

November 21, 2019

The Honourable Marc Garneau, P.C., M.P.  
Minister of Transport  
House of Commons  
Ottawa, Ontario  
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Dear Minister,

On behalf of the \$12.1 billion Canadian business aviation sector, the Canadian Business Aviation Association (CBAA) would like to congratulate you on your reappointment as Minister of Transport and welcome you back to our dynamic sector. With the opening of the 43<sup>rd</sup> Parliament, the real work begins to advance our nation's collective agenda and the meaningful role that Canada's \$12.1 billion business aviation sector can have in achieving our goals.

We would like to take this opportunity to commend you and your officials on the Canadian Aviation Regulatory review now underway. The CBAA is proud to be part of this initiative and is eager to work towards our goal of greater flexibility and clarity in CARs and the elimination of "one-size-fits-all" and prescriptive regulations. We would also like to acknowledge the excellent progress made on a number of challenging files by your Director General of Civil Aviation, Nicholas Robinson, and look forward to continuing this relationship to the betterment of the business aviation community.

As you have come to learn, our sector is the target of many myths and misunderstandings that get in the way of allowing us to fully support Canadians and the Canadian economy. We look forward to an opportunity to meet with you at the earliest opportunity to provide you and your colleagues with the facts about how business aviation contributes to our collective wellbeing and does so sustainably and responsibly.

As an example, few people are aware of our outstanding record on climate change. Business aviation has a proven record on carbon reduction and for pushing for greater availability and use of Sustainable Aviation Fuels (SAF), which can reduce aviation's carbon lifecycle emissions by up to 80 percent. These fuels are fully certified, safe, and ready to use in all turbine engines. SAF is already in use by leading OEMs and at some business aviation airports in the United States.

Canadian business aviation operators are committed to promoting and using SAF, but its availability is limited. This is an extraordinary opportunity for Canada to show real leadership in climate change, by putting into place the incentives to encourage SAF production and use. We stand ready to connect industry and government to take the lead on this important initiative.

Canada needs a strong and secure business aviation sector. Business aviation is an engine that drives the Canadian economy. It allows Canadian businesses to connect with their customers and potential customers securely, safely and efficiently.

Unfettered by airline schedules or routes, these aircraft allow us to move at the speed of our business, compete in the global economy and provide essential – and sometimes lifesaving services to northern and small communities as well as to small, medium and large businesses.

By way of this letter, we request a meeting with you as a matter of urgency to discuss two critical issues that require resolution. In the coming months, we hope to meet with other key government officials whose actions and policies could have a lasting impact on our ability to transport Canadians when and where they need to fly.

The first is the campaign's promise to impose a "luxury tax" on aircraft valued over \$100,000. This policy assumes that the aircraft are purchased as a personal choice intended to enhance a certain type of high-end lifestyle. In fact, our data shows the opposite. The majority of "private" aircraft are used primarily for business purposes – delivery of personnel and equipment to remote locations, supplementing employee travel when consolidation of the airline schedule reduces scheduled service to points across Canada, agricultural and industrial support, fly in tourism, air ambulance and so forth.

The imposition of a "luxury tax" on the people and companies who purchase these aircraft will negatively and unfairly impact the Canadian economy. In addition, direct impact to small business aviation owner/operators who operate one or two aircraft and individuals who live in communities – particularly remote or northern areas - that are not adequately served by commercial airlines.

The second issue is access to airports. As an example, both Toronto and Montreal have imposed restriction on runway access by general aviation flights, including business aviation. One of the greatest challenges we face is that access rules are unclear, if they exist at all.

Airports are public assets, even though they are managed by local authorities. Therefore, it stands to reason that our aircraft should have equal and fair access to runways and services. However, in both Montreal and Toronto, access is restricted by the airport authority. And without clear rules, these actions are arbitrary and impose an unfair hardship on our operators and customers.

We believe that there is a lack of knowledge about the nature of our sector that impedes the creation of progressive and sound policy.

Business aviation's economic footprint is sizeable. Business aviation stands out as one of Canada's most generous employers, engaging 23,000 people at an annual average salary of \$95,900, almost twice the Canadian national average. These jobs require a wide range of different skills and training, including pilots, mechanics, designers, builders, coders, engineers, educators, dispatchers, and many other specialists. Remitting three quarters of a billion dollars annually in tax, business aviation more than pays its way as a Canadian industrial sector. But the positive impact that business aviation has could shrink if we do not have equitable access to airports or if aircraft purchases are unfairly targeted with a "luxury" tax.

And it is also worth noting that not only does business aviation serve Canadians directly, but it is also one of Canada's foremost international corporate success stories.

Through marque companies such as Bombardier, CAE and Pratt & Whitney, plus the hundreds of Canadian enterprises that supply and support these companies, Canada is recognized as a global leader in business aviation.

Thank you for your attention. We look forward to meeting you or your officials at the earliest opportunity to find solutions and share ideas for ways that our sector can contribute even more to Canadian economic opportunity, employment and quality of life.

Yours sincerely,



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President and CEO  
Canadian Business Aviation Association

- CCs
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