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• (1640)

[*Translation*]

The Chair (Mr. Peter Schiefke (Vaudreuil—Soulanges, Lib.)): I call this meeting to order.

Welcome to meeting No. 35 of the House of Commons Standing Committee on Transport, Infrastructure and Communities.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on Thursday, February 3, 2022, the committee is meeting to study anticipated labour shortages in the Canadian transportation sector.

Today's meeting is taking place in a hybrid format, pursuant to the House Order of November 25, 2021. Members are attending in person in the room and remotely using the Zoom application.

[*English*]

Appearing before us today we have, from the Air Line Pilots Association International, Tim Perry, president. We have, from Canada's Building Trades Unions, Sean Strickland, executive director, appearing by video conference. We have, from the Canadian Air Traffic Control Association, Nick von Schoenberg, president. From the Prince Rupert Port Authority, we have Ken Veldman, vice-president, public affairs and sustainability, by video conference; and from WestJet Airlines, we have Andrew Gibbons, vice-president, external affairs.

We will begin with opening remarks.

We'll start with the Air Line Pilots Association, International—

[*Translation*]

Mr. Xavier Barsalou-Duval (Pierre-Boucher—Les Patriotes—Verchères, BQ): Mr. Chair, I would like to raise a point of order.

The Chair: I am listening, Mr. Barsalou-Duval.

Mr. Xavier Barsalou-Duval: I would just like to have confirmation that all the witnesses using Zoom have taken an audio test for interpretation and that it was conclusive.

The Chair: Yes, I was there when the tests were done. I can confirm that all the witnesses online passed a conclusive sound test.

Thank you, Mr. Barsalou-Duval.

[*English*]

We will now begin opening remarks with the Air Line Pilots Association International.

The floor is yours. You have five minutes.

Captain Tim Perry (President, Air Line Pilots Association Canada, Air Line Pilots Association International): Thank you very much, and good afternoon.

My name is Captain Tim Perry. I am president of ALPA Canada.

On behalf of the over 6,000 professional pilots in 16 airlines in Canada, I appreciate the opportunity to provide comments to the committee for its study. I would like to comment on the pilot profession in Canada and what the outlook is for the profession, given the alarming trend we are seeing with airlines in this country seeking to hire foreign pilots instead of Canadian pilots to fill vacancies on their flight decks.

The pandemic has had a disproportionate impact on Canada's aviation sector and its workers, and it continues to be felt across the industry as the recovery continues and demand for travel returns to pre-COVID levels. ALPA maintains that the current situation regarding pilot supply has been compounded by the government's failure to provide airlines with direct and appropriate aviation-specific COVID financial assistance in a timely manner, as was done by other countries early in the pandemic.

Many airlines have also contributed to a tightening labour market due to their poor planning and management of their present workforce. The issue of pilot supply has been used as an excuse by certain airline management groups to undermine collective bargaining rights and labour standards and to deflect from other operational issues and labour shortages elsewhere in their system. Companies are simply resisting their obligation to pay the evolving market rates to attract and retain Canadian pilots. As a result, many pilots have either sought employment elsewhere in the world or have left the industry altogether.

We believe that collectively bargained financial incentives to re-enter the Canadian industry are the best solution, because these highly skilled individuals can be back on the flight line in the shortest possible time compared with training new pilots. This is equally important when it comes to retaining our pilots. Further, hiring foreign pilots to address a near-term need has safety implications—something we never say lightly—because of differing and sometimes questionable standards, as well as longer-term supply issues as these pilots return at some point to their home countries.

When it comes to finding available Canadian pilots, we do not feel airlines are doing enough. Simply put, it is improper for airlines to characterize an attraction and retention issue as a pilot shortage. For example, some of the airlines seeking temporary foreign workers have hired over 100 pilots since the post-COVID recovery began, while only growing their total number of pilots by as little as 10 or 20. This is because of the number of pilots leaving for better jobs elsewhere.

Furthermore, we must ensure that our union's collective bargaining rights are not undermined by Canadian companies relying on TFWs, foreign wet leases and improper partnerships with foreign operators.

I very much appreciate this opportunity to address you today, but to date there has been little to no meaningful dialogue between the government and aviation labour organizations regarding the pilot supply issue.

Since 2012, ALPA Canada has advocated a long-term solution to address the pilot supply in Canada. Our recommendations to the government include support for flight schools to increase capacity to train pilots, ensuring that access to financing for training is similar to financial assistance for students seeking other professions and actively participating in attracting Canadians to the industry.

In conclusion, airlines should bargain with adequate incentives to attract those Canadian pilots who have left the country or the workforce entirely before any request for foreign pilots is made. The federal government needs to take an active role in the training and retention of Canadians by aligning federal funding support for the education required to become an airline pilot with that of other highly skilled professions. The federal government must also make aviation education more accessible to minorities and under-represented groups so that our aviation workforce reflects the communities and customers our industry serves.

ALPA remains a resource in the management of aviation safety and in the sustainability of our industry. We look forward to working together with you to ensure a safe, strong and competitive airline industry in Canada.

Thank you very much. I look forward to your important questions.

• (1645)

The Chair: Thank you very much, Mr. Perry.

Next we have Canada's Building Trades Unions. The floor is yours. You have five minutes.

Mr. Sean Strickland (Executive Director, Canada's Building Trades Unions): Thank you very much, Mr. Chair and members of the committee. I really appreciate the opportunity to address you today on the issue of labour availability in the transportation sector.

My name is Sean Strickland. I'm the executive director of Canada's Building Trades Unions. I represent 14 international construction unions, 60 different trades and over 600,000 members across Canada. These include Teamsters Canada, which appeared before the committee previously. They represent over 125,000 members. Members of the Teamsters locals in Canada provide packaging, transportation and warehousing of goods and materials

in almost every sector of the economy, including the construction sector. According to StatsCan, as of 2017, 90% of freight shipments in Canada are hauled by truck. Truck drivers are an integral part of the construction industry supply chain.

As the committee has heard, labour availability across a broad range of sectors has been heavily impacted since the pandemic. The construction industry is no different. Supply chain disruptions caused by a shortage of truck drivers have caused project delays on construction projects right across Canada. This, combined with the skilled trades shortages that our unions are experiencing, means the construction industry is facing many challenges. According to BuildForce, the industry is likely to be short about 29,000 workers in 2027.

We need workers. Workers in construction and in the trucking sector are aging, and more young workers are needed to meet the demand. The median age of truck drivers in Canada is rising rapidly. StatsCan's data also shows very high levels of job vacancies, reaching over 26,000 vacancies in Q2 of this year. The Canadian Trucking Alliance estimates that by 2024, there could be as many as 50,000 job vacancies for truck drivers across the country.

Many believe these trucking labour issues are due in part to poor working conditions. These include inadequate rest areas, especially in more rural and remote parts of Canada, along with long hours with little notice of work starts. As well, long-haul drivers are required to spend significant time away from home, which makes it particularly difficult for parents to work in the industry, especially since new generations of workers place greater emphasis on work-life balance.

The trucking industry also grapples with negative perceptions, as do the skilled trades. We need to place more value on both sectors.

Recruiting, training and retaining workers is what Canada's Building Trades Unions has been doing for over 100 years. We have 195 training centres across the country and invest over \$300 million of private sector funding into our training each and every year.

Based on our experience, we would say that to address labour shortages in the transportation sector, we need to consider a multi-pronged approach. We need to educate more Canadians about how the trades and transportation sectors offer professional career opportunities that are open to everyone. We need to value the professionalism, skills, training and opportunities that these professions offer and the important economic impact they have on Canada.

