

## **Speaking Notes to the House of Commons Standing Committee on Transport, Infrastructure and Communities**

December 4, 2018, *Daniel-Robert Gooch, President, Canadian Airports Council*

Madame chair, members of the committee, it is a pleasure to appear before you again today to speak to an area of growing concern to many of the communities our airports serve -- a shortage of qualified commercial pilots, which is leading to reliability problems on important regional air routes. This is the aspect of flight schools that I will focus my comments on.

I am president of the Canadian Airports Council, which represents 54 airport operators, including 25 of the 26 NAS airports and 29 operators of regional airports.

It goes without saying that airports don't hire pilots, nor do they determine what air services are operated from which communities. In the deregulated air transport sector we have had since the 1980s, these are decisions made by private airlines, including large network carriers and their regional affiliates but also a dozen or so independent regional air carriers. And most air routes are not subsidized.

This context is important, because communities really are vulnerable to market conditions and the decisions made by air carriers on whether they will fly to their community, how often, and for how much.

Canada's airports make up a system of independent, but interdependent airports. An aircraft that takes off from Toronto Pearson or YVR has to land somewhere, and so problems for one group of airports impact many others. That being said, the pilot shortage is being most acutely felt in Canada's regional air service markets throughout the country. British Columbia, New Brunswick, northern Ontario are just three regions that are being impacted, with regularly scheduled flights being cancelled often enough that travellers looking to buy a ticket for one of these routes have to ask themselves just how badly they need to get where they are going on time.

I'll give you an example of this. Allen Dillon, a frequent flyer and CEO of a cyber security firm in New Brunswick was recently profiled by the CBC. He takes more than 100 flights a year and now has to catch much earlier flights just to ensure he can make his meetings on time because he is finding a major delay or cancellations about 40% of the time. It's like shutting down a major highway on a regular, but unpredictable basis.

This is a serious concern. Airlines make service decisions based on the financial strength of a given route. If travellers lose confidence in a route and traveller numbers fall, how long does that route stay around?

The shortage of pilots is not unique to Canada, it's a global concern and Canada competes in a global market for talent. And the concern is not just limited to pilots either. According to the Canadian Council for Aviation and Aerospace labour market report released in the spring, of an aviation sector that employs about 154,000 people today, some 55,000 new workers will be required in this sector by 2025. Based on current educational program capacity, including flight schools, only a quarter of that demand will be filled by domestic graduates.

In terms of pilots specifically, the labour market report suggest Canada will need about 7,300 pilots by 2025. We're only producing about 1,200 new pilots a year and nearly half of these are international students who typically return to their country of origin. Only 70% of these new pilots even stay in the industry. These factors taken together mean we're only really producing about 500 new pilots a year, which will lead to a shortage of about 3,000 pilots by 2025.

More over, our colleagues in the regional air carrier community are concerned that proposed regulatory changes to air crew duty times will significantly add to the shortfall.

When we consider the impact that a shortage of pilots is already having on air service in some communities, this future is a big concern. Which is why this study is timely.

There are plenty of ideas on how to fix this, including more financial support options for prospective students, changes to how these programs are viewed vis a vis financial support by government, creating better options for foreign students who may want to pursue an aviation career in Canada, and improving access to simulators and other technological tools.

But we will leave it the experts in these fields to weigh in on those ideas, as I do want to address the second part of the committee's study -- whether the infrastructure available to flight schools meets the needs of the schools and the communities where they are located.

I've spoken with you about the financial challenges faced by small regional airports, where the Airports Capital Assistance Program is the only infrastructure investment fund available for safety and security related projects, and its funding is limited to about \$38 million a year. This is an important program for those airports that are eligible, but demand far outstrips supply and the program is only open to airports with a minimum level of commercial service, and not to general aviation airports without commercial service.

Flight schools are located throughout Canada, at both commercial and general aviation airports. Some of these are located in urban areas, where they

are located close to prospective students but also close to residential communities.

Flight schools by their nature involve a lot of activity close to the base airport, including take offs, landings and rotations. This activity contributes to the concern of residents in some communities around aircraft noise.

As this committee heard recently, aircraft noise in residential communities near airports is a complex issue to manage, and one that is best dealt with on the ground in the community, as it is a very local issue.

I'm happy to take any questions the committee may have.