

**Air Transport Association of Canada**

# **Annual Report 2001**



*In Service to Commercial Aviation*

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# 1. ATAC's Mission Statement and Objectives

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## Mission Statement

To support our members in the pursuit of a safe, world-leading and competitive Canadian air transport industry.

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## Objectives

- Promote safe and reliable air transportation of people and goods to the benefit of Canadian society.
- Consult and cooperate with all Government and regulatory authorities seeking the advancement of improvement of commercial aviation.
- Promote and advocate for the commercial air transport industry.
- Encourage a regulatory framework that recognizes enterprise and imagination in providing safe and competitive air transport services.
- Provide excellent and cost-effective services to our members.
- Promote professional operational standards and sound business practices by the membership.
- Inform the public about the industry and its views in an open and factual manner.
- Communicate matters of interest to our members in a timely and clear manner.



# 2. ATAC Board of Directors 2000-2001

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## Chairman of the Board

Douglas Port      Senior Vice President, Customer Service, Air Canada – Calgary, Alberta

## President and Chief Executive Officer

J. Clifford Mackay      President & Chief Executive Officer, ATAC – Ottawa, Ontario

## 1<sup>st</sup> Vice Chairman

Patricia Kennedy      Operations Manager, Pacific Flying Club – Delta, British Columbia

## 2<sup>nd</sup> Vice Chairman

Donald P. Kennedy      Senior Vice President, Corporate Affairs, Canada 3000 Airlines Ltd. – Toronto, Ontario

## Honorary Treasurer

Dennis Cooper      Operation Manager, Sky Wings Aviation Academy Ltd. – Penhold, Alberta

## Honorary Secretary

Barry Lapointe      President, Kelowna Flightcraft Ltd. – Kelowna, British Columbia

## Past Chairman of the Board

Jim Glass      Managing Partner, Transwest Air – Prince Albert, Saskatchewan

## Directors

Michael S. Bland	General Manager, Gander Flight Training – Gander, Newfoundland
Bob Davis	President, First Air – Carp, Ontario
Harvey J. Friesen	President, Bearskin Airlines – Sioux Lookout, Ontario
John D. Issenman	President, PROAV International Aviation Services Corporation – Gloucester, Ontario.
T. Al Kapy	General Manager, Trans North Helicopters – Whitehorse, Yukon.
Stephen Markey	Vice President, Government Relations and Regulatory Affairs, Air Canada – Ottawa, Ontario
Dan Munro	President, National Helicopters Inc. – Kleinburg, Ontario
Joseph D. Randell	President & CEO, Air Canada Regional Inc. – Enfield, Nova Scotia
John M. Scholefield	President, Laurentide Aviation – Les Cedres, Quebec
Tim Vaillancourt	Vice President Operations, Provincial Airlines – St. John's, Newfoundland

*\*Michel Leblanc, Royal Aviation – Resigned during the year.*



# 3. Chairman's Message

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**Douglas Port**

**Senior Vice President Customer Relations, Air Canada**

I would like to begin my report the only way I think anyone in our industry can, by remembering and expressing our condolences for the tragic events of September 11, 2001.

For air carriers, the terrorist attacks on the World Trade Centre and the Pentagon were doubly disturbing. To see commercial aircraft – the tools of a peaceful and progressive industry – used in such a perverse way was both personally and professionally devastating for many of us.

By any standard, this would have been a trying year. But in the wake of September 11<sup>th</sup>, we have moved to an entirely new level of challenge. At the same time, the critical importance of air transportation to Canada and the world has never been greater.

As carriers, we support Canada's economy both as employers and as the business that keeps business moving. As an industry, we link this country to our friends, allies and trading partners around the globe.

And as a symbol, our continuing existence tells the world that civilization will not be broken by criminal acts.

Our industry is being tested, and it is up to each of us to accept and overcome that test. All ATAC members have a duty to continue serving Canadians in a safe, secure, and efficient way. All ATAC members have a role to play in supporting the common goals and needs of our industry. All ATAC members have a responsibility to build close, cooperative working relationships with our governments, with our regulators and with each other.

The industry continues to be confronted by the same challenges we have faced for years: rising costs; overcapacity; global deregulation; and financial instability. The events of September 11<sup>th</sup> and their aftermath, however, have brought them new urgency and added to their complexity.

Today we are all challenged to do whatever we can to restore public confidence in the aviation sector and reassure our customers that we offer them a safe, efficient and reliable transportation option. At every level, every day, we have to win back their trust and their business.

ATAC's goal is as it has always been, to build a strong air industry – an industry that will continue contributing to the economic and social well-being of this country for decades to come. Canadian aviation has met and survived adversity before and I am confident that we will do so again.



On behalf of the Board, I would like to thank my fellow Directors, including Michel Leblanc who left the Board earlier this year, for their support. Finally, I want to extend a special thanks to the staff of the Air Transport Association of Canada for their commitment in the past year, and especially for their work under Cliff Mackay's leadership, in the long days following September 11<sup>th</sup>.

Good luck to everyone next year.

A handwritten signature in black ink that reads "Douglas Port". The signature is written in a cursive, flowing style.

Douglas Port  
Chairman

# 4. President's Message

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**Clifford J. Mackay**

**President and Chief Executive Officer, ATAC**

It was the day after the September 11<sup>th</sup> terrorist attacks – 3:00 AM to be exact. But unless you were looking out the window you never would have known it.

Every light at ATAC was burning, every staff member working, and at every desk, faxes, phone calls and e-mails were coming and going at a furious pace. At 3:00 AM we began a conference call involving more than 100 people.

ATAC was wide-awake that night – but it was definitely NOT business as usual.

I don't need to go over all the details of what ATAC and its members did and accomplished that night and in the following days. Most of you are intimately aware of the challenges our industry faced and of the incredible amount of work we completed in a very short time.

The industry's response to the September 11<sup>th</sup> terrorist attacks was the most intense activity in a very active year. And I am enormously proud of the way ATAC's staff and the members of the Association rose to the challenge.

More than anything, ATAC's success in re-establishing air security, in restoring Canadian confidence in the air transportation system, and in dealing with fallout issues such as insurance and compensation, shows what can be accomplished by an industry working together.

These achievements were a microcosm of the busy year ATAC has had in general. The familiar issues the Association has dealt with for years – like rising costs, regulatory reform, and global restructuring – were joined by new issues – like airport security, unruly passengers and maintaining domestic competition.

I would like to review some of the year's highlights.



## Aviation Security

Since September 11<sup>th</sup>, the air transportation industry has been involved in an extremely intensive – and expensive – process to implement new security measures. While these measures were introduced to close the immediate and obvious security gaps exposed by the terrorist attacks, ATAC has continued working with Transport Canada and other agencies to push the standards of our industry's security systems even further.

Air transportation security has been improved in several key areas:

- Airport security has been upgraded – including better procedures for passenger screening and hand searches of carry on bags.
- The rules governing what items can be taken in carry-on bags were tightened.
- Police presence in Canadian airports was tripled.
- The industry agreed to lock cockpit doors on all passenger flights.
- New training and testing standards were developed for passenger screeners and will be in place before Christmas. These improvements will provide up-to-the minute information on new threats and detection techniques.
- Sophisticated explosion detection equipment and other new security technologies will be deployed more quickly.

ATAC is also very pleased that the federal government has offered \$79 million to offset the costs of these and other security initiatives. It is a good first step and we are encouraging government to make a much broader commitment to funding security.

The commitment of industry and government to aviation security is already helping to restore public confidence in the commercial air system. I am confident that future initiatives will extend that confidence even further.

At the same time, our review of Canada's existing aviation security has shown that it is fundamentally sound. In fact, our system – where government sets standards and monitors performance and private companies provide security – works so well that U.S. authorities will likely introduce a similar model for their own system.

## The Economy

Of course, the economy is the backdrop behind everything that has happened this year. Canada's economy was beginning to slow even before the terrorist attacks.

As early as this spring, carriers here and in our major destination countries, began seeing a drop in business travel. This trend accelerated through the summer and, as we know, hit a crescendo after September 11<sup>th</sup>. Since then the building recession, passenger uncertainty, and our industry's direct economic losses have created serious financial problems for many of our members.

Commercial air carriers – in Canada and throughout the world – have faced some hard business decisions, with many more difficult choices likely to come.

## **Industry Compensation**

The liquidity crisis set off by the September 11<sup>th</sup> terrorist attacks directly threatened the short-term financial stability of several ATAC members.

On behalf of the industry, ATAC worked with Transport Minister David Collenette to develop a financial assistance package to offset the losses experienced by Canadian air transportation companies. ATAC welcomed the Minister's \$160 million in compensation package as a good first step in supporting the industry, but we fully expect to continue working with the Minister and his Department to monitor and deal with future financial challenges.

## **Insurance Coverage**

Another crisis arising from September 11<sup>th</sup> was the decision by the industry's insurance providers to cease coverage for war risk and terrorism-related liabilities. Without this coverage, many of Canada's air carriers, airports and essential aviation service providers would have been unable to operate.

ATAC, working with the Transport Minister and other industry stakeholders, put together a plan that committed the federal government to providing indemnity for third-party war and terrorism liabilities for aviation service providers. This emergency coverage has given us time to find a more permanent insurance solution.

## **Bill C-26**

Prior to September 11<sup>th</sup>, ATAC was enjoying a busy and successful year in a number of policy areas. The Association's handling of the federal government's airline restructuring legislation – better known as Bill C-26 – was a prime example.

While ATAC generally supported the overall direction of the Bill, we had some serious concerns about several specific provisions. Through some carefully managed interventions we sought and won key changes to several policy areas.

- We convinced Parliament that the provisions forcing carriers to maintain service on non-competitive routes for at least four months after deciding to terminate the route would discourage carriers from trying new markets. The Bill was changed to provide an exemption during the first year of operation.
- Air cargo rules were changed to recognize competition from other modes of transportation.
- We also successfully argued that the rules used to evaluate the dominance of any carrier in a given market had to be fully defined before the Competition Bureau and the Canadian Transportation Agency could start applying them.

## **The Competition Bureau**

Of course, Bill C-26 also signalled the return of the federal government to the active regulation of the commercial air industry. Perhaps the most high profile example of this was the decision by the Competition Bureau of Canada to investigate Air Canada's response to competition from discount carriers.

Empowered by Bill C-26, the Commissioner of Competition issued an unprecedented cease and desist order prohibiting Air Canada from lowering prices on certain domestic routes. This matter is now being argued before the Competition Tribunal.

ATAC is closely monitoring about the federal government's return to active regulation of the aviation industry. We believe that the dynamic competition offered by various airlines will create enough competition to make the future use of the Competition Bureau's powers less necessary.

## **Passenger Complaints**

The Office of the Air Travel Complaints Commissioner was another creation of Bill C-26. The Office was created in response to government fears that the ongoing realignment of the airline industry might result in reduced levels of customer service.

While the government-appointed Air Travel Complaints Commissioner initially received a bulge of complaints from air travellers, the rate has returned to more normal levels. We believe that this early bulge resulted from the complications experienced during the merger of Canada's two largest air carriers, and from the initial publicity surrounding the appointment of the Commissioner by the government.

Overall, the rate of complaint for commercial air transportation is no higher than any other major federally regulated industry, and will probably go down even more as the industry adapts to change.

## **The Aeronautics Act**

ATAC has actively followed and contributed to the government's deliberations on the *Aeronautics Act*. While the Association has long said the *Act* needs to be modernized, we are concerned about several of the proposed amendments.

The sections on 'Accountable Executives' are particularly troubling. While ATAC supports the concept of Accountable Executives, we are worried that the *Act* may hold Accountable Executives personally liable for failing to 'establish and maintain a safety management system' in their companies.