We need to continue to invest in apprenticeship and training through federally funded programs like the Apprenticeship Service grant and union training and innovation program, which we are using to fund the Office to Advance Women Apprentices to get more women into the construction trades and which our industry is also using to expand training capacity. Similar approaches to workforce development could be put into place for the trucking and transportation sector.

Employers and government also need to work together to maintain Canada's labour standards and strengthen labour standards in the trucking sector to retain workers. This includes, as I mentioned, having more rest areas, supporting workers with families and paying workers adequate wages.

To further ensure that Canada meets its labour supply needs today, we suggest some immediate changes to Canada's immigration policies. We strongly encourage the Government of Canada to develop a construction immigration stream to bring in skilled trades immigrants. This program could be modelled after the Atlantic immigration program, which has been successful in bringing in over 12,700 newcomers, both international students and skilled workers, including truck drivers.

Through the express entry system, the government has the ability to prioritize skilled trades workers to bring more workers in faster. Earlier this year, the express entry program was opened up to truckers, a step in the right direction to address labour shortages.

There is also an opportunity to improve and strengthen the temporary foreign worker program to support the trucking sector and the larger construction industry. Right now the trucking sector is one of the largest users of the temporary foreign worker program. In many cases, these TFWs are often exploited.

To strengthen the use of the temporary foreign worker program to support the industry's long-term labour needs, the Canadian government should return to requiring unions to be consulted prior to labour market impact assessment applications, strengthen compliance measures and penalties for bad-actor employers and change the method to calculate the prevailing wage.

• (1650)

Additionally, to meet long-term labour needs, a framework should be established to enable unions to sponsor TFWs to gain permanent resident status.

I wish to thank the committee for this opportunity to present today, and I look forward to your questions. Thank you.

The Chair: Thank you very much, Mr. Strickland, for your opening remarks.

Next we have the Canadian Air Traffic Control Association. The floor is yours. You have five minutes.

Mr. Nick von Schoenberg (President, Canadian Air Traffic Control Association): Good afternoon, members of the committee. Thank you for the invitation.

I'm here today as president of the Canadian Air Traffic Control Association, more commonly known as CATCA, and I'm representing our 1,800 members from across the country.

[*Translation*]

I am accompanied by the regional vice-president, Mr. Benoit Va-chon.

[*English*]

CATCA is a labour union and a professional association, representing air traffic controllers employed by Nav Canada. We consider ourselves important stakeholders in Canada's air navigation system. We're dedicated to the provision of safe and reliable air traffic control and air travel within Canada. The air navigation system itself is a vital component of the economy and a critical link in the supply chain for Canada.

I am an air traffic controller. I've worked in a variety of units over the course of my 26-year career. As such, I have experienced first-hand many of the issues that we'll speak about.

As are other occupations in the aviation sector, air traffic controllers are currently experiencing an acute shortage of qualified people. For air traffic controllers, however, this situation is not new but has existed to varying degrees for many years. There is no singular explanation for how we got here. There are some unique challenges facing us as we go forward. I would break these into broadly two areas.

First is recruitment and training. There was a shortage of air traffic controllers prepandemic, and the severe industry contraction during COVID resulted in a further reduction in numbers and a cessation of all training by the company. The pace and strength of recovery by the aviation sector have meant that Canada is now desperately short of air traffic controllers. What many outside of our industry do not realize is that every unit or sector in air traffic control requires individual training time unique to that unit. The total training time is approximately two years and in many cases more. The qualification rate has historically been only 30% to 40%. That, combined with the general labour shortage—which presents challenges for attracting suitable candidates—and an aging workforce, means that achieving the adequate number of air traffic controllers is going to be very difficult going forward.

Second is the job itself. Air traffic control is a highly demanding 24-7 occupation with a very high level of responsibility. All of that places a huge amount of personal stress and strain on the men and women doing it, as well as on their families. Historical short-staffing has meant that to function, the system has always relied on a high amount of overtime by controllers. This has been welcomed to some degree by workers. However, we have reached a point now where there are no longer enough controllers to provide the required hours, even when they are consistently working up to the legal maximum. This is resulting in unacceptable demands on workers, as they are routinely expected to work long days with insufficient support. The incidence of single stand time—a controller working alone with no relief—has become commonplace in our industry. CATCA does not support this practice. I believe Canadians would want at least two controllers in every control tower and control unit, in the same way that they expect more than one pilot on the flight deck. It is not responsible to rely on one unsupported controller on their own.

What do we need to do?

First, we need to focus on training, and we can't stop. We can't risk shortfalls in staffing by focusing on absolute minimum numbers. We need to build resilience into the system by developing a reliable, ongoing training system that supplies a steady stream of controllers. This should be a stated long-term objective of Nav Canada.

Second, we need to manage attrition by focusing on retention. This is perhaps the only way to address short- and medium-term challenges in staffing. Nav Canada needs to keep every air traffic controller it has, and it has to be willing to do anything it takes to do that. This goes for the entire country, but it is particularly true for some very important units such as the Toronto Pearson tower, Vancouver tower and the Montreal terminal, which are particularly vulnerable.

• (1655)

Third, we need to get creative and collaborative. Throughout the pandemic, labour relations reached a low point, and there have been a number of workplace initiatives and policies that have had a severely negative impact on engagement and workplace morale. If we are going to expect people to work together to get through this, then that's going to have to change. We're going to have to come up with some common sense solutions to scheduling that will unlock resources and address fatigue at the same time. We're going to need to agree on some common sense fatigue rules for air traffic controllers that the employees will actually support. We'll need to agree on ways to get controllers access to reasonable opportunities for leave and vacations when they want them so they can maintain some degree of work-life balance.

Fourth and finally, we need to develop some reliable, understandable metrics and compile data on delays, restrictions and other capacity constraints so we that have a measure on how we are doing as a system. We can't address bottlenecks in the system if we don't properly identify where they are.

Those are my remarks. I genuinely hope these observations and recommendations will assist the committee. I'd be happy to provide

any further information and welcome any questions from the committee members.

Thank you very much. *Merci*.

• (1700)

The Chair: Thank you for your opening remarks, Mr. von Schoenberg.

Next we have the Prince Rupert Port Authority joining via video conference.

The floor is yours, and you have five minutes.

Mr. Ken Veldman (Vice-President, Public Affairs & Sustainability, Prince Rupert Port Authority): Thank you for the invitation to speak today from the traditional territories of the Ts'msyen people.

The port of Prince Rupert consists of terminals that facilitate Canadian trade through intermodal containers, dry and liquid bulk, and cruise facilities. We currently ship about 25 million to 30 million tonnes of cargo annually as well as moving 40,000 cruise passengers. Our cargo volume represents \$50 billion of Canadian trade goods, making us the third-largest port in Canada. For context and to emphasize the underlying theme of growth, this represents an increase in trade from less than five million tonnes as recently as 2005. Our current investment portfolio of advanced projects is in excess of \$2 billion, and we forecast that our volume will increase to over 40 million tonnes over the next decade.

Prince Rupert's continued development is integral to national supply chains, Canada's Indo-Pacific trade agenda and the interests of many industries to grow, transform and diversify in a rapidly changing world.

The recent report from the national supply chain task force makes important recommendations. It recommends immediate response actions to address labour needs, including attracting indigenous workers; expanding, expediting and supporting TFWs and immigration sources; encouraging more truck drivers; and developing a transportation supply chain labour strategy that covers important elements of labour force development. We broadly endorse all of these immediate actions and we are pleased to see the urgency that is attached to them.

