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Chair

Mr. Merv Tweed

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• (1535)

[English]

Mr. Martin Eley (Director General, Civil Aviation, Department of Transport): We'll just take the presentations one after the other.

The Chair (Mr. Merv Tweed (Brandon—Souris, CPC)): Yes, so whoever wants to start can do so.

Mr. Martin Eley: I think I got the short straw.

The Chair: Absolutely, please begin.

Mr. Martin Eley: Thank you, Mr. Chairman.

Thank you to the members of this committee for inviting me to speak today on the issue of noise.

Noise is not just a health concern; it's also a quality of life issue. If not properly handled with the right noise reduction strategies, this issue has the potential to place undue stress on the well-being of those in the affected areas. It places strain on basic day-to-day activities, going to bed and waking up, eating meals, etc.

This is why Transport Canada has put in place regulations, policies, and procedures that have worked for the majority of Canadians for more than 40 years.

[Translation]

Since 1980, our position that aircraft noise issues in urban areas are best handled at the local level has served the department and Canadians well. After all, local representatives have intimate knowledge of regional matters, a capacity that we, at the headquarters, do not and cannot possess. It is a complex issue with many variables.

[English]

Transport Canada provides oversight of this system, making sure that policies and procedures work for the community, for the industry, and for travellers. We do this in conjunction with numerous third parties, including Health Canada, which provides us with advice on the health effects of aircraft noise.

We balance these concerns with a host of other considerations that collectively make this a complex issue. Citizens want shorter flights. They want to spend less time in the air. Pilots want easier access to airports and fewer route limitations. Airlines want to reduce fuel consumption and greenhouse gas emissions, and developing countries need time to bring national fleets up to the aircraft noise standards of the international community.

We have to consider all these aspects while also noting that the attitudes of residents exposed to aircraft noise are subjective and varied. We also consider not just the loudness of the aircraft but also the frequency, duration, pitch, tone, and so on—all factors that contribute to a strain on the community's well-being.

Transport Canada and other responsible third parties have three principal noise reduction strategies: reducing the noise at the source, managing land use in the vicinity of airports, and managing operational procedures.

[Translation]

Foremost, during the last forty years, much of the international civil aviation community's efforts to reduce aircraft noise has been to target the source, to make quieter engines and airplanes. During this time, noise standards have become more and more stringent. Today, Transport Canada's noise standards and all Canadian aircraft are fully compliant with rigorous international standards.

In January 1996, Transport Canada enacted a landmark regulation to phase out older, noisier aircraft in conjunction with the resolutions of International Civil Aviation Organization or ICAO. For the industry, the cost of this move was high. However, it was necessary. We had to curb the increase in noise levels as air traffic grew in the vicinity of airports. Canada completed this phase out in April 2002, making our skies much quieter.

• (1540)

[English]

Since that time, ICAO has introduced, and even strengthened, noise standards for aircraft certified after 2006. Before a new aircraft design is approved in Canada, we ensure that it meets these standards. If it doesn't, it will not be approved. We enforce these standards through our aircraft certification process. That system works, and today our skies are more quiet than they have ever been.

Part of the credit needs to go to our industry in Canada—for example, Bombardier CSeries aircraft is expected to be four times more quiet than any other aircraft in its category. We also have to highlight the makers of the CSeries engine, Pratt & Whitney Canada, another Canadian company.

[Translation]

This evolution in technology will not only improve the quality of life of those in neighbourhoods surrounding airports, it also allows aircraft to fly directly to airports without increasing the noise level, which also means reduced fuel consumption and less GHG emissions.

[English]

Next, we have to properly manage land use in the vicinity of airports. No matter how successful the industry is in reducing engine noise, a degree of noise will always be present. Until we get to zero noise emission aircraft, we will have to work with aviation planners and those responsible for the development of lands adjacent to airports to implement smart zoning practices.

[Translation]

Transport Canada provides airports with a measurement model of the actual and forecasted aircraft noise for that region. Aircraft noise metrics and predicting resident reaction is the subject of ongoing discussions internationally.

[English]

We have to factor the subjective rate reactions of the human ear to specific noise stimulus. This involves not only measuring how loud the noise may be, but also factoring other irritants that contribute to the strain on well-being, such as frequency, duration, time of occurrence, tone, and many other factors.