The government's proposal to regulate 'fatigue management' for anyone working in a 'safety sensitive position' is similarly troubling. The term 'safety sensitive position' is sufficiently broad that it could potentially include baggage handlers, caterers, dispatchers and many others. The application of fatigue management rules to people working in these job classes could have serious negative impacts on the industry. ATAC is working to ensure the term is removed from the legislation, or at the very least, carefully defined and limited.

## **Airports**

ATAC recently saw two positive developments on our airport files. First, the Minister of Transport has decided to introduce a *Canada Airports Act* that hopefully will address many of our industry's concerns about airport practices. And perhaps more importantly, the government has also agreed to conduct a review of airport rents.

ATAC will carefully follow these developments. We will also continue pushing the federal government to look at other key airport issues, like small airport viability.

## **Unruly Passengers**

The media has focused a lot of attention this year on the issue of unruly passengers and on the rules and procedures airlines use to deal with them. In cooperation with ATAC and other interested groups, this spring the federal government introduced new procedures for dealing with unruly passengers. Air carriers are now required to report unruly passenger activity to authorities, and by the end of the year, ATAC will review crew-training standards to ensure all crewmembers are trained to recognize and respond to unruly passengers.

ATAC has aggressively pushed for the introduction of new criminal code amendments to better reflect the seriousness of unruly passenger events. We also contacted Canadian duty-free concessions to ask for their help in ensuring that duty-free alcohol is not consumed prior to or during commercial flights.

As well, the extra security procedures introduced after September 11<sup>th</sup> will also make air carriers better able to deal with unruly passengers.

## **FAA Overflight Fees**

One of the year's biggest triumphs was ATAC's successful effort to overturn the Federal Aviation Administration's most recent attempt to impose overflight fees. The Association mobilized a group of nine international airlines to fight the fees, led a legal challenge in the U.S. courts, and won it – twice. While our victory is now under appeal, our legal team is confident that it will be upheld.

This legal success will result in substantial cost savings for our members. The FAA had estimated the fee would net about \$36 million U.S., and about half of that total amount would have been charged to Canadian carriers.

## **The Canadian Transportation Act Review**

Although the Canadian Transport Act Review focused on rail issues it did sponsor some research on commercial aviation which determined that there was healthy competition in the air sector.

ATAC strongly supports the CTA Review Commission's recommendation that fuel tax revenues from trucking be dedicated to highway spending. We have long held the position that aviation fuel taxes should be phased out since we pay for our own infrastructure.

## Safety

Of course the safety of Canada's air transportation system, as always, remains ATAC's number one priority. The events of September 11<sup>th</sup> may have changed a lot of things, but our industry's commitment to protecting the safety of Canadian air travellers remains as strong as ever. The Association made some notable advances on the safety file this year:

- ATAC has continued to encourage and promote the adoption of new safety management systems throughout the industry. In fact, new safety management systems was the theme of the ATAC seminar this past May.
- The Association also has taken a leading role in setting international safety standards through its participation in CAST (the Commercial Aviation Safety Team) and FAST (the Future Aviation Safety Team).

## Other Issues

As part of the Coalition of Concerned Airport Users, ATAC has continued encouraging the federal government to focus on airport rent levels and small airport financial problems. On this second issue, this year ATAC made significant progress in negotiating agreements with small and regional airports to collect AIF and facilitation fees on their behalf.

Also, ATAC has continued to work on a range of service and regulatory issues effecting both large and small members. These problems may not be high profile, but they are very important to members and occupy much of the time of ATAC's staff.

## Conclusion

This year, Canada's air transportation industry faced a crisis, and we responded positively. While the effects of the trauma will continue to be felt for some time, there are hopeful signs that the travel patterns and market forces that shaped our industry continue to hold true.

ATAC will be there to promote the goals and concerns of the aviation industry in Canada. And with the support of our members, we will succeed.

Finally, I would like to acknowledge the great support I have been given by the Board of Directors and, in particular, by our Chairman, Doug Port. They have always been there when we needed them.

I also want to extend a special thanks on behalf of the entire industry to ATAC's staff members and to the many individuals in our industry who helped us implement the new security measures. Their days and nights of work allowed the industry to get back into the air as quickly as it did.



Cliff Mackay  
President

# 5. Officers' Reports

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## Policy and Strategic Planning Report

### Warren Everson, Vice President, Policy and Strategic Planning

#### Facilitation

ATAC has played a major role in debates, domestically and internationally, on simplified passenger travel, immigration security and carrier responsibility for the illegal movements of migrants.

Before, and especially after, September 11 states have been anxious to use airline passenger information in their security and investigation efforts. While Canadian air carriers have cooperated fully, ATAC also has worked hard to negotiate sensible, cost efficient systems in this new area. In the future, we hope to see a system that uses data about passengers to replace much of the costly and labour intensive review by Immigration and Customs officers, thereby focussing enforcement on key targets and speeding the rest of us through the airport.

Security considerations have overtaken this vision for the moment, but as the technology improves and nations cooperate more effectively, a significant evolution will occur and Canadian carriers must be among the leaders taking advantage of the new opportunities.



#### Tax

Following extensive discussion among members of our tax committee, ATAC offered a submission to the Minister of Finance in September proposing amendments to fuel and GST taxes for consideration in the next federal budget.

Our Tax Committee also engaged the Revenue Department on a number of complex new areas of tax such as frequent flyer points swaps and e-commerce applications. In August, ATAC helped bring together members to support one carrier's fight with Revenue on the deductibility of per diem allowances. This issue affects all operator members and we have been pressuring both Finance and Revenue to recognize the unique characteristics of the airline business in applying this tax.

#### Unruly Passengers

ATAC took the lead in managing a major public issue involving legal, operational and public affairs elements. By bringing our membership together to commonly address the problem, while negotiating effectively with Transport Canada regulators the Association brought coherence to a complex security and service issue. Thanks to the participation of most major carriers, both government and media have acknowledged that the industry is managing this file effectively.

## Website

Through the year the ATAC website was continually upgraded to improve its usefulness to our members and to the general public. Our members-only site serves as a cost-efficient method of distributing documentation as well as permitting committees to debate issues conveniently. The public site is heavily used by journalists and academics and also provides a podium for the Association's messages to the interested public.

By using the site for AGM registration, and publishing our Annual Report on it, we have reduced overhead cost and increased speed for our members. Recent innovations on the site have included a youth-targeted section about aviation, an aviation events calendar, and the Canada departing passenger index, which is the most timely report on passenger volumes currently available.



## Representative Role

ATAC has made a determined effort to increase its profile this year and serve as a more effective voice for the industry. On certain issues: unruly passengers, and security post-September 11, for example, ATAC played the lead role effectively.

The volume of media calls has continued to rise throughout the year and journalists have indicated the data on the ATAC website is of increasing value to them. The Association appeared four times before Parliamentary committees. Our new Communicators Committee has allowed spokespersons for various areas to discuss media enquiries, critique the Association's messages and exchange information.

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## Industry Monetary Affairs Report

### Mike Scrobica, Vice President, Industry Monetary Affairs

#### Safety and Security

The September 11, 2001 terrorist attacks signalled a new reality in aviation security. ATAC helped facilitate an exhaustive revision of the Aviation Security Measures, which were put into place in the days following the attacks.

On behalf of the industry, ATAC helped accelerate the deployment of new explosive detection equipment, which will begin deployment at Canadian airports in 2001.

ATAC also proceeded with the deployment of computer based training for passenger screening agents. This training will be available starting later this year.

ATAC took part in the *Canadian Aviation Security Awareness Advisory Committee*, which produced material to advise both aviation industry workers and passengers on preventative security issues.

ATAC also was a member of the Canadian Delegation at ICAO's Security Panel, which will update ICAO Annex 17.



#### Airport Affairs

ATAC and the Canadian Airports Council continued joint meetings of their Airport Affairs and Airline Affairs Committees, which helped foster a better dialogue on a variety of airport issues.

Transport Canada is in the final stages its four-year Local Airport Authority Lease Review. The government has indicated they will promulgate a new *Canada Airports Act*. ATAC has and will continue to provide airline input into this process.

Five new airports joined the *Memorandum of Agreement on Airport Improvement Fees* this year, including Halifax, Sault Ste. Marie, Hamilton, Quebec City and Gander. ATAC acts as administrator of this mechanism. During the year, nearly \$89,000,000 was raised for airport capital improvements through the agreement.



A new *Memorandum of Agreement on Passenger Facility Fees* was developed and initially went into place in Fredericton. The fee, which is similar to the AIF, can also be used to support smaller airports' operational deficits.

ATAC participated extensively in the Coalition of Concerned Airport Users, a broad coalition of stakeholders attempting to influence Government Policy on Airport Rents and Small Airport Viability.

## User Charges

On July 13, 2001, the U.S. Court of Appeals struck down the U.S. Federal Aviation Administration's Overflight Fee Interim Final Rule. ATAC led the international legal challenge to this rule. The FAA estimates \$36,000,000 (USD) per year is collected under the rule – ATAC believes slightly less than half of this amount is paid by Canadian air carriers. The FAA has launched an appeal of the decision.

ATAC also participated in the Fifth Annual Review of NAV CANADA User Charges.

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## Flight Operations Report

### Fred Jones, Vice President, Flight Operations

#### ANS System Efficiency Improvements

This year, ATAC's attention was focused on various efficiency issues related to the ANS. In response member concerns, a special joint committee of NAV CANADA and the commercial aviation sector was struck to look at ways to enhance and benchmark the efficiency of the ANS system.

Most recently, this initiative led to the creation of the Airport and Airspace Performance Monitor (APPM), which will provide on-line measurements of ANS performance in and around Canada's major airports. Additional efficiency enhancements are expected in the future.

#### Converging Runway Display Aid (CRDA)

In response to ATAC demands for increased efficiency and airport capacity, NAV CANADA has developed a Converging Runway Display Aid. The CRDA increases the efficiency of operations on intersecting runways and generally improves the sequencing of aircraft on approach.

CRDA is operational in Calgary and has been introduced in the Vancouver East specialty as an en route sequencing tool. The system should be fully implemented in Vancouver and Toronto by the end of next year.

#### Expanding Random Routings

As a result of operator demand for minimum time-track routings, the Random Routing program is being expanded above FL290.

#### RVSM in the North

In response to pressures for additional enroute capacity and efficiency in Canada's northern airspace, Reduced Vertical Separation Minima (RVSM) is being expanded to include much of the Canadian North effective April 18, 2002.



## **Enhanced Northern Radar Coverage**

To enhance the efficiency of northern operations, expanded northern radar coverage will be commissioned this year in Kuujuaq and Yellowknife.

## **IFR Resectorization**

To improve the efficiency of Canada's predominantly east-west air traffic flow, national enroute IFR airspace will be re-allocated among the three Western ACCs (Vancouver, Edmonton and Winnipeg) starting early in 2003.



## **Flight Information Centralization**

NAV CANADA's Flight Information Centralization (FIC) project will reduce wait-times, and enhance the quality and efficiency of pre-flight weather briefings.

## **Promoting GPS Approaches in Northern Canada**

GPS approaches can significantly improve aviation safety and efficiency in northern and remote communities. In response to member concerns, ATAC supported NAV CANADA's decision to make significant investments in GPS technologies in Canada's North. These investments have led to the development of approximately 50 new GPS approaches.

## **LAHSO/SIRO Operations**

ATAC monitored and held extensive consultations on new regulations respecting Land and Hold Short/Simultaneous Intersecting Runway Operations in Canada.

## **Passenger Interference with Crew Members**

ATAC proposed significant improvements to the New Passenger Interference regulations in the areas of mandatory reporting and crew training. The Association continues to press for changes to the Criminal Code to recognize serious acts of interference.