In addition, we would also emphasize that supply chains have critical geographic nodes like ports, which need special attention. The port of Prince Rupert is an even more unique case, a critical node within large global supply chains in the midst of a very strong growth curve, but located in a relatively small and remote community. This situation makes it very different as a major trade gateway, in that it does not have access to a large potential labour supply in the way that large metropolitan areas do.

Getting immediate fixes for labour force shortages is challenging, given that the small population and labour force offer little resiliency and redundancy within the region. The growth of the Prince Rupert trade gateway and its supply chain businesses has provided Prince Rupert and northern B.C. with a critical economic engine. It has also benefited the national interest in terms of critical supply chain capacity, diversification and resiliency, which have benefited trade.

Prince Rupert has a population of roughly 13,000 people. About 2,000 jobs within the community are directly tied to port-related employers. It's truly a big port in a small town, and its development has been a remarkable economic development success story that includes a broad distribution of opportunity. For example, 38% of our local port labour force is indigenous, a fact that reflects the unique demographics of B.C.'s north coast. However, the reality is that the local labour force is largely maxed out. Local hirings in one business create shortages in others. Employers in sectors such as health care, education, retail, personal services, food and beverage are impacted as much as direct port employers are. Population growth through new residents is a critical factor as capacity and volume grow. Quite simply, we need more people to work, to train and to create a balanced and diversified local economy.

However, that population growth is challenged by difficulties in recruiting to a small town in a relatively isolated location. Local employers have been innovative and actively co-operate in recruiting efforts, but progress is daunting. Shortages of housing, public services and private sector services make that task more difficult. Local municipalities are challenged to keep up with infrastructure needs, in particular in Prince Rupert, where basic water, sewage treatment and road infrastructure are decades and even up to a century old.

I know that the challenges for small isolated communities to create livable cities that match modern-day expectations are not unique, but in this case, because of Prince Rupert's critical strategic role in trade and the national supply chain, the ramifications for Canada's national interest are significant. Being in a small northern town is a logistical advantage for the port, but it also creates challenges in the context of supporting fast growth. As a port authority and as a local business, we're leaning hard into solutions through local investments and capacity support, but we need more.

As part of its national supply chain strategy and associated supply chain labour force strategy, the Government of Canada should consider a more proactive role in providing direct financial assistance to port gateway municipalities to increase capital infrastructure when those increases would outstrip local financial capacity. It should also consider prioritizing local partnerships in those same regions to address labour force supply impacts and issues that result from having national trade move through local gateways.

• (1705)

We trust you will consider this information in your report.

Thank you.

The Chair: Thank you very much for your opening remarks, Mr. Veldman.

Next we have, from WestJet, Mr. Andrew Gibbons.

Mr. Gibbons, the floor is yours. You have five minutes.

[*Translation*]

Mr. Andrew Gibbons (Vice-President, External Affairs, WestJet Airlines Ltd.): Thank you, Mr. Chair.

Let me begin by thanking the members of the committee for inviting me to appear today to share ideas on how we can work together to support the transportation sector in Canada.

[*English*]

Also, I would like to congratulate the new shadow minister of transport, the member for Chilliwack-Hope, and welcome other new members of the committee.

WestJet is committed to Canada, not only as a key driver and people connector but also as an economic driver and employer. However, the COVID-19 pandemic and related travel restrictions have created the greatest crisis our company and our sector have faced. Our recovery has been long and arduous, and the impacts of the pandemic are still being felt. We're not out of the woods. We're still facing the effects of this crisis, including significantly increased costs of doing business, such as the cost of aviation fuel and other externalities.

Demand for travel has come surging back, and we're doing our best to be responsible and transparent leaders, which is what our guests, our employees and indeed Parliament and government expect of us.

I'll give you some statistics to give you a sense of where we are as an organization. We currently fly more than 500 flights daily to and from 110 destinations, flying more than 50,000 guests per day. This is down from approximately 700 daily flights before the pandemic.

There's been tremendous change in our labour situation, and we've seen the greatest pace of hiring we've ever seen, with more than a thousand new or returned staff in the past year, including 500 pilots, 500 cabin crew and 230 contact centre agents. We currently sit at just shy of 10,000 employees. Prepandemic, we had approximately 15,000 employees.

Unfortunately, the instability caused by an accordion of changing health measures and shutdowns saw many talented, long-term employees vacate our industry. This has been true of the entire travel and tourism sector, and WestJet has not been immune.

The crisis in our airports this summer brought home many key issues and priorities for everyone. We want to thank our guests for their support and their patience while we ironed out issues that negatively impacted their travel, issues that were of our own making.

[*Translation*]

Last summer we saw how complex it is to provide reliable travel for Canadians, as it involves the efforts of multiple agencies and skills.

[*English*]

While many provide services to the air traveller, it is increasingly the case that airlines bear the brunt both financially and publicly for system failures.

I do want to give credit to Minister of Transportation Omar Alghabra for working to bring all players to the table during this crisis to find solutions and for doing it in the Canadian way. We just have to look at the public fighting and arguments that happened in other nations. Those didn't happen here, and that's a testament to everyone involved and to his leadership.

At WestJet, we're committed to acting responsibly in an incredibly challenging environment so we can keep doing what we love—serving Canadians. We were able to get through this difficult spring and emerge as the leading major carrier in Canada and as one of the best in North America.

Transparency is important for our people and our business. I'm happy to share with the committee that this summer we completed 98.9% of flights, with 64.7% of those arriving within 15 minutes of scheduled arrival time, all thanks to the performance of our incredible people.

Earlier this month, WestJet took steps to address the issues we face by signing a memorandum of understanding with the Government of Alberta. It includes investments in labour market training programs, pilot training, addressing the punitive costs of aviation jet fuel and building our visitor economy. This agreement reflects the fact that while aviation is federally regulated, it is critical to the provincial and municipal governments that are so reliant on our investments.

In June we announced our new strategic plan, which will see us grow in a stronger and sustainable way, working with communities and stakeholders across the country as we transition our investments in central and eastern Canada into more east-west flying and sun flying. In the west we have consolidated our 787 Dreamliners in Calgary and will expand all market segments.

These investments are critical at a time when we're seeing demand for travel surging back. We need planes to deliver for Canada, and our purchase of 42 737-10 aircraft will not only help us recover but is also great news for our aerospace sector and the companies and workers who build, repair and maintain these aircraft.

• (1710)

Finally, our partnership with Sunwing will be of interest to committee members, and it is entering the next phase of government approvals. Our two complementary businesses will serve Canadians well.

As we emerge from this crisis, we believe that Canada must have greater shared accountability in the traveller journey, and what our sector needs most especially from government is stability and transparency as part of that shared accountability, including clear criteria and metrics for any future restrictions.

Finally, I also want to acknowledge and thank our pilots and say how great it is to be here with my friend Captain Tim Perry, who is representing ALPA and our valued pilot group at WestJet.

Thank you very much.

The Chair: Thank you for your opening remarks, Mr. Gibbons.

Before we proceed, I want to remind all members in the room that photos are not permitted when committee is in session.

We will begin the opening line of questioning with Dr. Lewis. Dr. Lewis, the floor is yours. You have six minutes.

Ms. Leslyn Lewis (Haldimand—Norfolk, CPC): Thank you so much.

Thank you to all of the witnesses for your testimony today. I can see that your industries and the employees and the staff have gone through a great deal of change. Some of it seems to have been very painful.

I will begin my questions with Mr. Gibbons. Thank you for your testimony today.