Transport Canada uses a noise exposure forecast system that calculates the NEF levels in the vicinity of airports by measuring all of these variables. NEF levels are based on forecasted aircraft movements at a particular airport. This metric allows us to predict the community's response to aircraft noise. If the NEF level is greater than 35, complaints are likely to be very high. Anything above 25 is likely to produce some level of annoyance; levels lower than that, less likely, obviously.

[Translation]

We understand the implications of these figures, and, as such, before these figures are released publicly, they go through a detailed review.

[English]

Land planners can use NEF levels to ensure that land use in the vicinity of an airport is compatible with that airport. Through the system, municipalities and local governments receive a basis for zoning, and residents receive details of what may be expected in certain areas. This system prevents future complications.

Transport Canada recommends that where the NEF exceeds 30, new residential development should not proceed. If it does regardless of this caution, a detailed noise analysis should be conducted and noise reduction practices should be implemented. In this scenario, it is the developer's duty to inform all prospective residents of possible irritants.

In addition, Transport Canada recognizes that often provincial and municipal authorities require projections beyond five years for land-use planning wherever conditions are certain to be different from today. For these purposes, Transport Canada uses the noise exposure

projection. The NEP projects aircraft movements and other changing variables 10 to 20 years ahead, giving authorities further perspective for zoning.

When a complaint originates from within an existing residential community, Transport Canada has made available a list of potential noise reduction measures. We have brought a copy of this for you today, and it will be given to the table as a handout.

Finally, we can reduce aircraft noise by modifying aircraft operational procedures, including adding operational restrictions and noise abatement operational procedures. Examples of such activities include controlling the use of runways and routes or adjusting procedures for take-off, approach, and landing.

Transport Canada enforces and oversees changes to these restrictions and procedures. Day-to-day operations are handled locally at the airports and through Nav Canada. These restrictions and procedures ensure aircraft operations at an airport are compatible with that airport's surrounding area.

• (1545)

[Translation]

Aircraft operators must comply with these rules, which are published by NAV CANADA in the *Canada Air Pilot* and *Canada Flight Supplement*. NAV CANADA updates these publications every 56 days to ensure flights are compliant with the latest operating standards.

[English]

Penalties per violation can be as high as \$5,000 for an individual and \$25,000 for a company.

Noise management is best handled locally. To do it, airports should establish a locally based airport noise management program to deal with aircraft noise and complaints from adjacent communities. Airports should also have a noise management committee composed of air operators, airport tenants, as well as civic and citizen representatives. At major airports, Transport Canada also provides a representative to the committee.

This committee develops the airport's noise management program and as such proposes any necessary additional noise abatement procedures or operating restrictions to Transport Canada. Before the committee does this, it has to consult with the local community and with the aviation stakeholders. This process is extensive and transparent. It also balances sometimes very differing perspectives.

[Translation]

After this process, the committee finalizes the proposal and sends it to the appropriate Transport Canada regional office for a review and a recommendation is forwarded to us in Ottawa.

At the headquarters, the Domestic Aircraft Noise and Emissions Committee studies the proposal. If all parties agree with the proposal, the regional office publishes the measure in CAP and CFS. If a party disagrees, the Aircraft Noise and Emissions Committee recommends a way forward to the Civil Aviation Regulatory Committee, which makes a decision.

[English]

As such, although these matters are handled locally, Transport Canada is involved before implementation to ensure the process is fair and balanced. This system has worked for more than a decade.

The department does not intervene outside of this process. Doing so could undermine the integrity of the system and erode definable lines of responsibility. In the absence of clear divisions of responsibility, Transport Canada could be called upon to handle more and more local matters, a task that we are not equipped to undertake.

Just to close, these three tactics sum up some of the tools available to address aircraft noise. We recognize that the regulations, policies, and procedures work for the majority of Canadians. The minority will still experience a strain in day-to-day activities. These problems require a collaborative solution that brings residents, the aviation community, and Transport Canada together. We have to listen to these concerns and make adjustments where we can. We have to find the right balance between noise levels and environmentally friendly direct routes, between urban expansion and airport integrity, and between enforcing new technologies and allowing developing countries to catch up.

Aircraft noise is an unavoidable consequence of air travel. Our priority is to ensure that we have the right mechanisms in place for local authorities to balance the concerns and address this byproduct of air travel.

I look forward to further discussion. Thank you.

The Chair: Thank you.

Ms. Gravitis-Beck, please.

Ms. Brigita Gravitis-Beck (Director General, Air Policy, Department of Transport): Thank you, Mr. Chair.

