and other supporting businesses, directly employs around 250 000 people and contributes over $50 billion to our economy. In all, aviation contributes about 3% of our total Gross Domestic Product (GDP). Based on current trends, the industry is expected to add another $20 billion in GDP growth through the mid-2030s. It goes without saying that workers are the beating heart of this economic engine for Canada. We are lucky to have so many extraordinary and highly skilled workers contributing to our economy and who are committed to keeping our system safe. However, we continually ignore that cost-cutting measures and further deregulation are compromising the integrity of our system and hurting our economy. Without strong protections for workers, a vision for the future, or without a cohesive strategy to address contemporary problems facing our system, we are putting growth and jobs at risk.

Canadians deserve and expect an aviation sector that is founded on a well-staffed, well-trained, and well-rested workforce, guided by responsible procedures and regulations. The absence of any one of these elements undermines safety, reliability, resilience, as well as the capacity for growth and adaptability, and ultimately undermines long-term profitability and sustainability.

Ultimately, this White Paper is our vision for how to use the finite resources our industry has to help the most people possible over the long run.

Canada's Aviation Sector Challenges

We must take a strong look at current trends and potential problems on the horizon that could compromise the job security of Canada's aviation workers, and the services Canadians rely on.

The COVID-19 pandemic was the single most disruptive event in aviation history, even more disruptive than the devastating and heinous terrorist attacks of September 11th, 2001. Those events changed the face of modern aviation forever and continue to impact and influence the way

the air sector operates to this day. Businesses and governments are still largely stuck trying to return to the way the sector functioned before the pandemic. But this is simply the wrong approach, and we are wrong to think that we can withstand future similar shocks, or that a major disruptive event cannot happen again. Without increasing our resiliency and making sure our systems have the ability to adapt, we will remain vulnerable. We must incorporate lessons learned to protect workers, Canadians, and communities from inevitable future disruptions.

While the system has shown signs of improvement since the pandemic, Canadians remain rightly sceptical. In December 2023, ICAO released an audit under the Universal Safety Oversight Audit Programme. Canada received a score of 65.1%, and our Flight Operations compliance was rated at the lowest in the G7, at 22.5%. The last audit, done in 2005, put Canada in the top 10 of countries adhering to international standards with a score of 95%. While ICAO emphasized that Canada's system is safe, it nonetheless caused Canadians to ask how we could fall so far from the top in less than 20 years. The Audit's results are proof that the alarm bells workers have been ringing are in fact warranted, and that we need to take a serious look at our system. As workers, we are not being alarmist, we are being honest. We must acknowledge that the last few years, according to Transport Canada and the Transportation Safety Board's (TSB) metrics, have been some of the safest in our history. This is a good thing and is a reflection of the serious work done by the government, employers, and workers during the last decades. Unfortunately, a safe system today does not mean a safe system forever, and the issues organized labour has been highlighting throughout this White Paper are emphasizing those risks. The ICAO Audit is not the last manifestation of this reality. In 2026, the Federal Aviation Administration (FAA) will be auditing Canada through their International Aviation Safety Assessment (IASA) program. If we do not make significant progress to address the serious issues highlighted by ICAO, our safety category risks being downgraded in the eyes of the U.S. government. Recently, Mexico's status was downgraded, and Mexican airlines' capacity to codeshare with U.S. airlines and expand route offerings within the U.S. were stopped. With uncertainty in the Canada-U.S. relationship manifesting in the coming months, we cannot afford risking aviation's critical role as an economic driver and job creator any further.

First and foremost, Canadians expect the aviation sector to meet their needs for safe, resilient, and reliable service. Canada's unique geographic and environmental realities make meeting all of these goals challenging. We have low population density, vast distances, and difficult and often unpredictable weather. Combining these factors with one of the most competitive, well-funded, and developed aviation systems just south of our border, our geographic and environmental challenges become even more complex. Our system was put to the test in 2022 and 2023, when the Canadian air sector faced difficult weather, staffing shortages, as well as a significant increase in passengers after the pandemic, all at the same time. Over the last 20 years, there have been multiple mergers and exits in the Canadian market. Competition in the Canadian market continued to decline with mergers and the closure of some smaller and lower cost

airlines, leading to higher prices for people across the country, an erosion of connectivity, and uncertainty for workers. There have been some positives for travellers, including Porter's fleet and route expansion in the last several years.