Around June 1 of this year, the CEO for WestJet made a public statement about the Liberal government's decision to extend the vaccine mandate. He stated, "As vaccines are not preventing the spreading of the virus since Omicron, there is no more logic to maintain it. This will also relax some of the operational challenges at the airports."

Can you please describe the nature of the operational challenges he alluded to?

Mr. Andrew Gibbons: Thank you very much for your question.

With respect to the operational issues in his tweet, what we were referring to at that time was that we were facing a series of crises across the aviation system. People were waiting for their bags. People were waiting in CATSA lineups. People couldn't get through the customs hall. There were all kinds of issues, and those are all well noted and documented, and we'll have lots of time to debate those.

Also true at the time—and I believe the president of CATSA said this publicly—was that there were hundreds of CATSA workers who were unvaccinated and not yet able to come back to work. Our chief executive and our company were simply saying at that time that it was pretty clear to us that the situation with COVID had evolved and that it was time to bring these workers back, particularly because of the moment we were in and the fact that they were needed and their expertise was needed. That's why he felt compelled to make that statement.

Ms. Leslyn Lewis: The shortage of those individuals who were not able to work because of the mandates also created some of the operational challenges that were alluded to.

Mr. Andrew Gibbons: There were many factors involved in that. I think that question is best placed with the central agencies who employ them, but it was our observation that it wouldn't hurt to have these individuals back at work.

Ms. Leslyn Lewis: Are these individuals back at work now?

Mr. Andrew Gibbons: That's a question for CATSA and the other federal agencies who are under the mandate.

Ms. Leslyn Lewis: Your company also had strong criticism for the government earlier in the year. Around February the government stated that there was stagnation in the approach and that it continued to make travel inaccessible and punitive for Canadians and inbound tourists. Can you elaborate on that statement?

Mr. Andrew Gibbons: I didn't come here to relitigate COVID, but very briefly, I think our observation throughout the pandemic at different junctures was about the extent to which aviation was singled out in the way it was regulated.

Some of this was because the federal government regulated borders and travel only with respect to COVID. What we witnessed was a regulatory environment and a series of public health measures around aviation that were completely disconnected from every other consumer-facing activity. At that time and at other times, we were just making a very simple point that when it came to putting health warnings on our product, more justification was required; more debate was required and more transparency was required. We are a safety business and we co-operated with public health authorities across the country, and the Prime Minister even applauded our leadership in helping curb the spread of the pandemic, but that was our observation at that time and at many different times.

• (1715)

Ms. Leslyn Lewis: Did you raise these concerns with government officials?

Mr. Andrew Gibbons: Yes. We have an excellent relationship with the government. That's the thing about airlines and the federal government—we are extraordinary partners. We delivered programs on behalf of the Canadian people throughout COVID. How-

ever, we also had arguments and disagreements about the COVID policy, and that was probably the way it should have been.

We did raise them multiple times.

Ms. Leslyn Lewis: Thank you.

My next question is for Captain Tim Perry.

Captain Perry, you mentioned that there was real strain on pilots because of their low pay. Can you elaborate on that and on whether that was the reason pilots left Canada and went elsewhere?

Capt Tim Perry: The supply and demand curve for any human resource—or any resource, for that matter—is pretty elastic. I think our position is that the value of pilots has evolved over some period of time. Pilots are leaving for better jobs either within our country or outside of our country. I think that's in part a reflection of how the pay at various companies has been slow to evolve.

Ms. Leslyn Lewis: Are there any government-sponsored internship or training programs that would attract under-represented communities to that industry?

Capt Tim Perry: We've actually long held the view that we need to invest in exactly that type of programming so that we can attract and retain pilots. We want to attract pilots at the very entry level of the industry, at the training centres. Then we also need fair, collectively bargained contracts to attract and retain pilots throughout their career.

If there are programs such as that, there are too few of them. It's absolutely our view that they should be a major focus of this country's investment, starting now.

Ms. Leslyn Lewis: Thank you.

The Chair: Thank you, Dr. Lewis. Thank you, Mr. Perry.

Next we have Ms. Koutrakis. Ms. Koutrakis the floor is yours. You have six minutes.

Ms. Annie Koutrakis (Vimy, Lib.): Thank you, Mr. Chair.

Thank you to all our witnesses for appearing before our committee this afternoon on this very important study. Thank you to you and to all your members for all the incredible work you've been doing during the pandemic. I know this has been a very trying time for everyone. When we hear in the testimony that there have been collaborative efforts between governments and all stakeholders, I think that is a testament to who we are as Canadians. I thank you very much for that.

Mr. von Schoenberg, we have heard a lot of discussion about how delays in processing medical certificates are exacerbating labour shortages. Is this an issue with air traffic controllers? What has been the experience of your organization?

• (1720)

Mr. Nick von Schoenberg: It has been an experience or a problem. I would not characterize it as a widespread problem, but we did have some issues, obviously, over the course of the pandemic.

As I mentioned in my opening remarks, we work in a stressful occupation. There are medical licensing requirements along the lines of those that pilots have. A number of people lost their licences for various reasons. We encountered a number of difficulties and delays with the bureaucracy, with the medical officers, in getting licences back.

We did raise that issue with Minister Alghabra and with other officials in the ministry. I believe they took steps to address it. Our experience recently has been that it seems to be much better. We're talking about a fairly small sample size. I don't want to say it's completely resolved; there are still some issues, but it seems to be much better than it was. I wouldn't say it's a major problem at this time.

Ms. Annie Koutrakis: Well, great, and I'm really happy to hear that. I know that we can always do better, and the fact that we're doing better is really great.

Continuing with you, Mr. von Schoenberg, is there new technology that could facilitate the work of air traffic controllers and reduce the stress on them? Also, in general, what is your attitude towards technological innovation?

Mr. Nick von Schoenberg: That's a giant question.

Yes, in air traffic control, there's a lot of technology. It's a very tech-heavy field. I know that the company has several initiatives they're pursuing—

The Chair: Excuse me, Mr. von Schoenberg. I'm sorry to cut you off.

Ms. Koutrakis, we have an indication that a vote has been called, so I want to ask for unanimous consent by members to continue with the round of questions.

I see no objections. Thank you very much.

Mr. von Schoenberg, please proceed.

Mr. Nick von Schoenberg: There are several major tech initiatives that the company is undertaking. I think it's fair to say that there is a lot of promise around what technology can do for our occupation, and it has in the past made it much better and easier. At the same time, there's another side to that: We have to manage all that technology.

One of the observations I'll make with respect to the aviation industry is that in airlines there's a highly regulated standardized process that the introduction of all tech goes through. The same case isn't true for the ANSP, the air navigation service provider. That is one of the things we'd like to see addressed. We'd like to see more consideration for human factors considerations when new tech is introduced, and we would like more government involvement in terms of oversight to ensure that when new technology is brought into air traffic control, it actually does what it is supposed to do and makes the job safer and better. My sense is that at times the tech agenda sort of takes on its own life, and it's tech for the sake of tech.

We really should be asking ourselves what problem we are solving when we introduce new technology, and we should make sure that it's doing what it is intended to do.

Ms. Annie Koutrakis: Thank you.

Any one of our witnesses can chime in on this question, and I hope we have time, Mr. Chair. I'm interested in learning how much co-operation there is between industry and unions in addressing labour shortages in each of your sectors in a more strategic way. How could this be fostered?

Mr. Sean Strickland: Maybe I could take that, MP Koutrakis, with the consent of the Chair.

In the unionized construction industry, we work hand in hand with our employers. If our union contractors aren't going to work, our union members aren't going to work.

