



Air Canada Pilots Association
Association des pilotes d'Air Canada

Written Submission for the Pre-Budget Consultations in Advance of the 2021 Budget

By:

Robert Giguere
Chief Executive Officer
Air Canada Pilots Association



Air Canada Pilots Association
Association des pilotes d'Air Canada

List of Recommendations:

- **Recommendation 1:** That the federal government make a significant and directed financial investment in support of the airline industry in Canada, Canadian airlines, and Canadian workers.
- **Recommendation 2:** That the federal government urgently fund, prioritize and implement a port of entry rapid COVID testing scheme at airports so as to allow Canada to re-open to more international travelers.

As the Committee is aware, the global airline sector is facing its biggest crisis ever. This persists even as Canada successfully reduces the number of cases because of government decisions to keep Canada's borders closed – even with countries who have demonstrated success in reducing cases. As a consequence, our sector's long-term recovery is in jeopardy.

While government relief like the Canada Emergency Wage Subsidy assisted employers in the short-term, it has not been sufficient to prevent airlines from laying off thousands of our colleagues, devastating these workers, their families and further eroding the Canadian economy.

While the sacrifices made by Canadians have been difficult, it is clear that these efforts have paid off. Canada's COVID-19 infection rate continues its steady decline, especially when compared to the troubling situation in the United States.

We must remain vigilant against a second wave, while also recognizing that there is a way for the airline sector, like other industries, to adapt to the "new normal" of living with COVID-19. We transformed our operations after 9/11 for the age of global terrorism, and we can do so again for the age of global health crisis.

The aviation industry is a foundational element of Canada's economic infrastructure. It supports the movement of people and goods that is essential to business, tourism, and education.

When the pandemic began, Canada's lifeline was its international air carriers. Without Canada's airlines and employees, our country and our citizens would have experienced severe shortages of medical devices, PPE and basic consumer goods. Air transportation workers have been declared an essential service in recognition of their critical role in protecting the country and our interests.

Canada has always been a trading nation. We do not have the labour or industrial base to be fully self-sufficient. The free movement of people and goods – when safe to do so – is critical to the continued functioning of our society.

It is with this in mind that we propose the following investments to sustain Canada's air sector – and our continued safe operations – through the foreseeable future. We believe these measures to be in the best interest of Canadians' safety and economic well-being.

That is why we recommend that Canada align with similar countries in providing financial support to their airline sector and adopting successful safety practices.

RECOMMENDATION 1 – SECTOR SPECIFIC FINANCIAL INVESTMENT IN SUPPORT OF CANADIAN AIRLINES

The government's financial supports to date, such as the Canada Emergency Wage Subsidy (CEWS) and the Large Employer Emergency Financing Facility (LEEFF), while helpful in the short term, have not been sufficient in response to the economic difficulties that airlines in Canada are facing. Without swift and directed financial support, Canadian airlines will continue to struggle and their recovery and long-term contribution to the economy is at risk. This includes further layoffs and potentially permanent damage to the Canadian economic sector.

Airlines around the world are all facing the same struggles in this health crisis. However, we have seen other governments step up to support their domestic airlines and airline industry where Canada has not. The United States Congress set aside \$25 billion USD in federal relief for passenger airlines of the \$2.2 trillion CARES Act in March. The French and Dutch governments banded together to provide \$10 billion euros to salvage Air France-KLM. Germany has offered Lufthansa a \$9 billion package. There is clear precedent for providing aid in these difficult and damaging times, and yet Canadian airlines are being quickly disadvantaged as other countries step up with support. The economic devastation of this lack of action will continue to be experienced until direct action is taken to support the Canadian airline industry. Equally, failure to act will leave the Canadian airline industry at a severe disadvantage against others long into the future.

RECOMMENDATION 2 – POINT OF ENTRY TESTING FOR AIRPORTS

Restoring public confidence is equally critical to the long-term viability of the aviation sector.

We are asking the federal government to urgently fund, prioritize and implement a port of entry rapid COVID testing plan at airports so as to allow Canada to re-open to more international travelers.

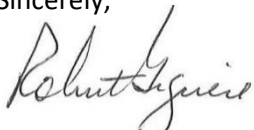
The current policy of temperature checks is insufficient to restore full confidence among the travelling public. In fact, Canada's Chief Public Health Officer, Dr. Theresa Tam, has said that temperature checks are "not effective at all," as they will not detect the virus in asymptomatic (and even some symptomatic) travelers. It remains unclear what, if any, longer term plan Transport Canada and Health Canada have for improving upon the recently established practices.

In our view, "security theatre" must give way to proven methods of testing for all new arrivals to our country.

For visitors from qualifying countries, only those who test positive should be expected to quarantine for two weeks, taking advantage of the significant hotel capacity available near our airports. We now have the testing capacity in place to make this possible, and air travellers must understand that quarantine is a risk they take when they fly - but mandatory quarantine from safe countries should no longer be required.

If the Committee has any questions, please do not hesitate to reach out.

Sincerely,



Robert Giguère
Chief Executive Officer
Air Canada Pilot's Association