I am pleased to be here today to talk about how the Air Canada Public Participation Act, ACPPA, sets out the obligation for Air Canada to maintain in its articles of continuance a provision that it would maintain its operations and overall centres in three key locations in Canada.

However, I think it's important to provide you with some background on why the ACPPA was enacted and on the evolving organizational structure of Air Canada since its privatization.

In 1988-89, as part of the government's deregulation of the air transport industry more broadly, Air Canada was privatized under the ACPPA, which authorized the sale of the Government of Canada's share holdings in the air carrier.

●(1550)

[Translation]

ACPPA provided obligations on Air Canada that the government of Canada felt it was important to continue as part of the new private sector entity, in the interest of protecting Canadians. These obligations include, among other things, the direct obligation for Air Canada to comply with the Official Languages Act.

[English]

But the obligations imposed on Air Canada as part of the ACPPA also include a requirement that it retain in its articles of continuance certain provisions. These include provisions not to exceed 25% of foreign ownership of its voting shares; maintaining its head office in the greater Montreal area; and provisions maintaining operational and overhaul centres or maintenance bases in Winnipeg, Montreal, and Mississauga.

I know this last is of particular interest to your committee today and I will come back to it later in my comments.

I would like to spend a few minutes talking about how Air Canada has evolved since it was first privatized. First, in 2000 it merged with Canadian Airlines. After the merger, the economy and the air sector, whose financial ups and downs very closely mirror the global financial situation, experienced a number of shocks, including the events of September 11, 2001, and concerns about severe acute respiratory syndrome, or SARS. As a result of some of these pressures, Air Canada was one of the many legacy carriers worldwide that sought bankruptcy protection in 2003.

It emerged from bankruptcy protection in 2004 after a major restructuring. As part of that restructuring, Air Canada's in-house maintenance, repair, and overhaul division became Air Canada Technical Services, or ACTS, one of several operating companies of ACE Aviation Holdings Inc., or ACE, the new parent company of Air Canada and its former divisions.

Then in October 2007 private equity firms Kohlberg Kravis Roberts & Co. and Sageview Capital combined to purchase about 70% of ACTS from ACE for \$723 million. This left ACE with a 27.8% stake in the company.

Finally, in September 2008 ACTS, now a private company, renamed itself Aveos.

[Translation]

Aveos employs about 4,500 people across its operations in Montreal, Mississauga, Winnipeg, Vancouver and El Salvador. The large majority of Aveos employees are former Air Canada employees.

[English]

You may be aware that Air Canada and Aveos have filed an application with the Canadian Industrial Relations Board requesting a split of the collective bargaining certification of the International Association of Machinists and Aerospace Workers for the aircraft maintenance technicians of Aveos from the certification of the baggage handlers, cargo agents, warehouse personnel, financial staff, and other staff at Air Canada. This is a matter between private sector firms and their employees, and as such I cannot comment further on it.

Let me now turn back to how ACPPA deals with Air Canada's maintenance bases.

Section 6 of the ACPPA requires Air Canada to include certain provisions in its articles of continuance. Specifically, paragraph 6(1) (d) says the articles of continuance must contain a provision requiring the corporation to maintain operational and overhaul centres in Winnipeg, Montreal, and Mississauga. Air Canada is in compliance with this section, since its articles of continuance do indeed contain such a provision.

[Translation]

The bottom line is that the ACPPA does not directly require that Air Canada retain maintenance bases in Winnipeg, Montreal and Mississauga, nor does the legislation specify employment levels at the locations in question.

[English]

It is worth noting that the operational and overhaul centres that Air Canada must maintain, according to its articles of corporation, are separate functions from the activities performed by Aveos. Aveos has no obligations under the ACPPA.

Air Canada's articles of incorporation and of continuance may be viewed as a sort of contract between the corporation, its management, and its shareholders. As a result, the obligation to maintain certain centres in certain cities is owed by Air Canada to its shareholders. It is a private obligation that only a shareholder can enforce as part of the governance obligations of the organization. In this case, Transport Canada does not have any oversight or enforcement obligation, nor is the Government of Canada still a shareholder of Air Canada.

That terminates my comments.

•(1555)

The Chair: Thank you very much.

We'll start with Mr. Dhaliwal.

Mr. Sukh Dhaliwal (Newton—North Delta, Lib.): Thank you, Mr. Chair.

Do you want to start, Madam Jennings?

Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Yes, thank you.

Thank you, Chair.