When it comes to labour force development, to workforce development, we have dozens of diversity programs across the country, and in many jurisdictions our employers are part of what are called "joint apprenticeship and training trusts". In those, we work hand in hand to plan labour force requirements for our specific trades in specific regions right across the country.

• (1725)

Ms. Annie Koutrakis: Do I have much time left, Mr. Chair?

The Chair: You have 30 seconds, Ms. Koutrakis.

Ms. Annie Koutrakis: Okay. What are some of the wages and benefits that each of your industries is improving in order to attract more workers, and if not, why not?

Mr. Nick von Schoenberg: Well, we're just about to go into collective bargaining, so that's a million-dollar question. We'll see. We'll see what happens.

Ms. Annie Koutrakis: I love million-dollar questions. Thank you, Mr. von Schoenberg.

The Chair: Thank you very much, Ms. Koutrakis.

[*Translation*]

We now continue with Mr. Barsalou-Duval for six minutes.

Mr. Xavier Barsalou-Duval: Thank you, Mr. Chair.

My first question is for Mr. Perry from the Airline Pilots Association.

A few months ago, Aéroports de Montréal considerably increased the fees for flight schools, including the one at Mirabel. Yet, as is often said, there is currently a shortage of pilots.

How do you feel about airports deciding to make significant or major changes to their policies or regulations to get rid of flight schools?

In some cases they do it because of the noise. However, in the case of Mirabel Airport, as far as I know, they wanted to avoid giving a service.

[English]

Capt Tim Perry: Thank you very much for the question. I think you raised an excellent point.

If we're going to take a step back and realize that there is a tightening labour market for pilots and we're going to think strategically about it, we can't be closing flight schools or impeding them from training pilots. We have to be doing the opposite. There are multiple ways, through consultation, that any concerns that might have been raised along the way could be addressed.

I think closing or impeding flight schools is a strategic mistake. We need to be making investments so that we have a long-term stable supply of well-trained qualified pilots in Canada. It's our obligation to do so.

The steps taken at Mirabel, from what I know and from what you've brought to the attention of all, were mistakes, I think. We have to not only learn from them but apply a broader strategy so that those types of things don't happen in the future.

[Translation]

Mr. Xavier Barsalou-Duval: Earlier, you talked about your concern about the arrival of foreign pilots in our market. How much of a threat is that? Do many companies use foreign pilots? Do they represent a large proportion of the pilots? Why are they used? Is it necessarily because there are no pilots available here, or can there be other reasons for it?

[English]

Capt Tim Perry: We dispute that there is a pilot shortage. I think it's an oversimplification to state it that way. I also think that bringing in TFWs comes with multiple problems. As I mentioned, these pilots are coming from other jurisdictions, where we have less visibility and potentially less confidence in their safety systems and their training and qualifications. That's not a statement across the board, but it applies in some cases.

Also, when a pilot comes to work as a TFW, the continuation of their employment relies specifically on their employer agreeing to continue to employ them. That fundamentally disconnects them from their union and their ability to take part in a meaningful way in collective bargaining as a member of their union, and that undermines the collective bargaining process, in our opinion. I believe we are sometimes taking pilots from potentially a severely depressed economy and bringing them here, which can also undermine the economic standards and labour standards that we've established here in Canada.

I think there are three main problems that are introduced with the introduction of TFWs. Thank you.

[Translation]

Mr. Xavier Barsalou-Duval: For my part, I note one thing that concerns me. Pilots are generally well paid and highly skilled workers. So when you can use homegrown pilots and you don't, it weakens our economy and our aerospace sector.

I would also like to ask a question of the representative from the Canadian Air Traffic Control Association. During the pandemic, we saw drastic service cuts at NAV Canada that were associated with drastic increases in user fees. This resulted in many air traffic controllers losing their jobs and some control towers threatening to close.

We all saw the reports over the summer about the difficulties with flight cancellations and chaos at airports. It was difficult for people to leave when they wanted to. What were the consequences of that, and how is it playing out today?

Is there a risk that the threats of closure that we've seen in the past will resurface, perhaps under the guise of a labour shortage this time, but that we'll find that, ultimately, the needs that existed during the pandemic still exist?

• (1730)

[English]

Mr. Nick von Schoenberg: I think there are a couple of elements to that situation.

Over the course of the pandemic, several towers were being looked at for closure, but subsequently closure did not occur. There were also a number of air traffic controllers who were put on layoff notice, and that did not occur either. Nevertheless, our total number of controllers did diminish over the course of the pandemic.

The recovery, as I mentioned at the outset, has been faster than projected. We are now in a labour shortage. We don't have enough controllers, which is resulting in restrictions and delays.

Over the course of the past summer, I think it's fair to say that those types of issues existed broadly across the industry, so what was attributable specifically to air traffic control may not be as evident. However, given our lengthy training time, I think it's fair to say that much of the rest of the industry is going to recover before we do, and so—

The Chair: Thank you very much, Mr. von Schoenberg. Unfortunately, there is no time left.

Next we have Mr. Bachrach. Mr. Bachrach, the floor is yours. You have six minutes.

Mr. Taylor Bachrach (Skeena—Bulkley Valley, NDP): Thank you very much, Mr. Chair. I am getting an unstable Internet signal, so if I'm not coming through, please let me know.

I want to thank all of our witnesses for their presentations on this important topic.

I'll give a big hello to Mr. Veldman, who I believe is in Prince Rupert today. I'm in Terrace, B.C., just down the road from you.

I want to allow you to expand a bit on your presentation on the port of Prince Rupert, which is obviously an exciting expansion story in the northwest.

You mentioned the need to attract a considerable number of new residents to the community of Prince Rupert. I wonder if you could talk a little bit about the initiatives the port has undertaken, in partnership with the community, to attract new people to take those positions.

Mr. Ken Veldman: Thank you. I'm happy to do that.

The initiatives are both in a general way within the community as well as specifically into labour. Speaking initially from a port authority perspective, one thing we've been able to do is act as a coordinator for not just our port-related employer partners but also more broadly for community employers to put together a co-operative recruitment program to be able to get into labour markets that are further afield. That's creating more awareness around not only employment opportunities within this region but also what it's like to live in a unique and attractive part of our country.

We also have been in the fortunate position of taking 5% of our net income as a port authority every year and investing it in partnership with community organizations in different capital assets, ranging from medical equipment to sports fields to art centres, etc. Again, that's with a real focus on legacy capital assets that impact quality of life. However, we're only one part of that.

Certainly we have a number of local partners, whether that be terminal operators like DP World or AltaGas or whether that be B.C. Maritime Employers Association and the local labour unions, that work very closely in ensuring that they are offering unique training opportunities that fit this community and this region, and they are largely with a focus on our indigenous population. In the transportation supply chain workforce report, you certainly saw that theme of trying to ensure that areas of our community that were under-represented in the labour force were getting that broad opportunity. There are many examples of that.

As I indicated during my presentation, our single biggest challenge is that we need more people to take advantage of those kinds of programs. Certainly there are specialized skills within this industry, whether in terminals on the water or in trucking or in rail, and I think we have the same challenges as many other regions of the country.

However, as I said earlier, in a smaller, more isolated community, there's a much more daunting prospect to recruiting, and recruiting has to be a part of how we grow this community. While we are leaning in as hard as we can collectively, it's also something that sometimes requires bigger signals and encouragement from other partners.

• (1735)

Mr. Taylor Bachrach: Thanks, Mr. Veldman.

