

## **CHC Helicopter Corporation**

### **Responses**

#### **1. Economic Recovery and Growth**

*Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?*

CHC Helicopters proposes that the Federal Government consider utilizing an Alternate Service Delivery (ASD) model for Search and Rescue (SAR) services in order to support the objectives of maintaining economic recovery and enhancing economic growth in Canada. SAR is a fiduciary responsibility of the federal government. The ASD model would enhance economic growth in Canada by providing an essential public service with additional capabilities and at a lower cost than the current price of expanding SAR using internal military resources. The alternate service delivery model is an opportunity to address gaps in the current SAR service, add new capacity in the Canadian Arctic, upgrade technology, and provide better service efficiency while, at the same time, addressing current and future budget needs. The Canadian Government should consider streamlining SAR delivery, specifically helicopter SAR, through the use of an ASD model. This model has been successfully proven in other first tier countries. Globally, SAR is currently being delivered to the Irish Coast Guard, United Kingdom Maritime and Coastguard Agency, and Royal Australian Air Force by a Canadian company using the ASD model. It has proven to be successful and efficient in serving the population and the governments of those countries. SAR has dominated the media over the past year; it is an essential public service and a prevalent point of interest to Canadians. Today, DND and the Canadian Coast Guard share responsibility for providing SAR services across Canada. The Canadian SAR system is currently experiencing some operational and equipment challenges based on the demands of both the domestic and international defense mission, and the domestic SAR mission. There is a recognised need for improvement in the delivery of Aviation SAR services across Canada and as a result of the challenges of providing service across such vast territory, areas of opportunity for improvement exist. Furthermore, providing SAR through an ASD model would stimulate national job growth as it opens new fields of employment to DND veterans by providing opportunities to these highly skilled military personnel with the relevant skill-sets to continue to work in their fields, once their national service obligation is complete.

#### **2. Job Creation**

*As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?*

The Federal Government can promote job creation in Canada and improve public services to Canadians by engaging in an alternate service delivery model of Search and Rescue services. Alternate Service Delivery (ASD) Search and Rescue (SAR) has proven to increase employment as it creates new jobs in a number of areas. In addition to creating employment opportunities to remote communities and veterans, and have indirect benefits to third party partners, most importantly, ASD of SAR will not eliminate existing military jobs. ASD creates valuable employment within the communities where the services are based. This means an increase in employment in remote locations and bringing new opportunities to communities that have limited employment options. ASD Search and Rescue demands

highly-skilled crews to operate and maintain the base and equipment and it requires trained technicians to provide the Search and Rescue services and operate the helicopters. ASD Search and Rescue will promote job creation in two ways. The first source of job creation is through self-sustained generation of highly skilled crews from the community where the services are based. The second source of job creation is through employment of Canadian veterans. Highly skilled ex-military personnel can find relevant employment in Search and Rescue delivery. This is beneficial as it both utilizes the investment already made by the government in its citizens and provides needed post-military employment for veterans, a group that has traditionally been faced with challenges in finding employment after their service. An Alternate Service Delivery model for Search and Rescue does not cost the military jobs. There will be no natural reduction in labour force, but rather a reduction in spending. Alternate Service Delivery adds additional capabilities and efficiencies and increases the reliability of the SAR services as it is accountable to the government and its citizens in a contractual way.

### **3. Demographic Change**

*What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?*

In order to address these concerns, employment opportunities for an older population must be considered, optimization of current workforce skills is necessary, and fields where skills will be in shortage must be promoted to the emerging workforce. Search and Rescue (SAR) is a prime example of a field in which Alternate Service Delivery (ASD) can take advantage of the aging, but skilled workforce, while encouraging interest in pursuing training in this area by providing long-term career opportunities. ASD of SAR will promote job programs that keep retired veterans employed in Canada longer. It has become common practice for ex-military personnel to seek employment opportunities abroad after their twenty years of service in the Canadian Forces. This is as a result of the lack of viable employment options in Canada for military-trained SAR technicians and pilot's post-military engagement. With ASD of SAR, Canadian military veterans would have the option to continue to work in Canada in a field that they have been trained for, rather than beginning again in an entry-level position in an un-related field. Due to the lack of opportunity for veterans to maintain their skills as civilians, large numbers of military retirees have to go through the process of retraining once they have retired from military service. ASD Search and Rescue provides the framework for veterans to seek purposeful work in the field in which they were trained. Not only does ASD of Search and Rescue provide employment opportunities for today's veterans, but it also creates a long-term career path for new entries into the military, inciting the next generation of military personnel to pursue careers in these in-demand fields. ASD of Search and Rescue expands the viable job market and encourages rather than deters individuals from training in these specialities. Failing to provide adequate post-military opportunities to utilize these focused skills will result in a loss of interest in developing them in a military capacity and could result in a shortage of trained military personnel. By bridging the gap between military service and retirement, we can provide a vital service to the public while supporting our Canadian veterans.