There was a time when the government directly managed connectivity through state-owned airports and airlines. Today, private enterprise is responsible the connectivity on which millions of Canadians rely and upon which future growth and development are dependant.

There have been improvements in the safety of our system and in the working conditions of our pilots and other aviation workers in the last 10 years, including the introduction of Flight and Duty Time Regulations (FDTR), ensuring that Canadian pilots have enough rest and are fit to fly. However, despite progress with the FDTRs in 2018, implementation and oversight of these regulations remain an issue, and air traffic controllers still do not have a comprehensive fatigue and workload management safety regime in place. In fact, Canada's safety oversight system has moved towards the ever-increasing use of safety management systems (SMS), which means businesses themselves are responsible for safety oversight. With appropriate oversight by the regulator, this approach can be effective, and actually bolsters safety. Without it, we are letting companies, whose stated purpose is to maximize profit and lower costs, oversee and be the arbiter of what is safe and what is not. The TSB still includes fatigue on their Watchlist[1], emphasizing how precarious our progress has been. While, in the case of pilots, where the fatigue regulations have been put in place, these rules remain unevenly applied and not as rigorously enforced as they should be. In other words, regulations are only as strong as their enforcement. Adding these considerations to the fact that chronic staffing shortages persist, and these propagate fatigue challenges, it is clear there is an urgent need for improved oversight to keep our system safe for air traffic controllers and indeed all aviation workers.

Making sure regulations that protect pilots, air traffic controllers, and other workers continue to improve is critical for all those who rely on aviation in Canada: those flying to, from, and within Canada's largest cities, or those travelling to remote and regional communities across the country. Yet, as pilots and air traffic controllers, we are continually faced with the threat that these safety necessities will be rolled back in the name of lowering costs and increasing profit margins. In the case of air traffic controllers, while they have safely managed our system to date, they are continually being stretched thin due to an excessive reliance on overtime rather than simply hiring more controllers. Until very recently, the number of licenses for air traffic controllers, and indeed pilots, issued every year has been more reflective of budget allocation, and not of need or desire to meet the service quality Canadians expect and deserve. This is yet another example of cost-cutting overriding fundamental system health. At the end of the day, workers are seen as a cost, while technology, automation, and digitization are seen as

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[1] https://www.tsb.gc.ca/eng/surveillance-watchlist/2022.html

investments. Until that perspective is changed, things will not improve, and we fundamentally believe that any effort to compromise workers' safety and protections in the interest of a company's bottom line is in direct opposition to everything we hold true as Canadians.

It is important to highlight that managing Canada's 18 million square kilometres of airspace does not only impact Canadians. Ensuring a safe and secure air traffic control system is a public good that extends beyond our borders and benefits the entire world. Trans-Atlantic, trans-Pacific, and Polar flights crisscross Canada's vast airspace and serve as a gateway to the world. As the complexity of aviation continues to increase, and traffic grows, air traffic controllers still do not have any mandated recurrent training throughout their careers and are expected to learn and adapt on the job. Although our air traffic controllers are some of the best in the world, this is in spite of, not because of the support they get. We have a responsibility to ourselves and the global community to take care of our airspace and our air sector, and that means taking care of the workers that serve it by ensuring that they are provided the best training and support throughout their entire careers.

These challenges are happening while the world is confronted with the extreme threat of climate change. While airlines and the aviation sector at large have made promises towards net-zero by 2050 goals, aviation emissions and fleet sizes are expected to rise in the coming decades. Canada's aviation sector is now eligible for tax credits on Sustainable Aviation Fuel (SAF) projects, and we have seen massive improvements in the efficiency of Canadian-manufactured aircraft and engines. All of this innovation and progress is something we should be proud of, particularly considering how aviation emissions represent less than 2% of national emissions. Canada is an energy powerhouse and world-renowned innovator in this sector. SAF is a natural and strategic niche for us to explore and develop. Nonetheless, international investment and innovation is already outpacing Canada's, and domestic investments in innovative technology have been deficient in comparison to the U.S. and the European Union.

There is a lot of uncertainty about the future of our aviation system, however, this is what we do know: Canada's aviation policy is currently dictated on ideals dating back to the 1970s and 1980s.