Port jobs are highly paid industrial jobs, and that's wonderful for the portion of the population who are able to secure those jobs. One thing I think most of us have heard from the community is that having that high percentage of well-paid industrial jobs puts quite a bit of pressure on other parts of the economy, particularly the service

economy, social services, and hospitality and tourism. This is a phenomenon that you're well acquainted with.

Perhaps it's a bit more of a philosophical question, but I'm wondering how the federal government and local governments should work together to ensure that the rest of the economy also has the labour force it needs to function and provide the services that the community needs.

Mr. Ken Veldman: I hope it came across as a part of my presentation that it certainly isn't just port-related employers that are facing labour shortage issues; this problem moves through the rest of the community as well.

While that is true, Ms. Koutrakis made the comment earlier around wages, and we've essentially seen average wages within the port industry almost double over the last 10 to 15 years. The average wage is between \$90,000 and \$100,000 annually, so it does pay quite well.

To your point, Mr. Bachrach, there's a relatively low barrier to entry for many jobs within the port industry from a skills and experience perspective. While there are many benefits to that in terms of who we can bring into the industry, the other challenge is that we are also competing with other sectors that are often looking for a labour force that traditionally matches up with those demographics. When you have a finite labour force, that is absolutely where the challenge is.

The Chair: Thank you very much. I'm sorry, but time is up, Mr. Veldman.

Thank you, Mr. Bachrach.

There have been discussions among parties. I just want unanimous consent to move forward with the second round. All members will be voting virtually through the voting app.

Some hon. members: Agreed.

The Chair: Thank you, colleagues.

We'll move to Mr. Strahl. The floor is yours for five minutes.

Mr. Mark Strahl (Chilliwack—Hope, CPC): Thank you very much, Mr. Chair. My question is for Mr. Gibbons.

You spoke about instability that had been caused by an accordion of regulations, as I believe you called it, that were brought upon the industry as a result of the pandemic. I agree that we're not here to relitigate that particularly, but I would like you to talk about the impact of that instability.

Obviously the airline sector was impacted first and, I would argue, was let out of jail last, so the government's regulations for COVID did have the greatest impact on your sector. We've seen in the energy sector, for instance, what uncertainty does to confidence, not only for workers but also for investors. We see hundreds of billions of dollars leave the country and hundreds of thousands of jobs leave the country as well when the government doesn't provide a certain regulatory environment.

Could you expand a little bit on what you meant by instability and how we can work together to ensure that you have the regulatory environment and the stability you need to succeed as a company?

• (1740)

Mr. Andrew Gibbons: I think there are three pockets to the stability question. I guess one would be operational stability. The second would be financial stability. The third would be labour stability.

As it relates to labour stability, whether or not you believe in the restrictions and whether or not you believe they were justified, the reality of the situation for the travel and tourism sector—and this has been well stated by the entire sector—is that the nature of how restrictions were and were not applied did lead to people leaving the sector and choosing a more stable career path and more stable career options. You've heard this from other witnesses here today. It's not a state secret.

What can we do about it? That's your question, Mr. Strahl, and I think what we can do about it is look to a report such as the lessons learned report written by five epidemiologists and commissioned and published by the Tourism Industry Association of Canada. It talked about how restrictions should be in place, how important metrics are and how important it is for everyone to understand why these things are being put in place and the conditions upon which they should be lifted. That gets us out of this situation we've been in for the last two years or so when cases are going up and maybe restrictions are coming back and maybe they're not.

To the greatest extent possible, these doctors have been asking the federal government for that type of... We'll never have public health stability—everyone understands that—but what we can have is some public policy stability and understanding of what is required and when, and, most importantly, what that stability achieves for the public health situation generally.

To your question on operational stability, I mentioned this in our remarks, and we'll be talking about it more this winter. I'll use an example. One evening in June, we had 700 guests miss their connecting flights in Toronto. This is not a blame game comment; it's just an observation. All of them were lined up at a WestJet counter. They were lined up at a WestJet counter looking for a hotel voucher, a food voucher, a connecting flight or what have you. There's no CBSA counter at the airport and there's no CATSA, so they all end up at WestJet's counter.

I think what we're looking for as we emerge out of this crisis are perhaps some service-level agreements with government agencies, and perhaps a shared accountability structure, so that it's not just the airline that pays compensation when your travel is disrupted: It is assigned to who is responsible for that disruption. I think that lifts all boats and improves the overall level of service.

If you accept that airlines are accountable for their faults, guess what? We do as well, which is why we're under regulation. We abide by that, but if you accept that regulations are needed to keep airline service levels high, then I believe, and we believe, that you should also accept that this should be a true statement for anyone who delivers a service to the travelling public. We think that's—

Mr. Mark Strahl: Do I have time for one more?

Mr. Andrew Gibbons: I'm sorry. I'm going on. I'll stop.

The Chair: You have 20 seconds, Mr. Strahl.

Mr. Mark Strahl: When the government lifted the last restrictions, they said that it was just a suspension. Can you comment on that part of it?

Mr. Andrew Gibbons: I think that's what motivated groups such as the Tourism Industry Association of Canada and Perrin Beatty, the president of the Chamber of Commerce, and others to say, “Thank God we're through that. Thank God we're through that phase and we've moved on”, but part of moving on also needs to be a lessons learned exercise and a more predictable framework for how these policies get implemented again, so—

The Chair: Thank you very much, Mr. Gibbons. Thank you, Mr. Strahl.

Mr. Andrew Gibbons: Thank you.

The Chair: Next we have Mr. Rogers.

Mr. Rogers, the floor is yours. You have five minutes.

Mr. Churence Rogers (Bonavista—Burin—Trinity, Lib.): Thank you, Chair.

Welcome to all of our guests today.

I'll say hello first of all to Mr. Veldman. I was chatting with some of your folks at Prince Rupert Port Authority yesterday, and they gave me a quick overview of your long-term plans. Congratulations. It looks great, actually, and they advised me of some of the support you're getting through the Canada Infrastructure Bank and the national trade corridors fund.

I remember that when Prince Rupert stepped up to the plate when the floods in B.C. washed out the highways and railways and so on, it was critically important to our supply chain, so thank you for that.

Mr. Chair, first of all, I want to read a statement I have here that I've been thinking about.

In response to the pandemic, the Government of Canada has put in place a number of financial support measures, such as the Canada Emergency Wage Subsidy; the Business Credit Availability Program; and, the Large Employer Emergency Financing Facility, to assist all sectors of the economy, including air transportation.

For the air sector, the Government of Canada has provided rent relief from March to December 2020 for the 21 airport authorities that have ground leases with the federal government, as well as to comparable treatment for Ports Toronto, which operates Billy Bishop Toronto City Airport.

Funding of up to \$191.3 million for provinces and territories was also announced to ensure continuity of essential goods and services to remote fly-in communities.

[In addition,] the Government of Canada announced an additional \$1.1 billion in financial support for the air sector through a series of targeted measures designed to support regional connectivity, critical infrastructure investments and the continued operation of Canada's airports.

As I listened to our witnesses, I was thinking back to when we were designing these programs and trying to work with the airline industry. I just want to ask this to Mr. Perry: How much more do you think the federal government should have provided, and can you provide a dollar amount to that question?

• (1745)

Capt Tim Perry: Thank you very much for the question.

I think it's well worth noting the extraordinary effort by this government that went into stabilizing the economy and stabilizing the lives of Canadians. That does not go unnoticed by anybody—not by me and not by our organization.

My point was about the specialized funding, which I believe would have been helpful and which was missing. Aviation is a highly specialized industry and it requires specialized attention in its time of need, and that's what we found.

