

**Senate Standing Committee on Transport and Communications**

**Bill C-49 (Transportation Modernization Act)**

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**President of the Canadian Airports Council**

Mr. Chair, ladies and gentlemen. Thank you for the invitation to appear before you as part of your committee’s study of Bill C-49, the *Transportation Modernization Act*. My name is Daniel-Robert Gooch and I am president of the Canadian Airports Council.

The CAC has 52 members operating more than 100 airports across Canada, including all privately operated National Airports System (NAS) airports. They handle more than 90 per cent of the commercial air traffic in Canada, and an even greater share of international traffic.

Canada’s airports today are experiencing strong growth. Passenger volumes were up 6.3 per cent last year, and international traffic had even stronger growth at 9.8 per cent.

Air travel is booming and government can take some credit. Investments in visas are making it easier for foreign tourists to come to Canada. Investments are being made in tourism promotion through Destination Canada, which is doing a fantastic job. The Canada-China Year of Tourism is raising our profile in that market, although an increase in air traffic rights is needed to fully realize our potential there.

Airports are very busy, which is a good problem to have. And they are making infrastructure investments to ensure they have the capacity to facilitate the smooth flow of passengers. But as you have heard from our colleagues in the industry, government has a role to play as well.

Budget 2018 contained some good news with $236 million in additional funding allocated to CATSA to help manage increased passenger volumes. Additional funding is also being allocated to CBSA.

These investments will help. But as the CATSA funding only maintains the crown corporation’s current service target, we do expect long wait times at screening will continue during peak travel periods until permanent reforms can be introduced.

We are encouraged that the Government of Canada is looking at restructuring CATSA to make its funding more responsive to growth in air traffic. Budget 2018 provides some stability for CATSA so this work can proceed cautiously and in full discussion with Canada’s airports and our industry partners.

Canada’s airports and major air carriers have submitted to Minister Garneau a service level recommendation that would see 95 per cent of originating passengers at the eight largest airports screening in under 10 minutes, even quicker standards for connecting passengers, and with no passenger waiting more than 20 minutes. But we are a bit far from this today, which is where our concerns with C-49 come in.

Bill C-49 provides a framework for CATSA to administer new or additional screening services on a cost-recovery basis. This will provide added flexibility for airports to supplement security screening services for business reasons, such as giving a higher level of service for connecting travellers or a separate check-in area for premium travellers.

However, until an acceptable service standard is put in place with proper financial support, there are concerns that some airports will feel pressured to pay for basic CATSA services that are supposed to be funded out of the Air Travellers Security Charge. Airports operate on a not for profit basis. Any additional costs have to be absorbed and recovered through higher fees to travellers or air carriers or through other revenue streams that airports use to keep costs to users low.

Toronto Pearson and Vancouver International Airports have already spent an additional $14 million last year to supplement government funding to maintain CATSA’s target of moving 85 per cent of passengers through screening in 15 minutes or less.

With an expected six million more air passengers this year, there will be more demands placed at security screening and at our air borders.

As you consider the traveller rights aspect of C-49, we urge you to keep this in mind. We have been listening to the testimony at your committee with respect to traveller rights and the inter-related roles of stakeholders in the travel value chain. The federal government’s own role in the provision of security screening by CATSA and border services by CBSA must be part of your considerations, as these contribute to passengers missing flights, departure delays and even delayed disembarkation at the end of a long flight.

Airports will do what they can to ensure people get to where they want to go on time and in a pleasant environment. But government certainly has a central role to play as well.

Thank you for your time.