The de-regulation of the sector from that era has led to a period whereby Canada's aviation sector has been one of the most profitable, innovative, and advanced in the world. Yet, it is clear that big problems are manifesting themselves. Canada has always been considered a leader in the aviation space and helped build the modern system that we rely on today, including world class pilots and an air navigation services provider staffed by some of the best air traffic controllers in the world. Unfortunately, our system is beginning to look dated compared to the level of innovation being brought by global competitors, from new technologies and modern infrastructure to tackling climate change and addressing social and corporate sustainability. Our

emphasis on corporate efficiency and the type of innovations pursued has also meant lagging behind on all-important human factors in aviation. Namely the procedures, training, and labour practices that allow the people that underpin the entire system to thrive. Our innovation has focused on efficiency and profit, not resiliency, and certainly not sustainability. We must learn from that experience.

Canada's aviation system stands at a pivotal place. We have made progress, but COVID-19 has exposed cracks and deficiencies, and hastened our decline. We cannot afford to follow the same approach or philosophy that has brought us here. We need to modernize our thinking, approach, and vision just as much as our equipment. It is time to create and present a new vision for our aviation system that takes us out of the 1980s and brings us into the future.

Canadians Expect Safe, Resilient, Reliable, Accountable, and Affordable Services:

An aviation system only thrives if it offers a service that is safe, resilient, reliable, affordable, and accountable. It must meet the expectations of passengers, whether it is flights arriving on time due to effective air traffic management, or the flying skills of Canada's pilots. When putting any one of these factors at risk, whether due to under-investment, lack of vision, or placing profit above people, the system becomes unstable and people begin to lose confidence. Less than one third of Canadians have confidence that airlines will be able to solve a problem to their satisfaction.[2] Meanwhile, passenger experience, quality of service, affordability, and reliability are among the top concerns when purchasing tickets with a given airline.[3] It is clear that people do not have confidence they will get what they want from the current system. Trust and confidence are indispensable components of an effective and sustainable system.

Airlines and other partners within the aviation system frequently argue for removing protections that guarantee the things that matter to everyday Canadian travellers. That applies particularly to workers. Good working conditions, fair pay and fundamental protections are viewed as unnecessary red tape and obstacles to efficiency. But, in reality, when workers are provided with a safe working environment, fair pay, and a reasonable workload, service quality increases. And travellers want good service. Moreover, if the sector cannot guarantee good service, can it really guarantee safety? Yet, we continue to see efforts by the industry to manage headcount and increase workload in ways that do not reflect the operating realities on the ground. They are still trying to do more with less, even though it has become undeniably apparent that they are doing far too little because they don't have enough. Working conditions are passengers' travel conditions, and it is in the entire system's interest to protect our workers and ensure they are enabled to provide the safety and service the system needs, and that Canadians expect.

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[2] https://epe.bac-lac.gc.ca/100/200/301/pwgsc-tpsgc/por-ef/canadian_transportation_agency/2024/045-23-e/POR045-23-Report.pdf, pg. 6.
[3] *Ibid,* pg. 11.

The way the aviation sector has recovered after the COVID-19 pandemic has shown us that they have adopted a bottom-line-first philosophy. Canadian airlines are returning to profitability as the recovery continues, with major airlines posting significant quarterly profits year over year. A profitable system is good for workers and for Canadians, but not at the expense of safety and service. We are seeing that our airline recovery efforts have not been entirely focused where it matters - in Canada. According to the International Air Transport Association (IATA), Canadian airline route and frequency recovery has not been focused on Canadian domestic services.[4] Instead, airlines have been focusing their resources on international and transborder travel. To be clear, there is nothing wrong with making investments in these areas, and international and transborder connectivity is critical to connecting communities and facilitating trade. However, if international and transborder routes have recovered faster than domestic ones, then it means Canadian connectivity should be the top priority. We are advocating for better balance and a focus on where service matters most - at home. One should not be at the detriment of the other.

This is especially evident for Canadians who do not live in major cities, and where domestic connectivity still has not recovered to pre-pandemic levels. If the air sector put more effort into developing, competing, and growing domestic services, this would alleviate problems with domestic connectivity. The government has a big role to play in this and needs to do more to ensure that the air sector is providing services to all Canadians at home. A well-functioning aviation system can prevent Canadians from being penalized socially or economically for where they call home in Canada and enable social and economic development.