## **Aircraft Performance Issues**

ATAC recently concluded three years of participation in a FAA-JAA Working Group on performance harmonization. Various issues relating to the international harmonization of performance rules were discussed in the context of Canadian operational, fleet and environmental realities.

## **A Public Face for Commercial Aviation in Canada**

Over the past year, ATAC has presented a prominent and safety-conscious public profile for the commercial aviation community through the use of the world wide web, speaking engagements, television, radio and the print media.

## **Noise**

ATAC has invested considerable time in overhauling the process for amending noise rules at commercial airports and continues to encourage the Minister to use his statutory authority to intervene on issues that might affect Canada's national noise infrastructure

Over the past year, ATAC has promoted the interests of our members at public forums and on technical noise committees in Vancouver, Winnipeg, Toronto, and Montreal.

### **Flight Deck Safety in a Higher Security Aviation Environment**

In the wake of the tragic events of September 11 2001, ATAC quickly concluded discussions with Transport Canada on new regulations to increase flight deck and jump seat security on Canadian aircraft.

### **Airport Certification Standards**

ATAC is investing considerable time and effort to consult on proposed new airport certification standards.



### **Airport Emergency Intervention System**

ATAC continues to invest considerable resources on the final consultations on the proposed new emergency intervention standard for smaller airports.

### **Safety Management Systems**

In consultation with airline members, ATAC supported new rules to make Safety Management Systems mandatory for all airline operators in 2002. Similar rules for Air Taxi and Commuter operators are under consultation by the industry.

### **Aeronautics Act Amendments**

ATAC presented oral and written submissions on proposed amendments to the *Aeronautics Act*, the enabling authority for Canadian Air Regulations and Standards.

## Transportation Appeal Tribunal of Canada

ATAC presented detailed written comments on a proposed multi-modal appeal forum for Canadian aviation document holders who are undergoing potential enforcement or license action by Transport Canada.

## Winter Runway Maintenance and Reporting

In response to member concerns about inconsistent reporting and maintenance procedures, ATAC set up a Working Group to examine winter runway issues on a national basis. This Working Group recently tabled a series of regulatory amendments, which were passed through CARAC.

## Discrete Frequency For Fire Fighters and the Flight Crew

In response to member concerns about potential communications problems in the event of a ground-based emergency, ATAC sponsored a new airport standard that introduced a discrete frequency and new hand signals to improve communication between fire fighters and flight crews in emergency situations.

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## Air Taxi, Flight Training Report

### Glenn Priestley, Vice President, Fixed Wing, Air Taxi, Flight Training

#### Human Resource Study of the Commercial Pilot In Canada

The completion of ATAC's *Human Resource Study of the Commercial Pilot in Canada* in time for the Spring 2001 ATAC Board meeting was one of the year's most important accomplishments. ATAC took direct management responsibility for the study – acting both as general contractor and managing as many as six different sub-contracts. This study has been generally well received.

More than 3000 copies of the report were distributed to every aviation organization in the country, as well as all HRDC offices, Canadian Trade Missions, and individuals in more than 20 countries.

A media conference was also held in conjunction with the report to profile the General Aviation industry. This event generated some of the best media coverage the GA industry has ever received.

#### Aviation in Canada CD-ROM

ATAC developed and distributed more than 3,000 CD-ROMs to Canadian High Schools called *Aviation in Canada*. The project resulted from a challenge by Transport Canada to encourage more young Canadians to consider careers in Canadian aviation. It also responded to a membership request that ATAC engage in more positive promotion of the aviation industry.



The CD-ROM was fully funded by sponsors including AON, Transport Canada, the Department of Foreign Affairs and International Trade, and the Canadian Owners and Pilots Association. The CD-ROM also has proven useful as a tradeshow tool.

### **Level of Service**

Major progress has been made towards identifying and taking steps to resolve key government service delivery problems, including a directive to establish a service standard by September 30, 2001. ATAC has been lobbying for such a standard since user fees were introduced.

### **Conflict Resolution Model**

The Conflict Resolution Model – which was initiated by ATAC – is now being used by Transport Canada to provide a more well-defined process to resolve issues within the aviation industry.

### **Instructors Standards Working Group**

The work of the *Instructors Standards Working Group* was completed in March 2001 and is the latest step towards the development of an *Integrated Commercial Pilot License*. The working group was a partnership between Transport Canada and ATAC, with ATAC providing travel assistance to allow key members to attend meetings.

These working group recommendations, together with ATAC's stated concerns about the regulatory requirements association with ICPL recommendations, should help Transport Canada develop a workable, high quality and world recognized training standard by 2002.

### **Operations Safety Standards**

ATAC worked with Transport Canada to develop a reasonable safety standard for Commercial VFR at Night Operations and to develop a compromise solution to allow operators to use the same aircraft in 703/704 Operations.

### **Export Market Development**

This year, Phase 3 of the Export Market Development Program met three goals:

- increased focus on market development opportunities in the United States;
- enhanced presence in European and international markets through expanded relations with the Department of International Trade and the Trade Commissioner Service; and
- the hiring of a research consultant to develop an improved online presence.

Presentations on the sector study were made to the International Flight Schools Conference in Orlando and the World Airline Training Symposium in Atlanta.

### **Online Presence and Reports**

Four years ago, virtually no ATAC members had Internet access – today, nearly all members are online. ATAC's increased online capabilities have benefited members by eliminating the cost of mass mailings and by making it easier for the Association to share information with the members.

ATAC's Monthly Canadian Commercial Aviation Report has proven very popular. Its format is now being changed to attract more members to the ATAC website.

### **Liaison with Affiliate Associations**

Improved online communication has increased ATAC's ability to work effectively with affiliate associations. Through its outreach program, ATAC attends and speaks at the annual meetings of most aviation industry associations. This year, ATAC attended meetings of the Canadian Owners and Pilots Association, the Air Cadet League, the B.C. Aviation Council, the Manitoba Aviation Council, and various U.S. and international organizations.

### **Government/Regulatory Liaison**

Presentations on commercial aviation issues were made to federal agencies including the Civil Aviation Tribunal and the Trade Commissioners of the Department of Foreign Affairs.

For the first time, ATAC directly participated in government events, including the ATAC workshop at the Canadian Aviation Safety Seminar and Transport Canada's Instructor Refresher Courses. ATAC also co-sponsored Transport Canada's *Greater Toronto Area Safety Review* and NAV CANADA's *Joint Advisory Teams on the Flight Information Centres Implementation Project*.

### **Small Airports**

ATAC's increased involvement with small and regional airports has improved local understanding about the value of commercial aviation and the management structures needed to involve local aviation stakeholders in setting airport policy (noise committees, for example).



### **Other Areas**

The **ATAC Innovation Awards** were successfully launched at ATAC's 2000 AGM in Vancouver. These awards are raising industry awareness about best practices and other major accomplishments including the sector study, the level of service file, and new cooperative efforts.

ATAC continued its participation in the **Air Cadet Flying Scholarship Program**, with approximately 180 cadets learning to fly at 12 ATAC member schools.

The Request for Proposals to renew ATAC's **Fleet Insurance Program** was released in March with final selection to be announced at the 2001 AGM in Toronto, November 4-6, 2001.

Thanks to the efforts of the Flight Training Directors Steering Committee and ATAC support staff, participation by flight school, air taxi and associate members in the AGM and Tradeshow has been substantially increased.

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## Engineering Maintenance Report

### Les Aalders, Vice President, Engineering Maintenance

#### Engineering & Maintenance Committee (EMC)

The EMC met on November 14, 2000, during the Vancouver AGM for a day of debate and presentations. In addition to Transport Canada and the Canadian Aviation Maintenance Council (CAMC), for the first time Boeing and Airbus were invited to make presentations. Boeing discussed *Ageing Aircraft Systems* and Airbus presented on *Technology to Improve Reliability, Predictability, Analyses and Surveillance*. All presentations were extremely well received.

The Engineering & Maintenance Steering Committee also met three times during the year to provide leadership and input to the EMC.

#### CARAC Activities

ATAC continues to actively participate in Transport Canada CARAC meetings relating to engineering and maintenance. These include the CARAC Technical Committees for Part V Maintenance & Manufacturing, Part V Aircraft Certification, Part VI General Operating Flight Rules (GOFR), and Part VII Commercial Air Service Operations (CASO), plus their associated Working Groups. The Part VI and VII Technical Committees are primarily of interest due to the 'operational' impact of rules, which usually are related to equipment design and maintenance.

ATAC members are encouraged to participate in areas in which they have an interest.

- **Maintenance & Manufacturing Technical Committee**
  - ATAC VP E&M is co-chair of this technical committee.
  - Various maintenance-related CARs and Standards were developed or revised through Notices of Proposed Amendment (NPA) including PDA/PMA Parts, Flight Authority, Special Certificate of Airworthiness, Flight Permit, Commercial Service Authorization, and others.
- **Aircraft Certification Technical Committee**
  - Various engineering related CARs and Standards were reviewed including on subjects such as the Change Product Rule (CPR) and PDA/PMA Parts.
  - A *Certification Process Harmonization Working Group* was created to deal with the consolidation of CAR and Airworthiness Manual (AWM) 511 and 513, and the subsequent harmonization with FAR and JAR 21. They have been replaced by CAR 521 and AWM 521. Subgroups on specific aspects of this very large project continue meeting regularly. It is hoped the project will be completed in 2002.
  - The Single Worldwide Certification feasibility study is in progress and should be completed by the next FAA/JAA International Annual Conference in June 2002.



- **General Operating Flight Rules (GOFR) and Commercial Air Service Operations (CASO) Technical Committees**

- Terrain Awareness and Warning System (TAWS), Airborne Collision Awareness System (ACAS), and Emergency Locator Transmitters (ELT) were among the issues dealt with this year that required follow-on activity with Transport Canada to achieve more realistic regulations and/or timelines for incorporation.



- Safety Management Systems continue to be a subject of discussion. Effort is being made to ensure consistency between Transport Canada directorates and to ensure the systems can realistically be implemented by effected companies.

- **MEL/MEL Working Group**

- This group met throughout the past year and initiated improvements to TP9155 and discussed further changes to the MEL Guidance book.

- **Voluntary and Non-punitive Reporting Working Group**

- ATAC's VP E&M is co-chair of this new working group.
- The group was created this spring to determining whether any new safety improvement programs are needed. Other systems like TSB's Securitas, FAA/NASA ASRS, and UK's CHIRP are being used as models for comparison purposes. The group has been asked to make recommendations to CARAC's Part I Technical Committee in 2002.

- **Survival Equipment Working Group**

- A final working group report, with dissenting comments, was issued this year.

## **Safety Initiatives**

ATAC continues to promote safety within ATAC and Canadian aviation in general through its active participation in safety related Transport Canada activities, such as the Canadian Aviation Safety Seminar (CASS), CARAC, the Commercial Aviation Safety Team (CAST), and the Future Aviation Safety Team (FAST). Both CAST and FAST include international regulators and associations representing operators, manufacturers, and employees. ATAC also continues to support the adoption of Human Factors training specific to aircraft maintenance in conjunction with ATAC members, ATA, Transport Canada, UK CAA, and the FAA.

## **Canadian Aviation Maintenance Council (CAMC)**

As one of two coordinating directors on the CAMC Board, ATAC's VP E&M provides guidance and support on key CAMC issues. ATAC members are encouraged to share views to ensure that industry needs are properly dealt with.

Many changes have taken place in CAMC over the past year. Several large ATAC members are now implementing the new Human Factors Error Management System. A new sector study on aviation maintenance has begun with the support of Human Resources Development Canada (HRDC). For the first time, this report will include manufacturing skills. CAMC has been contracted to coordinate this project, which should be complete by 2002.



