



Airport Management Council of Ontario

**Submission to the House of Commons
Standing Committee on Transport, Infrastructure and Communities**

Reducing Red Tape and Costs on Rural and Urban Canadian Airports

July 2022

About AMCO

As the senior advocate of airport owner and operator organizations in Canada, AMCO is a provincial organization committed to the sustainability of airports nationally. Incorporated on October 18, 1985, AMCO's aims are: to represent the interests of the owners and/or operators of airports and aerodromes in the province of Ontario; and, to promote the safe and efficient operation of these facilities.

RECOMMENDATIONS

1. Permanently increase the budget of the Airports Capital Assistance Program (ACAP) to \$95M per year in order to appropriately address the needs and costs associated with implementing safety-related projects at the airports.
2. Recapitalize the Regional Air Transportation Initiative (RATI) to support the community airports not eligible for ACAP funding.

INTRODUCTION

Staying true to its mission objectives, Airport Management Council of Ontario (AMCO) makes every effort to be the unified voice of the airport industry in Ontario and to be a representative of member interests on the local, provincial, and federal levels of government.

To promote the interests of its members, in 2021 AMCO commissioned the Study of Ontario's Airports and Aerodromes (Study). The main objectives of the Study were the examination of the external environment and contextual forces that are currently affecting airports in Ontario and identification of the airports' unmet needs that must be addressed to ensure long-term viability.

The Study was completed in June 2022 and has revealed the major challenges that have and continue to affect Ontario's airports. Challenges include the COVID-19 pandemic, regulatory changes at the federal level, municipal financial pressures, decreasing public and political will, as well as the persistent need for provincial and federal funding support.

Airports are required to maintain a wide-ranging series of infrastructure assets to meet the requirements of a highly regulated air transportation industry and to support safe aircraft operations. Certified airports and registered aerodromes must be operated in compliance with their applicable regulatory environments that are subject to change at the discretion of Transport Canada.

While the federal government engages with industry stakeholders through the Canadian Aviation Regulation Advisory Council and Notice of Proposed Amendment processes and must assess the impacts of contemplated changes, a recurring concern noted among the airports is that the costs of adapting to new or increased regulatory obligations can be significant, yet such regulatory changes are not accompanied by funding support.

In recent years, examples of increased regulatory requirements have included the mandating of Safety Management Systems in 2008/2009, the implementation of TP312 – Aerodrome Standards and Recommended Practices (5th Edition) in 2015, the Runway End Safety Area mandate in 2021/2022, the airfield Global Reporting Format in 2021, new hours of operation requirements in 2021, revised Instrument Flight Procedure attestation requirements for registered aerodromes, and Official Languages Act amended in 2022.

With each new regulatory standard imposed, operators are responsible for evaluating implications for their airport and, where required, implementing the operating and / or capital actions required to ensure compliance at their own cost.

To ensure that Ontario's airports can continue to safely serve the province's residents, businesses, and communities, provincial and federal funding is imperative to complete critical infrastructure renewal projects.

REFINE CRITICAL PROGRAMS

Recommendation 1: Permanently increase the budget of the Airports Capital Assistance Program (ACAP) to \$95M per year in order to appropriately address the needs and costs associated with implementing safety-related projects at the airports.

AMCO's Study reaffirms the positions of industry associations across the country calling for a permanent increase in the annual budget of ACAP. ACAP is an essential program that has enabled critical safety-related capital projects to be completed at Ontario's regional airports that support scheduled passenger air services. As ACAP provides support to airports nationally, it is recommended that Transport Canada engages with industry stakeholders across the country to identify an appropriate revised funding allocation that more appropriately addresses the needs and costs associated with implementing safety-related projects in the 2020s.

Recommendation 2: Recapitalize the Regional Air Transportation Initiative (RATI) to support the community airports not eligible for ACAP funding.

The RATI program has served as a unique opportunity for airports negatively impacted by the COVID-19 pandemic to pursue initiatives to restore regional connectivity. Although indications of recovery in the aviation sector are becoming evident in 2022, surveyed airports that experienced service decreases during the pandemic highlighted the continued need for support to assist air carriers in restoring operations. As the projects funded through the initial two-year term of RATI are implemented and evaluated for the degree to which they have achieved their expected outcomes, it is recommended that consideration be given to the renewal of the RATI program for additional terms if a clearly defined need is identified.

CONCLUSION

In the coming years, it is expected that success will, more than ever, be contingent on effective partnerships between airport operators and the provincial and federal levels of government. Through effective and targeted support, the preservation of the airport network of transportation assets can occur, ensuring that their critical social and economic benefits can be realized within their surrounding communities and across Ontario.