Airlines and the entire air sector are doing whatever they can to slow down or avoid progress on fatigue, workload management, and other initiatives that improve the safety of the system right across the country. These efforts have helped contribute to a culture where the principles of safety are not enshrined as pre-emptive and proactive in nature, but rather as reactive actions after incidents occur and problems arise. This slows progress and makes life harder for workers and reduces the quality of services given to Canadians. In the same vein, the aviation sector, and in some cases the government, are excluding frontline workers from direct and vital input into the development process of new regulations and standards. Failure to fully capitalize on operational expertise and experience is a grave error. It leads to a reduction in safety due to unvalidated and underdeveloped policies that work only for the organizations implementing them and contribute to worker frustration with the overall system. We can do better. Our approach to safety must catch up to what the experts in this field already know: the frontline workers know best and make the biggest difference.

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[4] https://www.iata.org/contentassets/d79bb6f31e1d450bb46fdefe8f01084b/fact-sheet---value-of-air-transport-and-tourism-in-canada---2024.pdf.

To put it bluntly, it should be concerning that Canada's air traffic controllers and pilots feel they must write this White Paper. At the same time, it should be reassuring that we have come forward to speak up for the sake of a better system.

This chronic underinvestment and lack of care in domestic services is also manifesting in the way pilots, air traffic controllers, and other workers in the transportation sector are trained and paid in their early years, particularly for pilots. The "labour shortage" that employers cite as an excuse for the staffing situation has more to do with resolvable obstacles to entry into these excellent professions and with historical hiring practices than with any real shortage of labour. Nevertheless, under-staffing is having a real impact in the reduction of services in regional, remote, and medium-sized communities. Unions and workers have always advocated for training and recruitment that incentivizes new employees to live and work in their respective communities, which increases the likelihood of them staying in Canada's regions and increasing worker supply from those areas. This also means a more affordable life for air sector workers, as new pilots and air traffic control trainees cannot always afford to move from small towns to cities like Toronto, Iqaluit, Yellowknife, and Montreal. The cost of living is increasing right across Canada, not just in large cities.

Removing obstacles and facilitating entry into these excellent careers will increase recruitment and retention and should be seen as an investment in our communities, not a cost burden. Local recruitment efforts should also prioritize under-represented groups in the air sector, like women and Indigenous and Inuit workers. By doing so, we improve safety, service and resilience, and create a more affordable and inclusive aviation landscape.

Overall, our challenges to creating a safe, reliable, resilient, accountable, and affordable air transport sector in Canada stem from repeated and constant efforts to undermine workers and put profits over people. Short-term, bottom-line thinking instead of a coherent long-term vision has been the key driver in decision making. We believe that the government needs to take bold action, in cooperation with Canadians, workers, and industry, to establish a bottom line by bringing these groups together and re-establishing that the goal of air transport must be to connect people through a system that works safely and reliably for all.

Fixing Service Inequity in Urban and Rural Aviation:

When Canadians think about the air sector, they are thinking about how to get to and from where they need to go as easily and efficiently as possible, balancing competing priorities like affordability, service quality, frequency, and reliability. Canada is unique in the world. Other jurisdictions have comprehensive plans and visions for how to connect their countries, and back it up with strategic investments. We are not the United States, nor are we the European Union, and we need our own strategy unique to our situation and reality. If we are not able or willing to

significantly invest to build highways and healthcare facilities in remote and regional communities, then we need to double down on a robust and reliable air transportation system. Otherwise, the result is inequities in access to health care, education, good jobs, and a fair chance at life. These are not insignificant peripheral issues. They represent foundational values for our country and deserve consideration.

One of the more pressing problems facing our system is that we continue to be stuck in the 1970s and 1980s with our infrastructure. At one time it was some of the best in the world, however, now it is aging and is not being supported with the same level of investment as other jurisdictions. That means our airports, control towers and area control centres, terminals, runways, baggage systems, technology, scanners, and so many other critical parts of our system, are underfunded to face current and coming realities. This is doubly true of small and medium sized airports, and especially for rural, regional, and fly-in only communities. The government has traditionally supported these airports through the Airports Capital Assistance Program (ACAP). This fund, with approximately $38M per year in funding (with some notable temporary expansions during the pandemic), is wholly inadequate to address the needs of hundreds of small airports across the country. In the past, we could compensate for older infrastructure with more experienced pilots. That is no longer the case. The pilot supply dynamic has sped up the pace at which experienced pilots are moved out of rural and regional parts of Canada to join major airlines in larger cities. The aviation system is critical infrastructure, and we are falling behind. No amount of "modernization" in the system will help if the critical infrastructure that forms the foundation of it is not addressed.