## **JAA/FAA Harmonization**

ATAC's VP E&M attended the 18<sup>th</sup> Annual JAA/FAA International Conference. This year's meeting highlighted the fact that it is truly an international forum and is not only dealing with harmonization issues as it has in the past. Authorities, manufacturers, and operators from countries throughout the world are taking an active part in developing new regulatory concepts and yet maintaining harmonization whenever feasible. The feasibility study to determine whether or not to proceed towards development of a single worldwide aircraft certification code has been progressing over the past year and is expected to complete its activities by the next Annual Conference.

## **International Engineering & Maintenance Cooperation**

ATAC continues to encourage cooperation and information sharing on technical issues between aviation organizations. These organizations include IATA, ATA of America, AAPA (Association of Asia Pacific Airlines), AEA (Association of European Airlines), and AITAL (Latin America Airline Association).

## Environmental Affairs Committee (EAC)

For the first time, the full Environmental Affairs Committee met during the 2000 AGM in Vancouver. The EAC session was well attended and found to be informative and thought provoking as regards many environmental issues. The EAC also met on an ad-hoc basis as required throughout the year.

ATAC has been working with Transport Canada to develop a formalized voluntary greenhouse gas (GHG) reduction program for ATAC member companies. A draft agreement is in the final stages of development and will be presented to the EAC for further consultation during the 2001 committee meeting at the AGM.

The ICAO Committee on Aviation Environmental Protection (CAEP) 5th meeting took place in Montreal in January 2001. Several recommendations were agreed to at CAEP 5, which were further discussed at the ICAO Colloquium on Environmental Aspects of Aviation in April 2001. These recommendations were forwarded to the 33rd Assembly of ICAO member states where they were once again debated and amended. Although significant strengthening to certain statements was accomplished, the basic intent of CAEP 5 remains. Thus the "Balanced Approach" concept and "No Chapter 3 Phase-out" issues were agreed to.

ATAC and the EAC also have been actively involved in the review of Ethylene Glycol de-icing fluids and their effects on the environment. The coordinated mitigation plans that are reviewed and implemented annually at all major airports will likely be the most important reason for further regulation in this area will be found unnecessary.



# 6. Committees

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## Accessible Transportation

Chair: Judith Apa, Canada 3000  
ATAC Officer Responsible: Warren Everson

## Aeromedical Advisory

Chair: Claude Thibeault, Air Canada  
ATAC Officer Responsible: Fred Jones

## Affiliate Members' Liaison

Chair: Glenn Priestley, ATAC  
ATAC Officer Responsible: Glenn Priestley

## Aircraft Fuel Handling

Chair: Terry Delong, PLH Aviation Services Inc.  
ATAC Officer Responsible: Glenn Priestley

## Airport Affairs

Chair: Dave Robinson, Air Canada  
ATAC Officer Responsible: Michael Skrobica

## Airside Safety

Chair: Glenn Priestley, ATAC  
ATAC Officer Responsible: Glenn Priestley

## Cargo

Chair: John MacKenzie, All Canada Express  
ATAC Officer Responsible: Warren Everson

## Dangerous Goods

Chair: Rob Morphew, Air Canada Regional Inc.  
ATAC Officer Responsible: Glenn Priestley

## **Engineering and Maintenance**

Chair: Ron Elvidge, Air Canada  
ATAC Officer Responsible: Les Alders

## **Engineering and Maintenance Steering Committee**

Chair: Ron Elvidge, Air Canada  
ATAC Officer Responsible: Les Alders

### **\* Engineering**

Chair: Les Alders, ATAC  
ATAC Officer Responsible: Les Alders

### **\* Maintenance & Quality Assurance**

Chair: Les Alders, ATAC  
ATAC Officer Responsible: Les Alders

## **Environmental Affairs**

Chair: Don McLeay, Air Canada  
ATAC Officer Responsible: Les Alders

## **Facilitation**

Chair: Warren Everson, ATAC  
ATAC Officer Responsible: Warren Everson

## **Fixed-Wing Charter**

Chair: Jim Glass, Transwest Air  
ATAC Officer Responsible: Glenn Priestley

## **Flight Operations**

Chair: David Lyon, Air Canada  
ATAC Officer Responsible: Fred Jones

### **\* Cabin Operations**

Chair: Todd Brazeau, First Air  
ATAC Officer Responsible: Fred Jones

## **Flight Training**

Chair: Dennis Cooper, Skywings Aviation Academy Ltd.  
ATAC Officer Responsible: Glenn Priestley

## **Ground Safety**

Chair: David Byers, Air Canada Regional Inc.  
ATAC Officer Responsible: Glenn Priestley

## **Helicopter**

Chair: Appointment Pending  
ATAC Officer Responsible: Fred Jones

## **\* Helicopter Executive Committee**

Chair: Appointment Pending  
ATAC Officer Responsible: Fred Jones

## **Labour Legislation**

Chair: Pat Heinke, Air Canada  
ATAC Officer Responsible: Warren Everson

## **\* Employment Equity**

Chair: Appointment Pending  
ATAC Officer Responsible: Warren Everson

## **\* Occupational Safety & Health**

Chair: Appointment Pending  
ATAC Officer Responsible: Warren Everson

## **Legal**

Chair: George Petsikas, Air Transat  
ATAC Officer Responsible: Warren Everson

## **Local Services Operators Group**

Chair: Dennis Cooper, Skywings Aviation Academy Ltd.  
ATAC Officer Responsible: Glenn Priestley

## Safety Advisory

Chair: Greg Joseph, Air Canada Regional Inc.  
ATAC Officer Responsible: Fred Jones

## Security

Chair: Carol Clark, First Air  
ATAC Officer Responsible: Michael Skrobica

## Tax

Chair: Martina Krummen & Nhan Le, Air Canada  
ATAC Officer Responsible: Warren Everson

## Traffic Conference

Chair: Appointment Pending  
ATAC Officer Responsible: Warren Everson

## User Charges

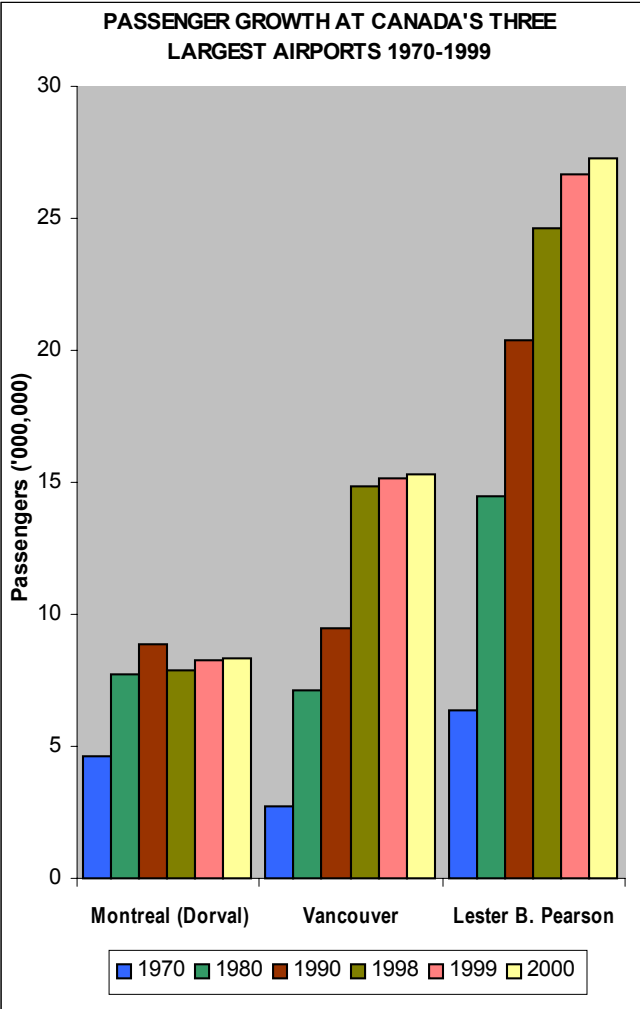
Chair: David Robinson, Air Canada  
ATAC Officer Responsible: Michael Skrobica