Those programs, despite how valuable they were and all the extraordinary effort that went into them, failed to stabilize our industry. Our industry still entered a period of instability that we do not believe was necessary.

I can't provide a dollar figure right now—I'd be happy to return with one—but a significant investment would have been required, and I think that would have or could have stabilized the industry.

Mr. Churence Rogers: Thank you for that, Mr. Perry.

Talking about labour shortages, we all keep talking about training and programs to get people into the industries. We're talking about all industries, but for the airline industry, who do you think is responsible for training new workers and what role do you see government playing?

Any of the airline industry folks can comment on that.

Mr. Andrew Gibbons: I'm happy to do so. Thanks so much for the question.

I want to touch on the wage subsidy, because I know it's an important issue. At the WestJet group, obviously we availed ourselves of that program. We're grateful for that program. That program kept a lot of our employees close culturally to our company and kept them tied to us. If you know any WestJetters, you know how important that is, so we definitely availed ourselves of that program and are grateful for it.

With respect to financial aid, obviously it's a matter of public record. We did not make an agreement with the federal government. I can't explain to you why, because we're under an NDA, but that didn't happen, and it's a source of pride for many in our company that we did not do so and that we stand on our own today.

With respect to training, I think it's the same message, Mr. Chair, which is that we're not waiting for government for the answers. I mentioned our partnership with the provincial government; I mentioned that government only because it's our home government, and one of the lessons out of COVID is that everyone has to work together. It's not just airlines. It's not just post-secondary. It's not just provincial. It's not just federal. We're not sitting around waiting for answers from one form of government. We have to go out and make sure we're charting our own destiny and making those part-

nerships that make that happen. That's what we're doing at WestJet. I'm happy to talk about the agreement if you like, but that's where we are.

• (1750)

The Chair: Thank you very much, Mr. Gibbons, and thank you very much, Mr. Rogers.

We're going to have to suspend for the purposes of voting, and we'll reconvene following the vote.

The meeting is now suspended.

• (1750)

(Pause)

• (1805)

The Chair: The meeting has now resumed.

We will resume our round of questioning with Mr. Barsalou-Duval.

[*Translation*]

Mr. Barsalou-Duval, you have the floor for two and a half minutes.

Mr. Xavier Barsalou-Duval: My question is for Mr. Gibbons of WestJet Airlines.

Today, the Competition Bureau Canada issued a report saying that it considered the WestJet-Sunwing transaction, where WestJet would acquire Sunwing, could cause a lessening of competition.

On the Quebec side — this is where my concern lies — Aéroports de Montréal had mentioned that it feared a concentration of flights to Toronto as a result of this acquisition. On the Air Transat side, there was more talk of a concentration of players, that is, a reduction in competition created by a duopoly-like situation.

I have two questions for you. First, what do you think of the report? Second, what would Quebec get out of this transaction?

Mr. Andrew Gibbons: Thank you for your question.

[*English*]

I'm not sure that the Competition Bureau concluded some of those things. In fact, in the report, they identify 31 roots of concern—25 in western Canada and five in Ontario—so in fact it does not highlight a negative impact for the province of Quebec.

With respect to the province of Quebec, it's important to note that the Competition Bureau has a narrow focus on individual roots, but the comprehensive review is conducted by the Minister of Transportation, and that's the public interest review. This is a report that feeds into that process. It's obviously not a determination.

With respect to the province of Quebec, I think our own company has had some difficulty making inroads over the years. That's one of the things we're most excited about with respect to this transaction. Sunwing has a head office in Laval, which we've committed to the government that we'll maintain. They have excellent services in French, which we're committed to maintain, and the Sunwing brand itself is going to be maintained.

This is not a takeover in any way, shape or form. It is two complementary businesses coming together, and we're confident that the Minister of Transport will see that and approve the transaction.

[*Translation*]

Mr. Xavier Barsalou-Duval: Very well.

Mr. Perry, I told you earlier about the Mirabel flight school. As people in my riding sometimes call me, I recently spoke to a somewhat desperate pilot, who had taken all the necessary courses to obtain the pilot's licences, but unfortunately had been waiting for almost a year for an answer from the federal government about his licences.

I was wondering how often you see this kind of situation on your side, and whether it would be worth including it as part of the strategy, especially with regard to the labour shortage issue.

• (1810)

[*English*]

Capt Tim Perry: I think it's important that any barrier to have a pilot enter or re-enter the market as an employee has to be addressed. Whether it's a pilot certificate or a medical certificate, we've seen delays, but much like my colleague at CATCA, we find that those have actually been improving.

There's still more to do to make sure that once there is a qualified pilot, whether it's medically qualified or technically qualified, they're able to enter the flight deck. It absolutely has to be a part of our strategy as we address this—

The Chair: Thank you very much, Mr. Perry.

[*Translation*]

Thank you, Mr. Barsalou-Duval.

[*English*]

Next we have Mr. Bachrach.

Mr. Bachrach, the floor is yours. You have two and a half minutes.

Mr. Taylor Bachrach: Thank you, Mr. Chair.

I'd like to pick up with some questions to Mr. Perry.

Mr. Perry, in your presentation, you mentioned something called “wet leases”. Could you expand on what wet leases are and their impact on employment?

Capt Tim Perry: Sure. Thank you for the question.

A wet lease is when a company leases not only an aircraft but a flight crew as well. Often all of the associated expenses are covered in a single transaction rather than by leasing an aircraft and hiring a crew separately.

If this is done improperly, it can disrupt the labour market and undermine collective bargaining for unionized groups, because it's basically contracting out what could be—and in some cases, should be—work that belongs to the bargaining unit.

Mr. Taylor Bachrach: Mr. Perry, following up on Mr. Barsalou-Duval's question about the WestJet-Sunwing merger—or proposed merger, rather—I'm wondering what your association's perspective is on that proposal and its potential implications on employment.

Capt Tim Perry: We have commented extensively on this transaction. Our position has been that as long as there are no layoffs that come with this transaction, it's something we could support. As an organization, we're not opposed to the amalgamation of different businesses as long as there are appropriate labour protections in place.

Mr. Taylor Bachrach: In your view, would that include restrictions on wet leasing?

Capt Tim Perry: Yes, we would certainly like to see restrictions on wet leasing, as well as no layoffs and other labour protections.

The Chair: Thank you very much, Mr. Bachrach.

Mr. Muys, the floor is yours. You have five minutes.

Mr. Dan Muys (Flamborough—Glanbrook, CPC): Thank you.

Thank you to all the witnesses for your testimony today, your observations and, in particular, your recommendations.

My question is for Mr. von Schoenberg and Monsieur Vachon, because you've mentioned that in some instances, maybe with smaller towers, there is only a single controller there at one time. I would imagine that's a concern from a safety perspective.

Maybe you can elaborate on how that might be an issue and a concern. In my riding there is Hamilton airport. I'm not sure that would be one of the towers that would be impacted by that situation. At Hamilton airport, there's a lot of cargo coming in as well, so it impacts our supply chain when there are disruptions as a result.

Mr. Nick von Schoenberg: There are two things I would say.

First of all, a single controller working doesn't in and of itself present a safety risk, necessarily; however, in a system that depends on redundancy to ensure safety, we feel it's important that, as in other equipment areas, this redundancy should occur in staffing as well. If someone is working alone and something happens and they need some additional help, there's no one else there. No help is coming. For the system overall, I think there's a challenge there with respect to resilience.

If someone calls in sick, as happened recently in Hamilton... There was a single controller scheduled for a 12-hour shift. He was ill, and the tower had no choice but to close. That's obviously not a situation that we want to see.