### **4. Productivity**

*With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?*

In order to increase productivity in Canada and reduce the fiscal burden on the federal government, the Canadian Government should consider engaging in Alternate Service Delivery (ASD) of Search and Rescue (SAR) services. ASD of SAR benefits the federal government by removing the administrative costs of Search and Rescue as well as the capital expenditures associated with the service through increased

efficiencies. The ASD of SAR model removes the requirement for the government to invest significant capital in new equipment, next generation SAR aircraft and SAR bases. All capital investment is provided by the SAR service provider. As a general rule, ASD of SAR services are delivered with a more efficient manpower model offering significant savings to the government. As an example, Ireland's helicopter SAR service, which consists of four helicopter bases, has a total establishment of 110 staff and is run by the private sector. Under the previous model of Government supplied SAR the number of personnel required was over three to four times the existing number. This team provides robust, 24-hour coverage for the country. Additionally, high predictability and a reliable cost model help the government to lower cost and deliver reliability in their budgets. Another significant feature of ASD SAR is the fact that the service provider indemnifies the government for the provision of the service. This reduces the government's risk, thereby reducing its insurance burden and associated cost. The U.K provides an example of ASD SAR that is efficient and effective. CHC Helicopter is responsible for four out of twelve SAR bases in the U.K. From July 2012 to July 2011, CHC achieved the following performance: - SAR service availability of 99% across all four bases - 96% of SAR flights were airborne within 15-45 minutes (day/night) from the initial dispatch alert. The remaining 4% was caused by outside influences (i.e.: waiting for a medical specialist, planning for extreme range or volcanic ash avoidance, and refuelling between missions.) - 502 people were rescued or assisted within this period - Performed 2, 178 flights, of which 732 were SAR missions and 1,446 were training missions; including a nine hour SAR mission over 1,799km. - Logged over 3,522 flight hours on SAR and training missions.

## **5. Other Challenges**

*With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?*

One particular group of Canadians facing challenges are Canadian veterans. One of the major difficulties facing Canadian veterans is reestablishment into civilian life once their military careers have ended. According to Veterans Affairs Canada, the Canadian Forces' average age of retirement from military service is 39 years of age. As a result, a young and highly-trained workforce emerges at its prime with training and skills that would serve well if continued to be put to use in the appropriate field. As Veterans begin the process of re-establishment into civilian life, they are faced with challenges in finding new and relevant employment. Helicopter Search and Rescue (SAR) is a unique service, performed in the most challenging circumstances. CHC Helicopters operates the most advanced helicopters on the market and supports its crews with advanced training programs. Helicopter SAR delivered through Alternate Service Delivery (ASD) would provide an opportunity for veterans to transition into careers that fit their military training. According to a recent report delivered by DND, "there are about 67,000 Regular Force personnel serving in the Canadian Forces, and... (from) 1998-2007 about 4,300 Regular Force personnel (were) released annually." These are substantial figures demonstrating the number of people annually looking for employment. Although many retiring Canadian Forces personnel find work in the civilian job market, according to the DND report "most agreed that military experience, education and training helped in reestablishment, less than half reported that their prestige, skills and knowledge, authority, income, and importance was higher than that in their military service." Alternate Service Delivery of Search and Rescue is a solution to what many veterans are searching for in their post-military career employment, meaningful and purposeful work that puts their training and skills to use while better serving the public. Footnote 1&2: Thompson JM, MacLean MB, Van Til L, Sudom K, Sweet J, Poirier A, Adams J, Horton V, Campbell C, Pedlar D. Survey on Transition to Civilian Life: Report on Regular Force Veterans. Research Directorate, Veterans Affairs Canada, Charlottetown, and Director General Military Personnel Research and Analysis, Department of National Defence, Ottawa. 04 January 2011:103 p.18