*\* Subcommittees*



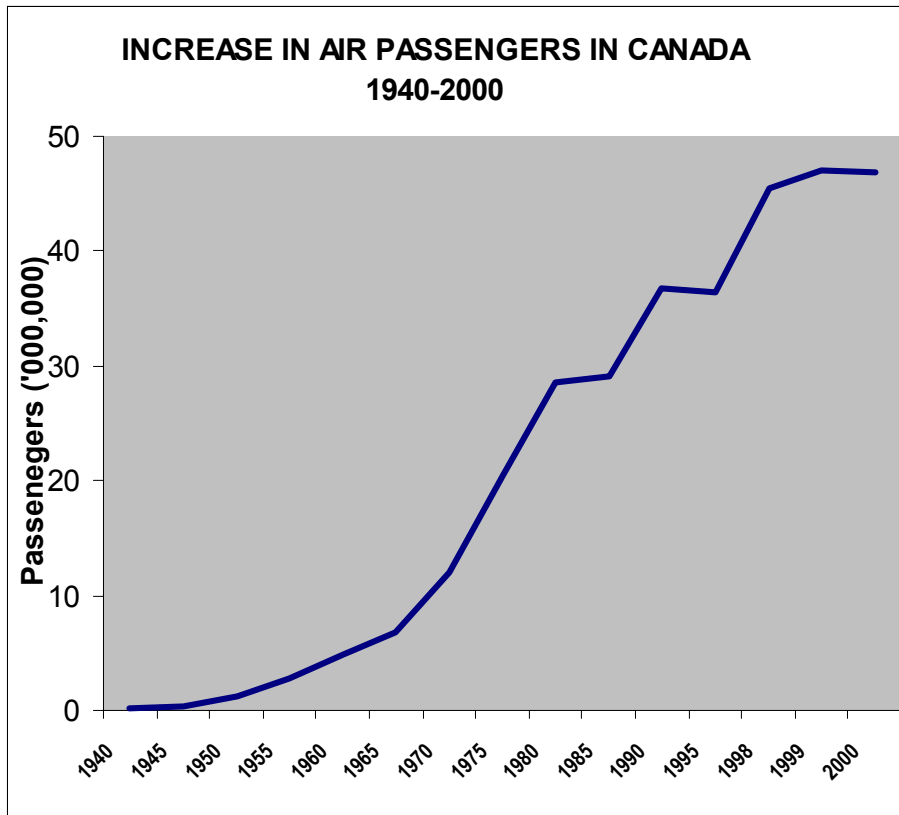
# 7. Statistics

## Passenger Growth at 3 Largest Airports 1970-2000

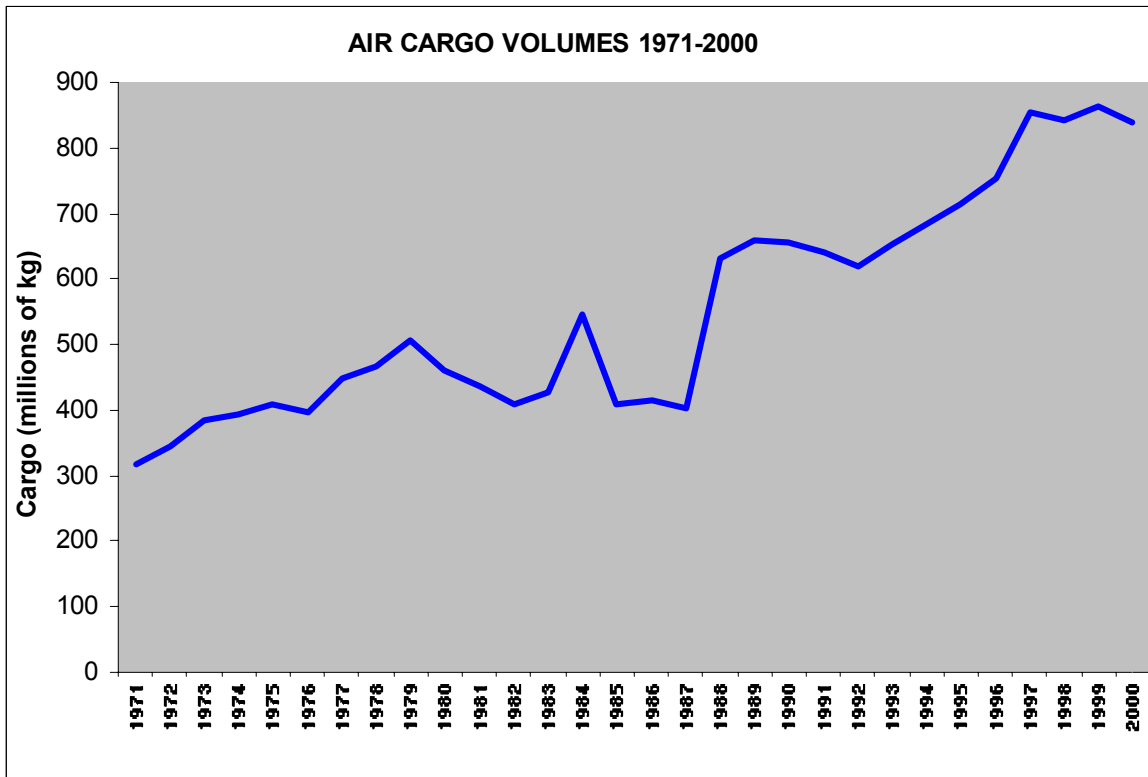


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## Increase in Air Passengers in Canada 1940-2000

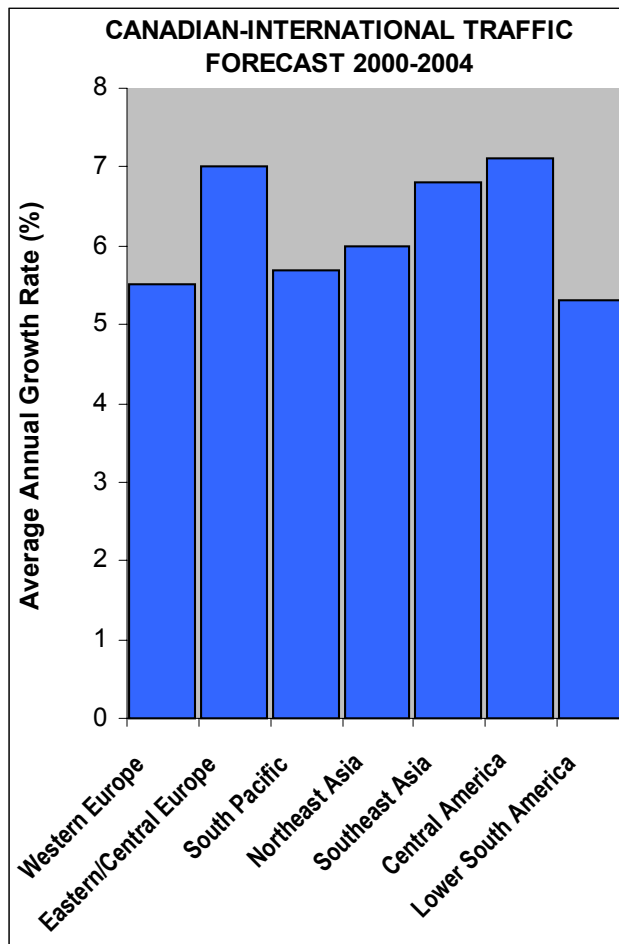


## Air Cargo Volumes 1971-2000



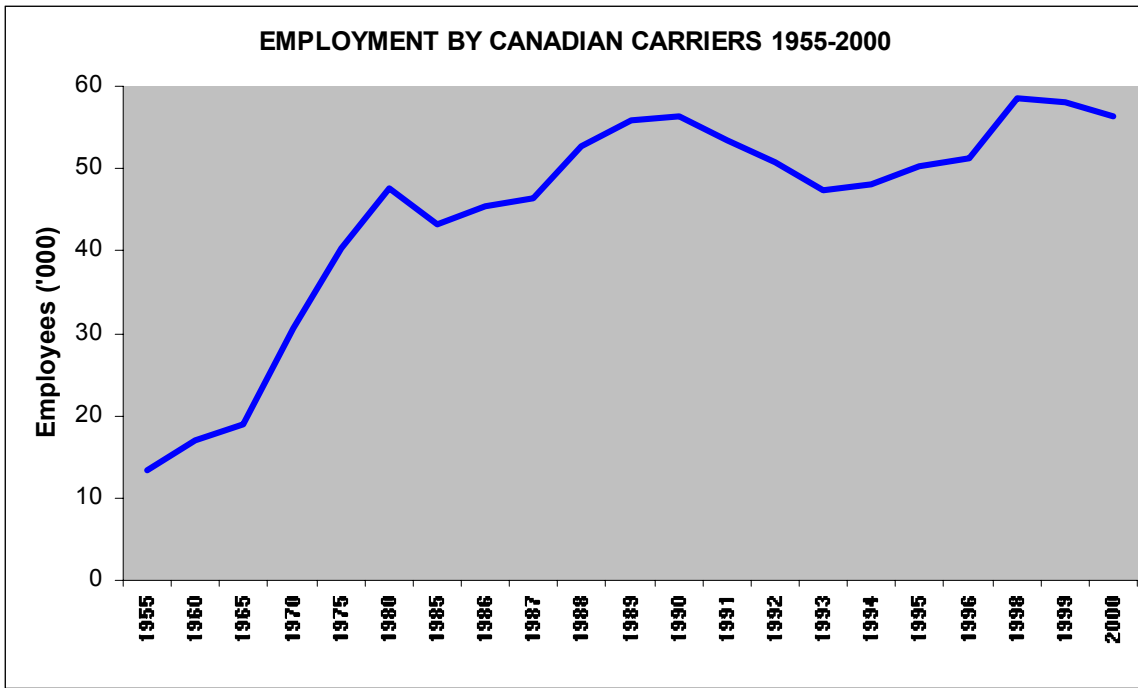
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## Canadian-International Traffic Forecast 2000-2004



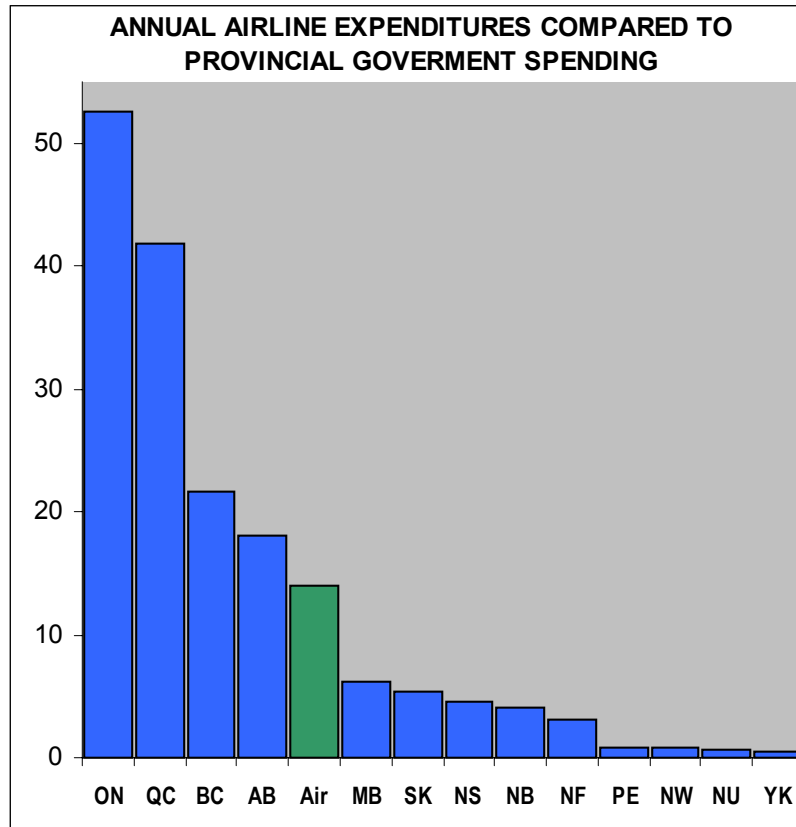
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## Employment by Canadian Carriers 1960-2000



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## Annual Airline Expenditure Compared to Provincial Government Program Spending



## Air Carrier Levels I-IV 1990-2000

Year	Operating Revenues(\$)	Operating Expenses(\$)	Operating Income(\$)	Net Income* (\$)
2000**	14,033,230,265	13,918,775,701	114,454,564	-88,292,637
1999***	13,292,576,170	12,718,582,782	573,993,388	71,394,398
1998	12,301,997,656	12,001,641,347	300,356,309	-88,292,637
1997	11,005,024,948	10,368,922,550	636,102,398	491,989,616
1996	10,054,725,743	9,785,369,937	269,335,806	-5,689,081
1995	9,325,848,559	8,930,831,891	395,016,668	-82,093,355
1994	8,385,378,037	7,975,870,565	409,507,472	140,544,302
1993	7,535,518,920	7,548,900,826	-13,381,906	-604,525,578
1992	7,540,556,782	7,775,853,366	-235,296,584	-868,309,429
1991	7,600,631,212	7,850,101,532	-249,470,320	-426,822,234
1990	8,230,535,537	8,228,759,504	1,776,003	-122,144,309

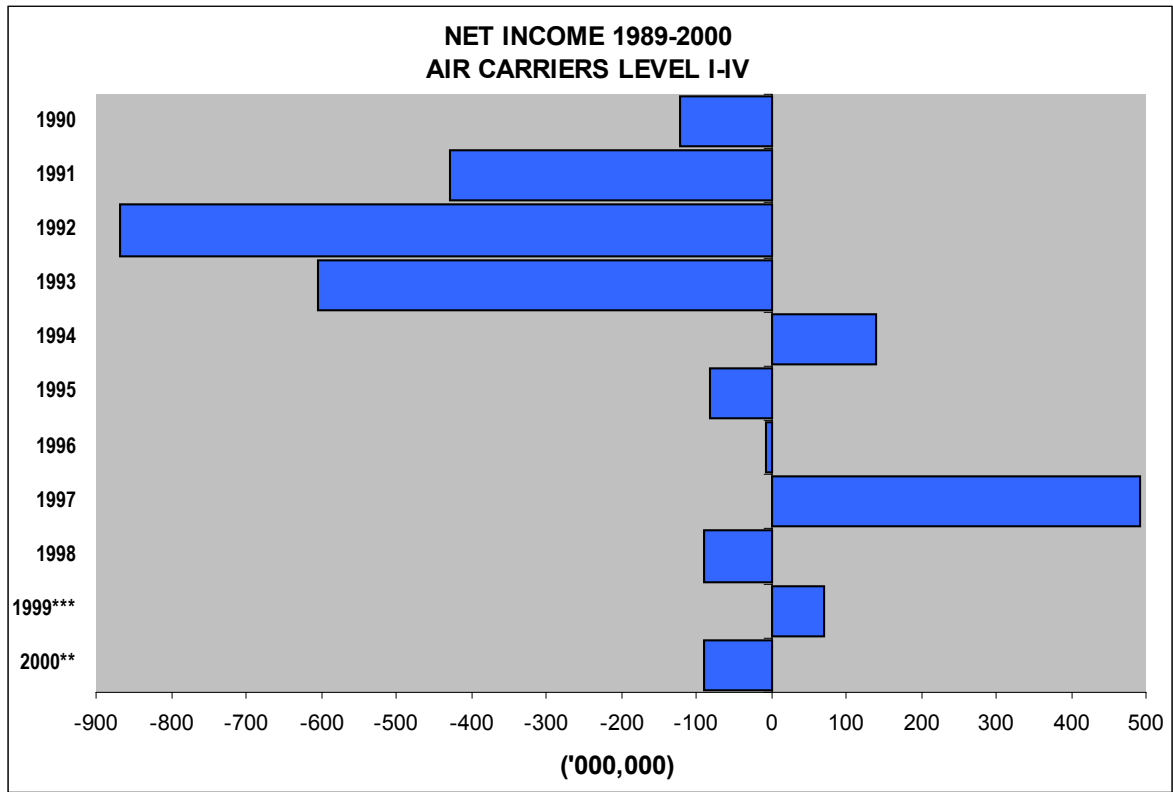
\* After income taxes and interest charges

\*\* Preliminary

\*\*\* Revised

Source: Statistics Canada, Aviation Statistics Centre.