Thank you, witnesses.

If I may, my colleague and I have a series of five questions with a total of 16 subquestions within them. It's clear that we will not have an opportunity to ask the overwhelming majority of them. With your indulgence, I will table our list of questions, and the witnesses can respond in writing back to the committee members.

The Chair: Absolutely.

Hon. Marlene Jennings: Thank you.

I'll turn it back over to my colleague, Mr. Dhaliwal.

Mr. Sukh Dhaliwal: Thank you.

Thank you, Mr. Chair.

I'd like to thank the panel members for coming out to make their presentations.

Mr. Eley said that there are different organizations—Transport Canada, airport, and Nav Canada. You have coordination between different agencies or bodies. But I have seen no public engagement in the past five years I've been a member of Parliament. I always get complaints. Madam Jennings was in my riding, and that's what we heard from the local residents as well.

Can you tell me what opportunities there are for public participation?

Mr. Martin Eley: The airport—

The Chair: I have to interrupt.

The bells are ringing calling for a vote. I'm not sure if it's a 15-minute bell or a 30-minute bell, but we'll find out. If it's a 15-minute bell we can come back.

Monsieur Guimond.

[Translation]

Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ): Pursuant to the Standing Orders of the House, "the division bells ring for only 15 minutes for a scheduled vote, and for 30 minutes in other cases". As it is not a scheduled vote, it is 30 minutes.

[English]

The Chair: Monsieur Gaudet.

[Translation]

Mr. Roger Gaudet (Montcalm, BQ): Will members of this committee be able to get a copy of Mrs. Jennings' questions?

[English]

The Chair: Once I get them, we'll see that they're translated and distributed to all members and to our guests today.

Before we adjourn for the vote, I'm looking for direction from the committee. Do we want to come back in a half hour?

Mr. Sukh Dhaliwal: It won't be a half hour.

The Chair: It's a half-hour vote, which puts us at 4:30.

Mr. Sukh Dhaliwal: Half an hour, then half an hour, which would be an hour. Why don't we ask a few questions as we are here?

Mr. Brian Jean (Fort McMurray—Athabasca, CPC): [Inaudible—Editor]

The Chair: I'm going to adjourn the meeting—I regret that—rather than have one group ask a bunch of questions and no one else get an opportunity.

Monsieur Guimond.

[*Translation*]

Mr. Michel Guimond: Mr. Chairman, at 5:30, we have four more votes. If we have one around 4:30... If everybody does not agree, why did we invite the witnesses? We could perhaps continue for about 20 minutes and divide the time accordingly, and allow 10 minutes to go to the Center Block.

I will ask you to invite the two witnesses back before our committee. We have decided to make a one-hour briefing, but I myself have enough questions for Mr. Eley and Mrs. Gravitis-Beck. I have to decide between asking questions about my motion, about noise, or asking questions about Air Canada public participation, because I strongly disagree with that. I will throw a few curves at her, later.

•(1600)

[*English*]

The Chair: Mr. Jean.

Mr. Brian Jean: Yes, Mr. Chair. Is it the case that we need unanimous consent by all parties to continue? That's correct, right? During a bell, that's the rule. Certainly the government would give that. The vote, I understand, is at 4:20. The government will give its unanimous consent to continue, so that both—

The Chair: Then I'll reset the clock, and we'll start with three-minute rounds.

Ms. Jennings.

I need unanimous consent for it too.

Hon. Marlene Jennings: Given Mr. Guimond's statement, and he's quite right, does this committee also intend, given that there will not be a full round of questioning of the witnesses, to have the witnesses come back at a further date for the full questioning they normally would have had?

The Chair: I would suspect they'd have no issue with that, and I know we have set these meetings outside our regular meetings to fulfill some of the questions we wanted.

Mr. Jean.

Mr. Brian Jean: If we start now, I have no difficulty giving the Liberals a full five minutes, the Bloc a full five minutes, and the NDP a full five minutes in the first round to ask any questions they want.

The Chair: Mr. Bevington.

Mr. Dennis Bevington (Western Arctic, NDP): We're in a time crunch now. The walk back is five minutes, so we're already down to ten minutes for questioning. I don't see this as making any sense at all. I think we need to move on and bring these witnesses back at the next meeting.

The Chair: As someone who can always take good direction, I think that's a good suggestion.

I'm going to suggest that we invite you back as our guests again. We will adjourn the meeting for today. Sorry about that. Thank you.

The meeting is adjourned.

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