While operators publicly protest high fees and prioritize ever-increasing quarterly profits, we must remember that it is the government that originally built this infrastructure and continues to invest in major aviation projects to support airlines and industry partners with the infrastructure to generate profits. We need massive investment from governments and industry to prepare our infrastructure for the coming decades. Aviation is a complex system and infrastructure development represents a primary constraint for efficiency and reliability as well as an obstacle for future growth. No amount of development or investment in other areas will address that. New fleets and better navigation alone will not do it. It also means being prepared for changes in our climate that will impact the aviation sector. Sustainability and resilience are the next critical evolutionary steps for our industry and cannot be ignored.

In rural and regional communities, location and ageing airport infrastructure can also pose significant safety challenges. Insufficient oversight in remote parts of the country, combined with intense and unpredictable weather changes as a result of climate change, further increase risks to safety. It is hard to overstate the importance of services like effective, modern, and well-staffed air traffic control, as well as continued investment to keep current infrastructure up to the highest standards. Even critical pieces of equipment, like aircraft de-icing tools, are often either in poor

condition or absent altogether, contributing to major delays and cancellations for residents who rely on air travel the most. As a result, attracting businesses and keeping costs affordable, maintaining competitiveness, and ensuring resilient services become increasingly difficult without support. If we are to keep developing our regions, we need new investments, better safety oversight and systems, and a renewed vision for rural Canada. As the government balances other priorities, like Arctic sovereignty, northern resupply, and climate change resiliency in remote and rural communities, investment in air access is critical. Connectedness is a vital ingredient to national unity, and a robust aviation system is the modern equivalent to the transcontinental railway and the Trans-Canada Highway after it.

These northern, remote, and regional airports are also critical to Indigenous Reconciliation. First and foremost, ensuring reliable air access to Indigenous communities and the north is crucial for economic well-being and critical medical access. Ageing infrastructure, or the removal of critical services like air traffic control and flight service stations, a lack of local knowledge and locally based jobs, and absence of a long-term strategy for air access in these communities are hindering Reconciliation. We cannot hope to overcome the many challenges of Canada's history and relationship with Indigenous peoples if we cannot even prioritize connecting communities. Unfortunately, the need for Reconciliation partly stems from chronic and often intentional under-investment in northern, remote, Indigenous, and Inuit communities. Our call for a national aviation strategy includes the need for a vision to address these challenges.

Local training and leveraging local knowledge are also an important part of addressing these challenges. The air sector needs to do better at hiring locals to fly and work locally. This will, in part, address concerns about affordability for new trainees having to head to cities like Montreal, Toronto, Vancouver, Yellowknife, Iqaluit and others, for training and to start their careers. It would also guarantee a steady stream of workers in Canada's regions and help alleviate the chronic under-staffing faced by our industry. The financial barrier to entry for pilots and air traffic controllers is extremely high, and unless workers believe they will have a long-term and sustainable career path, they will not enter the industry. Canada's long-term vision for the aviation industry needs to accommodate the reality that our geography and demographics are also changing. Small cities are becoming bigger, traffic is increasing, and infrastructure is not keeping up. Our country is slowly filling in, and we need to be ready for the future, rather than react to it.

A national strategy must truly be national. The vast majority of Canadians are flying to, from, and through our major urban centres and largest airports. Passengers expect this service to be reliable, affordable, and resilient. If our hubs become bottlenecks, the entire system breaks down. We see symptoms of this during major weather events or simply when system constraints overwhelm airports and airlines, where the ripple effects can disrupt air travel for days.

People also expect that airlines and airports are prepared for when things go wrong, such as unforeseen mechanical issues or storms that destabilize the overall system. The government has made significant and important strides in protecting passengers through the Air Passenger Protection Regulations (APPRs). Criticisms of the passenger protection regime from industry are disingenuous deviations from accountability. While mechanisms like the APPRs may be imperfect and unevenly applied, they serve accountability. We believe any efforts to increase accountability and transparency for passengers, whether through these regulations or additional measures like the increased availability of data, helps create a better system. Recent measures proposed by the government in Bill C-52 to increase accountability amongst all air sector partners are a welcome change. C-52 proposes a system to implement service standards across the air transportation space, giving every part of the system accountability and the capacity to resolve service problems. As the front-line workers in the sector, we must highlight how critical it is for pilots and air traffic controllers to make safety- or security-based decisions that could delay or cancel flights. A balanced approach will always be needed so that workers can do their jobs and keep people safe without fear of being blamed for service delays.