## Net Income Air Carrier Levels I-IV 1990-2000



## Employment and Payrolls Air Carrier Levels I-IV 1990-2000

Year	Total Employees	Total Wages (\$ 000,000)	Average Wage (\$)
2000*	56,343	3,330	114,165
1999**	58,177	2,985	51,314
1998**	28,481	2,784	47,609
1997	52,911	2,516	47,570
1996	50,159	2,380	47,449
1995	50,378	2,265	44,962
1994	47,978	2,023	42,172
1993	47,375	1,975	41,689
1992	50,739	2,091	41,211
1991	53,551	2,224	41,531
1990	56,331	2,259	40,102

\* Preliminary

\*\* Revised

Source: Statistics Canada, Aviation Statistics Centre.

## Passengers Carried Air Carrier Levels I-IV 1990-2000

Year	Unit Toll	Charter	Total
2000*	41,251,185	5,617,099	46,868,284
1999**	40,158,578	6,842,293	47,000,871
1998**	38,815,985	6,616,266	45,432,251
1997	36,622,820	7,590,107	44,212,927
1996	33,653,837	6,522,602	40,176,439
1995	29,611,745	6,747,067	36,358,812
1994	26,109,666	6,758,016	32,867,682
1993	25,352,215	6,135,112	31,487,327
1992	26,254,000	5,955,000	32,209,000
1991	26,104,724	5,674,134	31,778,858
1990	30,734,319	6,462,831	36,813,408

\* Preliminary

\*\* Revised

Source: Statistics Canada, Aviation Statistics Centre.

## Revenue Passenger Miles Air Carrier Levels I-IV 1990-2000

Year	Unit Toll ('000)	Charter ('000)	Total ('000)	Average Passenger Journey (Miles)
2000*	53,264,337	11,069,893	64,334,230	1,373
1999**	48,309,828	13,568,591	61,878,419	1,317
1998**	46,676,950	13,373,458	60,050,408	1,322
1997	43,395,690	13,678,781	57,074,471	1,291
1996	39,511,419	11,515,834	51,027,254	1,174
1995	34,002,938	11,664,024	45,666,961	1,256
1994	29,318,581	11,465,637	40,784,218	1,241
1993	27,271,549	10,479,678	37,751,227	1,199
1992	28,004,066	10,633,681	38,677,747	1,200
1991	26,579,605	9,508,861	36,088,466	1,136
1990	31,142,576	10,360,548	41,503,124	1,127

\* Preliminary

\*\* Revised

Source: Statistics Canada, Aviation Statistics Centre.

## Canadian Aircraft Registered 1995-2000

	2000***	1999**	1998*	1997	1996	1995
Commercial						
Aeroplanes	4,619	4,905	4,839	4,756	4,642	4,569
Helicopters	1,252	1,257	1,235	1,256	1,231	1,197
Private						
Aeroplanes	20,236	15,616	15,830	16,051	16,253	16,382
Helicopters	411	371	354	348	360	337
Ultra-Light	3,913	4,306	4,270	4,175	4,042	3,956
Aeroplanes						
State						
Aeroplanes	206	215	214	210	212	218
Helicopters	65	69	72	70	71	71

\*\*\* As of September, 2000

\*\* As of August 31, 1999

\* As of August 31, 1998

Source: Transport Canada, Canadian Civil Aircraft Register.

## Passenger Traffic Top 10 Airports 1999\*

Airports ranked by total deplaned plus enplaned passengers  
 (\*2000 data not available until mid-November 2001)

Airport	Major Scheduled Services	% Change from 1998	Regional and Local Scheduled Services	% Change from 1998	Major Charter Services	% Change from 1998	Total	% Change from 1998
Toronto (LB Pearson)	21,531,317	4.3	2,089,591	10.4	3,069,191	1.6	26,690,099	4.4
Vancouver	13,033,548	3.4	1,204,111	-11.0	899,257	-4.2	15,136,916	1.6
Montréal (Dorval)	6,526,600	5.0	1,387,501	-1.4	273,735	15.3	8,187,836	4.2
Calgary	6,916,286	2.4	719,769	20.1	466,408	-1.5	8,102,463	3.5
Edmonton (International)	3,100,116	-1.9	431,693	11.6	297,501	32.7	3,829,310	1.6
Ottawa (MacDonald-Cartier)	2,520,349	8.0	610,736	10.8	79,286	43.0	3,210,371	9.2
Winnipeg	1,398,645	6.0	1,228,356	15.7	265,810	16.5	2,892,811	10.9
Halifax	2,089,360	-8.8	443,386	84.1	215,159	39.4	2,747,905	2.3
Montréal (Mirabel)	299,614	4.5	2,394	-38.3	915,820	5.7	1,217,828	5.2
Victoria	834,013	11.8	313,965	-15.5	34,989	78.5	1,182,967	4.0

\* Preliminary

Source: Statistics Canada, Aviation Statistics Centre.

## Aviation Personnel Licenses 1995-2000

Type of License	2001****	2000***	1999**	1998*	1997	1996	1995
<b>Aeroplanes</b>							
Private Pilots	30,972	28,240	27,814	27,698	25,950	25,590	28,028
Commercial Pilots	9,470	9,625	9,106	9,055	8,346	7,139	7,799
Senior Commercial Pilots	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Airline Transport Pilots							
<b>Total</b>	<b>11,076</b>	<b>11,087</b>	<b>10,426</b>	<b>10,426</b>	<b>9,537</b>	<b>8,851</b>	<b>8,837</b>
<b>Helicopters</b>							
Private Pilots	427	384	321	310	286	270	288
Commercial Pilots	2,813	2,793	2,762	2,783	2,513	2,198	2,315
Airline Transport Pilots	750	726	678	668	611	541	548
<b>Total</b>	<b>51,518</b>	<b>52,855</b>	<b>51,377</b>	<b>50,940</b>	<b>47,243</b>	<b>44,589</b>	<b>47,815</b>
<b>Permits</b>							
Glider Pilots	6,101	5,991	5,742	5,695	5,511	5,648	5,747
Gyroplane Pilots	32	32	25	24	21	20	22
Balloon Pilots	278	267	262	275	277	264	283
Ultra-Light Pilots	2,587	2,534	2,619	2,663	2,627	2,604	2,659
Recreational Pilots	1,165	1,121	934	706	421	276	N/A
<b>Total</b>	<b>10,163</b>	<b>9,945</b>	<b>9,582</b>	<b>9,363</b>	<b>8,857</b>	<b>8,812</b>	<b>8,711</b>
<b>Other Licenses</b>							
Flight Navigators	N/A	N/A	N/A	N/A	N/A	51	59
Flight Engineers	533	537	533	541	506	475	469
Air Traffic Controllers	1,987	1,986	2,078	2,127	1,973	1,947	1,957
Air Maintenance Engineers	N/A	N/A	N/A	10,546	10,347	10,069	10,278
<b>Total</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>13,214</b>	<b>12,826</b>	<b>12,542</b>	<b>12,763</b>
<b>GRAND TOTAL</b>	<b>64,201</b>	<b>65,323</b>	<b>63,570</b>	<b>73,517</b>	<b>68,926</b>	<b>65,943</b>	<b>69,289</b>

\*\*\*\* At September, 2001

\*\*\* At December, 2000

\*\* At June, 1999

\* At June, 1998

Source: Transport Canada, Civil Aeronautics,  
Summary of Personnel Licenses.

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## Goods Carried Air Carrier Levels I-IV 1989-2000

Year	Scheduled Goods (kilograms)	Charter Goods (kilograms)	Total (kilograms)
2000*	511,494,685	327,196,903	838,691,588
1999**	579,548,321	284,761,264	864,308,585
1998**	567,747,959	273,007,011	840,754,970
1997	596,629,720	273,185,195	869,814,915
1996	535,612,199	226,567,829	762,180,028
1995	513,228,531	199,398,276	712,626,807
1994	519,183,918	164,020,737	683,204,655
1993	522,406,451	131,013,822	653,420,273
1992	474,099,194	144,314,483	618,867,383
1991	479,099,194	145,592,534	624,691,728
1990	500,980,650	155,312,522	656,293,202

\* Preliminary

\*\* Revised

Source: Statistics Canada, Aviation Statistics Centre.

## Top 10 Airports Ranked by Enplaned/Deplaned 2000

Rank		Local Aircraft Movements (‘000)
1.	Boundary Bay	127
2.	Calgary (Springbank)	96
3.	Montréal/St-Hubert	87
4.	Waterloo Regional	84
5.	Winnipeg/St Andrews	75
6.	Abbotsford	75
7.	Toronto/City Centre	74
8.	Toronto (Buttonville)	71
9.	Edmonton/Villeneuve	71
10.	Victoria Intl	68

Rank		Itinerant Aircraft Movements (‘000)
1.	Toronto (LB Pearson)	423
2.	Vancouver	337
3.	Calgary	232
4.	Montréal (Dorval)	210
5.	Ottawa (Macdonald-Cartier)	138
6.	Winnipeg	137
7.	Victoria	105
8.	Québec/Jean Lesage Intl	99
9.	Edmonton	98
10.	Halifax	92

Rank*		E/D Passengers (‘000)
1.	Toronto (LB Pearson)	27,299
2.	Vancouver	15,269
3.	Montréal (Dorval)	8,359
4.	Calgary	8,189
5.	Edmonton (International)	3,883
6.	Ottawa (Macdonald-Cartier)	3,210
7.	Winnipeg	2,748
8.	Halifax	2,893
9.	Montréal (Mirabel)	1,218
10.	Victoria	1,183

\* Preliminary

Source: Statistics Canada, Aviation Statistics Centre.

## Fuel Consumption and Costs Air Carrier Levels I-III 1990-2000

Year	Turbo Fuel (Liters Millions)	Cost Per Litre (c)	Gasoline (Liters Millions)	Cost Per Litre (c)	Fuel Cost as % of Operating Cost
2000*	5,729	39.9	15	68.5	16.5
1999**	5,669	26.1	20	65.7	12.4
1998**	5,582	24.9	32	56.9	12.6
1997	5,244	29.1	24	60.3	15.9
1996	5,249	30.0	23	60.0	16.2
1995	4,833	26.9	25	58.8	14.7
1994	4,463	26.2	27	59.2	14.8
1993	3,851	26.3	31	58.0	13.7
1992	3,962	26.3	31	58.0	16.0
1991	4,065	28.0	30	59.0	18.0
1990	4,602	29.9	34	55.0	17.0

\* Preliminary

\*\* Revised

Source: Statistics Canada, Aviation Statistics Centre.