The simple solution is that we need some more people. When you have more staff, there's a little more resilience to the operation, and from a safety perspective, in the event that something happens, that person has additional help.

In addition to that, on occasion a controller needs to be relieved if something serious happens. Perhaps he's made a mistake or some sort of incident has occurred. That person is supposed to be relieved from duty. If there's no relief, it makes it difficult for the company and the employee to handle that situation.

• (1815)

Mr. Dan Muys: Looking ahead to the Christmas season and even further ahead to next summer, I think we've heard that we're going to see a ramp-up in travel, but from our perspective, we'll see it in cargo too. In terms of closing down a tower because we only have one person and they have to go elsewhere, are we going to continue to see these sorts of problems? What are your concerns about staffing in that regard?

Mr. Nick von Schoenberg: I think we will see them. Our position is that the company... We're not going to be able to completely address the staffing issue by next summer. I think that's clear. I think that with some creative solutions, we might be able to at least mitigate it to some extent, but I think it's unavoidable that there will be some service disruptions.

Our position is that we should, for the sake of the entire industry, make those disruptions as predictable as possible, instead of having them occur at the last moment. I think that would help the airlines too with respect to their planning, and it would be better for everybody.

Mr. Dan Muys: Thank you.

While I have just a few minutes left, I suspect, I'll ask a question of Mr. Strickland.

I know that skilled trades are an important part of Canada's economic future. You've certainly been outspoken on that point. I know that in my home province of Ontario, one in five jobs by 2025 is reported to be in the skilled trades. You've touched on the perceived value of truckers and skilled tradespeople and the promotion of that area. I know that the Ontario government has done a lot of work on it in the last couple of years. Kudos to Ministers McNaughton and Dunlop and those who have done that, not just at the training and college levels, but at the high schools and before that.

I think we've seen a lot of hot air from the federal side on skilled trades, and no real results or progress. What does the federal government need to do to get its act together on this issue and realize that this is quite a big gap?

Mr. Sean Strickland: Well, I would agree with you that in the province of Ontario, which is also my home province, the government has done a really good job of promoting skilled trades with career options and opportunities, largely through the work of Minister McNaughton.

I would disagree with you with respect to what the federal government is doing with skilled trades. They have invested hundreds of millions of dollars in the Apprenticeship Service grant program, which was rolled out a few months ago. There are incentives in

place for employers to hire new apprentices. It's \$5,000 for an apprentice and \$10,000 if that apprentice comes from an equity-deserving group. There are also other things the federal government has done to support the skilled trades—which, quite frankly, is a real departure for the federal government. Training, as you know, is the purview of provincial governments. I think the federal government has stepped up in some meaningful ways that maybe aren't broadcast as widely as they should be.

The Chair: Thank you very much, Mr. Strickland.

Next we have Mr. Badawey. Mr. Badawey, the floor is yours. You have five minutes.

Mr. Vance Badawey (Niagara Centre, Lib.): Thank you, Mr. Chairman.

I want to start off with Mr. Veldman.

Mr. Veldman, you made a point earlier with respect to more capital funding for strategic trade corridors. Can you be a bit more specific on the capital funding that you think is required for those trade corridors?

Mr. Ken Veldman: I sure can.

I think there are two different elements to this. One is from a corridor perspective. I'll speak to the northern B.C. and Alberta corridor that is associated with us. As we see increased volume move through specific corridors, growth in traffic, and communities—largely smaller communities in this region—grappling with growth and long-standing infrastructure challenges, the ability to attract population and the ability to continue to be comfortable with economic growth really take a strategic focus to ensure that public sector, private sector, local government and local community challenges are all considered from a corridor perspective. If you don't have strategic views, visions and lenses to look at that corridor going forward, then growing supply chains and making the investments needed are going to be challenges.

When we look more specifically at the community level—and I'll use Prince Rupert as an example—we have a community that's come through some difficult economic times over the last few decades. We see an industry that is very much growing that community. For those local governments to really be able to deal with the livability of their communities, to make them communities that are very conducive to growth and new residents, they need to be able to get past some really basic infrastructure challenges. The reality is that to do that, they really need senior government support.

• (1820)

Mr. Vance Badawey: Thank you, Mr. Veldman.

Mr. Gibbons, you mentioned the partnership with Alberta. Can you explain a bit about what's happening in Ontario and what the challenges are with respect to trying to establish the same kind of partnership in Ontario?

Mr. Andrew Gibbons: There are no barriers that I know of, simply because we have not approached them and positioned a similar agreement.

We began our process with our home government. That's where our headquarters are. It's where we employ the most and where the majority of our operations are. For that and no other reason, we've prioritized the Alberta government. They were a willing partner. We'd be glad to sign a similar MOU with any willing partner.

Mr. Vance Badawey: Thank you, Mr. Gibbons. Let's get that ball rolling.

Mr. Andrew Gibbons: Sure, let's do that. You got it.

Mr. Vance Badawey: Thank you.

Mr. Strickland—Sean—it's great to see you again. It's a pleasure, and I appreciate your testimony.

I have a quick question for you, Sean. It's with respect to the training across the country. With the files I've worked on for the past few years up here in Ottawa, what I've heard about harmonizing training and certifications across the country has been loud and clear.

Can you speak a bit on that with respect to not only the higher level but also the transportation sector? Do you think the harmonizing of training and certification across Canada would be beneficial, as it is with the Red Seal program and other programs?

Mr. Sean Strickland: Certainly. I think the more harmonization we can do across Canada, the better it is for workers and for the Canadian economy.

In terms of the harmonization of the skilled trades, we have made some good advancements with the Red Seal trades and the Gold Seal certifications. The system's still not perfect. The definition of trades in different jurisdictions varies from one province to another. They don't specifically align in terms of a definition of certain trades. That situation creates a barrier to mobility and testing for trades when they travel across the country.

We have a small labour pool in Canada, with a growing economy and increased immigration. This harmonization piece is a critical area that needs to be improved to help meet these labour demand challenges.

Mr. Vance Badawey: Thank you, Mr. Strickland.

I will give the floor to Mr. Chahal.

Mr. George Chahal (Calgary Skyview, Lib.): Thank you, Mr. Badawey.

Mr. Gibbons, recently WestJet made a major announcement in Calgary about doubling its capacity with the 787 Dreamliner global connectivity hub. That's in my constituency, and I was very excited about the announcement.

What's the investment, and how many jobs will be created for Calgarians?

Mr. Andrew Gibbons: Thank you very much for the question, and thanks for your support of the announcement.

Just to restate, we announced that our suite and series of 787 Dreamliners, which is our wide-bodied fleet, will be exclusively housed in Calgary for transatlantic and trans-Pacific flights.

Mayor Gondek and others joined us that day to celebrate this investment, because they know it's going to bring the critical mass to Calgary that will allow for flights that are key for foreign investment and investment attraction and so on. It was a big moment for Calgary. When we announce the actual routes that we're going to bring to the community and to all of western Canada—it's not just a Calgary investment, but for all of western Canada—I think people are going to be very happy.

I'll have to get you the specific economic impact numbers in the report that we commissioned, but generally speaking, a 50% increase in our capacity in Calgary by 2028 is the largest investment and largest bet we've ever made on a community. We're very confident that it's going to work out very well and that the community you represent will feel the same way.

• (1825)

Mr. George Chahal: Thank you.

The Chair: Thank you very much, Mr. Chahal and Mr. Gibbons.

That concludes the questioning for today.

On behalf of committee members, I would like to thank all of our witnesses for their testimony and contributing to this very important study for all Canadians.

With that, the meeting is adjourned.

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