Accountability also means taking a meaningful look at wasteful or inefficient services and taking action to redistribute resources and reallocate priorities where needed. Airlines and airports should take accountability for wasted fuel burned during excessive delays or even flight cancellations, and search for alternate and green technologies to prevent unnecessary emissions. It does not make sense for aircraft to wait in line burning fuel because another part of the system is short-staffed. Air traffic controllers and the air navigation service provider are at the cutting edge of implementing greener techniques for landing and take-off, reducing emissions using existing technology and aircraft.

Wasteful emissions are a contributing factor to higher prices. While we believe in elements of Canada's user pay model as a common sense policy, prices have been increasing significantly for Canadians without any commensurate increase in service and reliability. We must re-think the foundation on which our system and its infrastructure is built. Affordability that does not compromise safety and service needs to be put back at the top of the agenda for industry and government, and both parties should adopt ambitious targets for reducing costs while providing better service and without compromising safety or worker protections. The future is coming, and all parties need to prepare for it, because it will not be cheap.

Overall, urban and rural communities across Canada have similar needs. Travellers want good, reliable, safe, resilient, and affordable service that makes sense for their local realities. Given Canada's size and the complexity of our aviation ecosystem, that is only going to happen if all parties can come together to create a shared vision for the future based on the principles of shared accountability, transparency, collaboration, good service, and fair working conditions.

Our Recommendations for a Better System:

Canada's aviation system is greater than the sum of its parts. It is not just an enabler of commercial interests and requires a collective effort and both a short- and long-term vision for our sector that puts the system and its workers and travellers, rather than the bottom line, first.

To solve these collective challenges, we recommend:

Resilient, Accountable, and Affordable Services Canadians Expect

1. The creation of a visionary, modern, and comprehensive National Aviation Strategy, bringing together workers, industry, Canadians, Indigenous and Inuit peoples, and government, to create a 21st century aviation system that works for all. We recommend that the government begin work on this strategy with an accelerated review of the *Canada Transportation Act*, ahead of the next legislated review timeline.

2. In the interim, developing a short-term strategy, on an 18 to 24-month timeline, with quick wins to immediately improve the well-being and protections of workers, the experience of travellers, services to communities, and the safety of the overall air transportation system.

3. Conducting a nationwide assessment of the sector's resiliency and how that impacts affordability, efficiency, and good service, including resilience to climate change, infrastructure modernization, technological change, regulatory change, passenger preferences, and more.
   a. This should also examine staffing needs and elasticity in the system.

4. Conducting a nationwide infrastructure assessment of airports, airlines, air traffic control systems, and their respective supply chains, with a forward-looking lens to ensure we are not just playing catch-up over the next 25 years.
   a. This infrastructure assessment should prioritize the use of new and emerging technologies that augment and benefit the expertise of aviation workers, rather than replace them with automation to pad businesses' bottom line. The assessment must be pragmatic about how to solve current problems, define where the principal constraints lie, and not just support the cycle of worker cuts and profit maximization.

5. Complete an analysis of wasted and inefficiently used resources that contribute to the sustainability challenge facing the air sector. For example, the review should examine how much fuel is wasted during unnecessary delays, diversions and cancellations, and

emphasize transparency and accountability in incentivizing the reduction of these emissions and costs.

6. Review the affordability of the entire transportation system. Those who fly should be responsible for paying for the vast majority of the system but should not be held financially hostage when prices increase significantly, and wages remain relatively stagnant. Fairness to workers and travellers must be paramount.
   a. This review should be guided by the successes of other jurisdictions, like the U.S. and European Union, which have significantly higher levels of state support for critical aviation infrastructure and services. The goal of the review should be to identify a balanced funding solution, split between users, industry, and government, that not only maintains but improves the efficiency, affordability, resiliency, and sustainability of the aviation sector in Canada.

7. Ensuring that affordability in the aviation sector means affordability for all. If pilots and air traffic controllers cannot afford to live in the cities they are sent to work in, then the aviation system is not truly affordable, and is built on the backs of workers. We also need to recognize and acknowledge the lowest paid workers in the aviation sector, who often perform vital tasks that keep our system moving.