## Fuel Efficiency 1960-2000

Year	Tonne-Kilometers Flown/ Litre of Fuel Consumption
2000*	2.3
1999**	2.2
1998**	2.1
1997	2.2
1996	1.96
1995	1.93
1990	1.83
1985	1.48
1980	1.32
1975	1.06
1970	0.94
1965	0.87
1960	0.77

\* Preliminary

\*\* Revised

Source: Statistics Canada, Aviation Statistics Centre.

# 8. Financials

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## Auditor's Report for Year Ended September 30, 2001

We have audited the statement of financial position Air Transport Association of Canada as at September 30, 2001 and the statements of changes in net assets, operations and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at September 30, 2001 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The prior year figures were audited by another firm of chartered accountants.

**"KPMG LLP"**

Chartered Accountants  
Ottawa, Canada  
October 17, 2001

	2001 \$	2000 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	241,390	71,348
Short-term investments	546,845	578,734
Restricted cash (note 3)	6,415	104,300
Accounts receivable	359,696	337,877
Deposits and prepaid expenses	20,241	8,023
	<u>1,174,587</u>	<u>1,100,282</u>
<b>Capital assets</b> (note 4)	171,259	192,581
<b>Deferred costs</b>	37,465	49,954
	<u>1,383,311</u>	<u>1,342,817</u>
<b>Liabilities, Deferred Amounts and Net Assets</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	374,950	446,333
Fees received in advance	106,849	51,370
Current portion of capital lease obligation	10,670	9,946
	<u>492,469</u>	<u>507,649</u>
<b>Capital lease obligation</b> (note 5)	20,577	31,247
<b>Deferred lease inducement</b>	69,333	82,333
<b>Pension liability</b> (note 6)	164,300	148,900
	<u>746,679</u>	<u>770,129</u>
<b>Net assets</b>		
Unrestricted	196,620	114,923
Invested in capital assets	140,012	151,388
Internally restricted for special projects (note 12)	300,000	306,377
	<u>636,632</u>	<u>572,688</u>
	<u>1,383,311</u>	<u>1,342,817</u>

	Unrestricted \$	Invested in capital assets \$	Internally restricted for special projects \$	Total 2001 \$	Total 2000 \$
<b>Balance - Beginning of year</b>	114,923	151,388	306,377	572,688	571,890
Excess (deficiency) of revenue over expenses for the year	127,588	(55,244)	(8,400)	63,944	798
Invested in capital assets	(33,922)	33,922	-	-	-
Repayment of capital lease obligation	(9,946)	9,946	-		
Transfer	(2,023)	-	2,023	-	-
<b>Balance - End of year</b>	<b>196,620</b>	<b>140,012</b>	<b>300,000</b>	<b>636,632</b>	<b>572,688</b>

	<b>2001</b>	<b>2000</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue</b>		
Membership fees	1,323,194	1,274,223
Association meetings (note 8)	72,557	35,171
Interest on investments	52,721	45,448
International marketing program	26,873	38,878
Miscellaneous	8,364	14,986
AIF administration fee	105,929	35,523
Special projects	672,611	195,716
	<u>2,262,249</u>	<u>1,639,945</u>
<b>Expenses</b>		
AIF administration	13,525	20,787
Bad debts	9,832	10,000
Communications and annual report	20,607	43,261
General	69,271	54,950
International marketing program	28,666	43,922
Occupancy cost	97,499	94,644
Postage	7,747	13,390
Printing and stationary	18,955	25,368
Professional fees	67,892	52,937
Publications	8,662	9,287
Salaries and benefits	976,655	898,476
Special projects	681,011	217,768
Telecommunications	65,701	38,849
Travel	77,038	64,068
Amortization of capital assets	55,244	51,440
	<u>2,198,305</u>	<u>1,639,147</u>
<b>Excess (deficiency) of revenue over expenses for the year</b>	<u>63,944</u>	<u>798</u>

	2001 \$	2000 \$
<b>Cash flows from (used in)</b>		
<b>Operating activities</b>		
Excess of revenue over expenses for the year	63,944	798
Items not involving cash -		
Amortization of capital assets	55,244	51,440
Amortization of deferred costs	12,489	12,488
Amortization of deferred lease inducement	(13,000)	(13,000)
Difference between pension expense and amount funded	15,400	14,100
Net change in operating components of working capital	47,944	(51,647)
	<u>182,021</u>	<u>14,179</u>
<b>Investing activities</b>		
Purchase of capital assets	(33,922)	(24,735)
Redemption of short term investments	31,889	14,789
	<u>(2,033)</u>	<u>(9,946)</u>
<b>Financing activities</b>		
Repayment of capital lease obligation	(9,946)	(9,270)
<b>Net change in cash for the year</b>	<b>170,042</b>	<b>(5,037)</b>
<b>Cash and cash equivalents – Beginning of year</b>	<b>71,348</b>	<b>76,385</b>
<b>Cash and cash equivalents – End of year</b>	<b>241,390</b>	<b>71,348</b>
<b>Net change in operating components of working capital consists of:</b>		
Restricted cash	97,885	(73,584)
Accounts receivable	(21,819)	(195,781)
Deposits and prepaid expenses	(12,218)	1,545
Accounts payable and accrued liabilities	(71,383)	211,201
Fees received in advance	55,479	4,972
	<u>47,944</u>	<u>(51,647)</u>

## 1 Organization

The Air Transport Association of Canada is incorporated without share capital under Part II of the Canada Corporations Act. Under sub section 149 (1) (l) of the Income Tax Act, the Association is a non-profit organization, not subject to income taxes. Its purpose is to act as the national service organization for Canada's commercial air transport industry.

## 2 Significant accounting policies

### Cash equivalents

Deposits with financial institutions that can be withdrawn without prior notice or penalty and short-term deposits with an original term to maturity of ninety days or less are considered cash equivalents as they are highly liquid, readily convertible to cash and not subject to significant changes in value.

### Investments

Short-term investments are carried at the lower of cost plus accrued interest and market value.

### Revenue recognition

The Association follows the deferral method of accounting for revenue.

Membership fees are recognized as revenue in the period to which they relate. Revenue from Association meetings and programs is recognized as revenue when the services are provided.

Revenue from special assessments is recognized in the year in which the related expenses are incurred.

### Capital assets

Capital assets are stated at cost and are amortized, over their estimated useful lives, on a straight-line basis using the following annual rates:

Office equipment	10%
Computer equipment	20%
Leasehold improvements	10%
Software	33%

### Deferred costs

Deferred costs comprise expenses incurred in the successful arrangement of a Memorandum of Agreement on Airport Improvement Fees that was executed between airlines, airports and the Association during the year. The Agreement provides for an administrative fee to be paid to the Association. The deferred costs are being amortized over five years.

### **Deferred lease inducements**

Lease inducements are deferred and then amortized on a straight-line basis over the term of the lease, which is the ten years beginning February 1, 1997. Amortization of the deferred lease inducements is applied to reduce occupancy cost.

### **Pension plan**

The Association accrues its obligations under an employee benefit plan and the related costs, net of changes in plan assets, as follows:

- The cost of pensions and other retirement benefits earned by employees is actuarially determined using the projected benefit method pro rated on service and management's best estimate of expected plan investment performance, salary escalation, retirement ages of employees and expected health care costs.
- For the purpose of calculating the expected return on plan assets, those assets are valued at fair value.
- The net transitional asset is amortized over the average remaining service period of active employees covered by the pension plan, which is 12 years.

The amount contributed to the plan by the Association is established using accepted actuarial procedures. The difference between the amount expensed and the amount contributed by the Association is recorded as a deferred charge or credit.

### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from these estimates.

## **3 Restricted cash**

The restricted cash balance relates to the administration of a program by the Association on behalf of Human Resources Development Canada.

#### 4 Capital assets

			2001	2000
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Office equipment	109,395	83,343	26,052	22,356
Computer equipment	145,839	122,210	23,629	35,648
Leasehold improvements	127,070	59,293	67,777	80,484
Software	36,793	11,966	24,827	14,583
Equipment under capital lease	52,680	23,706	28,974	39,510
	<u>471,777</u>	<u>300,518</u>	<u>171,259</u>	<u>192,581</u>

#### 5 Capital lease obligation

Future minimum lease payments under a capital lease are as follows:

	\$
Year ending September 30, 2002	12,607
2003	12,607
2004	<u>9,455</u>
	34,669
Amount representing interest	<u>3,422</u>
Balance of obligation at September 30, 2001	31,247
Current portion of capital lease obligation	<u>10,670</u>
	<u>20,577</u>

The imputed interest rate with respect to the capital lease obligation is approximately 7%.

## 6 Pension plan and other termination arrangements

### Pension plan

The Association provides retirement benefits for its employees under a defined benefit pension plan. The plan provided benefits that are based on a combination of years of service and a percentage of the participant's plan earnings. The cumulative difference between the provision for pension and costs and funding contributions is shown as a deferred charge on the balance sheet.

The Association has prospectively adopted the recommendations of CICA Handbook Section 3461, "Employee Future Benefits". The net transitional asset of \$137,000 as at October 1, 2000 is being amortized over the employees' expected average remaining service life.

Information about the Association's defined benefit plan is as follows:

	<b>September 30, 2001</b>
	<b>\$</b>
<b>Accrued benefit obligation</b>	<u>972,000</u>
<b>Fair value of plan assets</b>	<u>953,100</u>

The significant actuarial assumptions adopted in measuring the Association's accrued benefit obligation are as follows:

Expected long-term rate of return on plan assets	7%
Discount rate	6.75%
Rate of compensation increase	4%

The Association's pension expense for the year is as follows:

	<b>2001</b>
	<b>\$</b>
Accrual for service	75,300
Interest on benefit obligation	65,100
Expected return on plan assets	(63,200)
Amortization of transitional asset	(11,400)
Pension expense	<u>65,800</u>
Less: employee contributions	<u>27,600</u>
Employer pension expense	<u>38,200</u>

## Other termination arrangements

The Association provides various benefits for employees with 5 or more years of continuous service. These benefits are paid on retirement or resignation. The value of accrued benefits included in accounts payable and accrued liabilities as at September 30, 2001 is \$24,989 (2000 - \$21,785).

## 7 Special programs

The Association manages a number of special programs that will benefit the industry. Total receipts and disbursements of these programs are as follows:

	2001 \$	2000 \$
<b>Receipts</b>		
Air Cadets Training Program	1,256,367	1,083,618
Human Resources Study of Commercial Pilots	145,784	471,461
Traffic Conference	–	29,420
Canadian Aviation Security Awareness Committee	30,500	18,558
	<u>1,432,651</u>	<u>1,603,057</u>
<b>Disbursements</b>		
Air Cadets Training Program	1,251,667	1,078,943
Human Resources Study of Commercial Pilots	193,315	456,834
Traffic Conference	7,018	32,269
Canadian Aviation Security Awareness Committee	906	22,768
	<u>1,452,906</u>	<u>1,590,814</u>

The Association administers training programs for training air cadets. The Association contracts for the services of flight training schools and receives reimbursement for the costs of the air cadet training from the Department of National Defence and the Air Cadet League. The Association received \$4,700 (2000 - \$4,675) in fees for the administration of the programs.

The Association has received funding from Human Resources Development Canada to perform a study of human resource issues facing commercial pilots in Canada. The study is being performed by an outside consulting firm. The Association acts as an administrator of the program by obtaining the appropriate funding and disbursing the funds in accordance with the approved expenditures.

The Traffic Conference is a separate Committee within the Association that develops interline rules for connecting domestic flights. The Association contracts out the administration of these rules. The Association charges members to cover the cost of administering the interline rules.