8. Developing and enshrining transparency and accountability mechanisms so that all parts of the aviation system are held responsible when things go wrong. This could include detailed data on staffing, delays, cancellations, denied boarding, and lost baggage. This work should be modelled on the proposals of Bill C-52.

9. A comprehensive assessment on staffing needs across the entire aviation system to effectively ensure that capacity can meet demand. More Canadians are travelling than ever before, yet there has not been a proportional jump in the number of workers in our system, leading to significant risks of delays, inefficiency, and poor service. We need to learn our lesson and understand that cost cutting can no longer be the top priority.

10. Prioritizing a collaborative international aviation environment, where the Government of Canada kickstarts discussions and cooperation on a resilient, efficient, affordable, and sustainable air transportation system at the 2025 ICAO General Assembly and at the International Transport Forum.

11. Preserving the collective bargaining process so that agreements are made in negotiation with workers. The government's interference in collective bargaining only prolongs disputes and undermines the development of the collaborative and cooperative culture that is indispensable in ensuring a safe and efficient system. This includes protecting and

enforcing Bill C-58 and ensuring that "surface bargaining" is prevented by keeping government intervention and tools like binding arbitration away from the bargaining table. Short-term disruptions are preferable to long-term disengagement from the workers upon which the system relies.

12. Continuing to enshrine passengers' rights to fair treatment and fair compensation, with a recognition that workers are not to be blamed by employers for delays and cancellations.

Safe Air Travel

13. Enshrining the belief that preventative action to improve safety is more cost-effective than responding after an accident occurs.

14. The creation of a Collaborative Air Safety Forum that goes beyond the current Canadian Aviation Regulation Advisory Council (CARAC) and that includes aviation sector workers, industry, and government, so that all decisions and regulatory proposals that impact or improve safety are made with those who must implement new policies on the ground.

15. Proactively assess the safety of the aviation system before accidents happen, either through Transport Canada or the Transportation Safety Board. This proactive mechanism would use data from airlines, airports and the air navigation service provider to assess if regulations are firstly being properly defined, implemented, and enforced. Secondly, they would assess if the regulatory system sufficiently responds to the modern realities of aviation. This would include a review of fatigue, workflow management, emerging technologies, the indispensable nature of human factors in all change initiatives, and a comprehensive safety review of the national safety system and its alignment with corporate objectives. The ultimate goal is a layered approach to civil aviation safety, with effective regulatory development, oversight, and enforcement.

16. Co-investing, from both government and the air sector, in pilot and air traffic controller training, ensuring that we have a steady stream of highly skilled Canadian workers, creating better, more efficient, and safer services for all. There is currently no federal requirement for ATCs to receive recurrent training, to maintain and develop skills, manage change, or ensure they are prepared for unforeseen events and emergencies. Regulatory safeguards would ensure minimum recurrent training standards are met and proficiency is maintained.

17. Creating standards for recurring and modernized training, as technology evolves, for air traffic controllers and parts of the transportation system, leveraging worker knowledge to

address gaps, defining a process for the introduction of new technology and equipment, and requiring operational input and human factors considerations.

18. Establish a team within the government dedicated to "blue sky" thinking with a focus on regulatory modernization in transportation. This section would, in cooperation with workers, all parts of industry, communities, experts, international organizations, and other government departments, identify and examine disruptive and emerging technologies within the air transportation sector. This group would have the mandate to explore the implementation of these new technologies so long as they benefit Canadians, workers, and Canadian businesses.

Urban and Regional Air Travel

19. Evaluating the needs of mid-size airports, like Quebec, Kelowna, Halifax, Thunder Bay, Winnipeg, and many others, before population growth exceeds infrastructure capacity.

20. Examining whether airlines are sufficiently and effectively serving regional, rural, and remote communities across Canada, with a particular emphasis on fly-in only and communities without road access. The government should use every tool at its disposal to re-establish services where they have been lost or significantly reduced.
    a. A comparative approach should be taken to services pre- and post-pandemic.

21. Training regimes for pilots and air traffic controllers, as well as other workers in the system, should prioritize new cohorts of students from different regions of the country, especially Indigenous, women, and rural/regional students.
    a. This training regime should incentivize students to live and work in their own communities, creating a steady supply of skilled workers across the entire country.

22. Launching a review of wasted resources to ensure that we are maximizing every dollar and ounce of fuel to connect Canada's regional communities.