The Canadian Aviation Security Awareness Committee was formed in 1998 to ensure and promote proactive security measures at airports in areas such as security pass usage and access to secure areas in airports. A Committee, made up of key players in the industry, was formed to ensure that the program goals were met. The Association acts as an administrator of the program by collecting fees and disbursing these funds in accordance with the Committee approved expenditures.

Receipts and disbursements of these programs are not included in the statements of operations of the Association. The excess of receipts and disbursements for the year is included in accounts payable as excess contributions must be returned to the funding source. At September 30, 2001, there is a balance of \$51,750 (2000 - \$62,816) included in accounts payable for these special programs.

## 8 Association meetings

During the year, the Association held an annual general meeting and a spring reception. Gross revenue and expenditures related to these events were as follows:

	<b>2001</b>	<b>2000</b>
	\$	\$
Revenue	204,199	159,935
Expenditure	131,642	124,764
	<u>72,557</u>	<u>35,171</u>

## 9 Controlled corporation

The Association is the sole member of the Air Transport Security Corporation, a company incorporated without share capital March 3, 1997 under Part II of the Canada Corporations Act. The Corporation has assumed ownership, operates and manages certain security related equipment situated at Canadian airports.

Air Transport Security Corporation issues separate, audited financial statements and their results are not consolidated with the Association's. Selected financial information as reported by the Corporation for its last two years is as follows:

	Year ended December 31, 2000 \$	Year ended December 31, 1999 \$
<b>Results of operations</b>		
Total revenue	3,131,342	2,887,996
Total expenses	2,794,944	2,738,978
Excess of revenue over expenses for the year	<u>336,398</u>	<u>149,018</u>
	December 31, 2000 \$	December 31, 1999 \$
<b>Financial position</b>		
Total assets	3,268,072	3,296,747
Total liabilities	1,759,800	2,124,873
Net assets	<u>1,508,272</u>	<u>1,171,874</u>
	Year ended December 31, 2000 \$	Year ended December 31, 1999 \$
<b>Statement of cash flows</b>		
Cash inflow from operations	351,346	636,854
Cash outflow from investing and financing activities	(38,915)	(849,784)
Net change in cash for the year	<u>312,431</u>	<u>(212,930)</u>

## 10 Commitments

The Association leases premises under a long-term operating lease which expires in 2007. The future minimum lease payments are approximately as follows:

	\$
Year ending September 30, 2002	52,000
2003	55,000
2004	55,000
2005	55,000
2006	55,000
Thereafter	<u>18,000</u>
	<u>290,000</u>

## **11 Contingency**

The Association has been named as a co-defendant in a lawsuit, in the amount of \$6,000,000, alleging loss of business. Management considers the claimed damages excessive and is vigorously co-defending this action. This matter is ongoing and the outcome is not determinable. Any settlement made with respect to this action would be expected to be accounted for as a charge to operations of the period in which settlement becomes known.

## **12 Members capital**

A portion of members capital is restricted for special projects critical to the interest of the Association's members but not part of the ongoing functions of the Association. The balance is adjusted annually to a targeted amount determined by the Association's Board of Directors.

## **13 Financial instruments**

### **Short-term investments**

The Association holds two fixed income securities yielding approximately 3.3% per annum.

### **Accounts receivable**

Accounts receivable consists of amounts due from members.

# 9. Membership List (as of October 2001)

## Operators

1138951 Ontario Limited  
30,000 Island Air

Accelerated Aviation Training  
Advance Flight Training  
Centre Inc.

Adventure Aviation  
Aero Academy Inc.  
Aeroclub de Montreal

Aerotaxi

Air Canada

Air Canada Regional Inc.

Air Creebec Inc.

Air Georgian Limited

Air NorTerra Inc.dba  
Canadian North

Air Optima

Air Tindi

Air Transat

Airline Training International  
Ltd.

Airmac Flight Centre

Algonquin Flight Centre Inc.

AllCanada Express Limited

Anderson Aviation Ltd.

Atlantic Aviation Academy

Aviation Commercial Aviation

Aviation International  
(Canada) Inc.

Avitas

Bar XH Air Inc/Alberta

Citylink

Bearskin Airlines

Brampton Flying Club

Brandon Flying Club

British Columbia Helicopters  
Ltd.

Buffalo Airways Ltd.

Calgary Flight Training  
Centre

Calgary Flying Club

Calm Air International Ltd.

Canada 3000 Airlines Limited

Canadian Flight Academy  
Ltd.

Canadian Flight Centre

Canadian Flyers International

Capital Airways Inc.

Carson Air Ltd.-Southern  
Interior Flight Centre

Centennial Flight Centre Ltd.

Centre Quebecois de

Formation Aeronautique-  
CEGEP de Chicoutimi

Chinook Helicopters

Cloud Air Service Ltd.

Coastal Pacific Aviation

Confederation College

Cooking Lake Aviation  
Academy Inc.

Cornwall Aviation (1979) Ltd.

Courtenay Flight Center, Inc.

Custom Helicopters Ltd.

Delta Helicopters Ltd.-  
Training

Diamond Flight Centre

Durham Flight Centre Inc.

Eagle Flight Centre

Edmonton Flying Club

Empire Aviation

Evans Aviation

E-Z Air

First Air

First Nations Air Service Ltd.

Forest Protection Limited

Fredericton Aviation Inc.

Gander Flight Training

Gateway Helicopters Ltd.

General Aviation Inc.

O/a Flying Colors Pilot  
Training

Grand Falls Aviation Services  
Ltd.

Great International Flight  
Training

Greatwest Aviation/Spring  
Aviation Ltd.

Greenwood Flight Centre  
Grimsbay Aviation

Hamilton Flying Club

Harv's Air Service

Helicopter Training  
Corporation

Helicopters Canada Flight  
Training School and  
Charter

High Alpine Air Services Inc.

Huron Flight Centre Inc.

Interlake International Pilot  
Training Centre

Int'l Express Air Charter Ltd.  
Known As Regency

Express Flight Operations  
Island Air Flight School and  
Charters Inc.

Jackson Air Services Ltd.

Juan Air (1979) Ltd.

Kapuskasung Flying Club Inc.

Kelowna Flightcraft Ltd.

Kenn Borek Air Ltd.

KnightHawk Air Express

Laurentide Aviation

Lawrence Aviation

LFC Flight Centre (2000) Inc.

Linvic Flying Club

Lloyd Air 2000

Millennium Aviation Ltd.

Mitchinson Flying Service  
Limited

Modak Aviation Inc.

Moncton Flight College Inc.

Montair Aviation Inc.

Morgan Air Services Co. Ltd.  
Morningstar Air Express Inc.  
Mount Royal College  
(Aviation Program)

Namao Flying Club  
National Aviation College  
National Flyers Academy  
National Helicopters Inc.  
Nelson Mountain Air Inc.  
Niagara Air Tours Ltd.  
Niagara Helicopters Limited  
Nighthawk Flying Club Inc.  
NorAir Flight Inc.  
North Cariboo Flying Service  
Ltd.  
Northern Flight Training  
Centre  
Northern Thunderbird Air Inc.

Okanagan Aviation Services  
Ltd.  
Orillia Aviation Limited  
Ottawa Aviation Services  
Ottawa Flying Club

P.A.L. Helicopters Inc.  
Pacific Coastal Airlines  
Limited  
Pacific Flying Club  
Pacific Professional Visual  
Flight Training Ltd.

Parallel Aviation Inc.  
Passport Quebec Helico  
Pem-Air Ltd.  
Peninsulair Limited  
Peterborough Flying Club  
Inc.  
Pincher Creek Flight Services  
Ltd.  
Pioneer Flight Training Ltd.  
Prairie Bible College  
Prince Edward Air Ltd.  
Principal Air  
Pro Aviation Inc.  
Pro Wings Aviation Ltd.  
Provincial Airlines

Regina Flying Club  
Rockcliffe Flying Club (1961)

Scotia Flight Centre (1994)  
Incorporated  
Selkirk College  
Seneca College  
Sharp Wings  
Shearwater Flight Centre  
Shoal Lake Aviation Ltd.  
Sky Wings Aviation Academy  
Ltd.  
Skylink Express Inc.  
Skyservice  
Sontair Limited  
Springdale Aviation Ltd.

St. Catharines Flying Club  
St. Thomas Flight Centre  
Stage Air Ltd.  
Stratford Air Services Ltd.

T-Byrd Flight Training  
The University of Western  
Ontario  
TK Air Charters Ltd.  
Toronto Airways Ltd.  
Trans North Helicopters  
Transwest Air  
Truro Flying Club  
Tutchone Air

Victoria Flight Training  
Victoria Flying Club  
Vital Aviation Ltd.  
Voyageur Airways Ltd.

Waterloo Wellington Flight  
Centre  
Welland Aero Center  
Western Air Services  
WestJet Airlines Ltd.  
Whitehorse Flight Centre dba  
Summit Air  
Windsor Flying Club  
Winnipeg Flying Club

YKA Flight Discovery, Ltd.

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## Associates

Aerodevco Consultants Ltd.  
Aeroports de Montreal  
Aerospace Welding Inc.  
AIG Aviation (Canada), Inc.  
Air Transport Security  
Corporation  
Airbus  
Airport Group Canada Inc.  
Alexander Holburn Beaudin &  
Lang  
Algonquin College  
America West Airlines, Inc.  
American Airlines  
Aon Group Limited Aviation  
Aon Reed Stenhouse Inc.  
Aviation Specialty Group

ATCO Frontec Corp.  
ATR Marketing, Inc.  
Avia Marketing Consultants  
Inc.  
Aviation Canada Media Inc.  
Aviation Publishers Co.  
Limited  
AvPlan Inc.

BAE Systems Regional  
Aircraft  
BC Transportation Financing  
Authority  
BF Goodrich Landing Gear  
Boeing Aerospace Ltd.

Bombardier Aerospace  
Regional Aircraft  
Borden Ladner Gervais LLP  
British Airways  
British Aviation Insurance  
Group (Canada) Limited  
Bryan & Company

C.T. AeroProjects Inc.  
Calgary Airport Authority  
Campney & Murphy  
Canadian Aviation  
Corporation  
Canadian Aviation Insurance  
Managers Ltd.  
Cara Operations Limited

Cassels Brock & Blackwell  
LLP  
CAST Safety Systems  
Centennial College-  
Aerospace Dept.  
Cessna Aircraft Company  
CHC Composites Inc.  
Check Six Event  
Management Corporation  
Cincom Systems of Canada,  
Ltd.  
Clark+ Company, Barristers  
& Solicitors  
Commuter Air Technology,  
Inc.  
Consolidated Aviation  
Services  
Corp Air Inc.  
Corvus Publishing Group Ltd.  
Cryotech Deicing Technology

Delta Air Lines, Inc.  
Department of National  
Defence  
Diamond Aircraft Industries  
Inc.  
Dow Chemical Canada Inc.  
Dulude, Taylor Inc.

EADS Canada Inc.  
Edmonton Regional Airports  
Authority  
Edwards, Kenny & Bray  
Embraer Aircraft Corporation  
Emond Harnden

Fairchild Dornier Corporation  
Fasken Martineau DuMoulin  
LLP  
Federal Express  
Field Aviation West Ltd.  
FlightSafety Canada  
Fraser Milner Casgrain

GasTOPS Ltd.  
GE Aircraft Engines  
Gerling Canada Insurance  
Company  
GlobeGround North America,  
Inc.

Gowling Lafleur Henderson  
LLP  
GRA HAM ENERGY LTD.

Halldale Publishing & Media  
Ltd.  
Harbridge Aviation  
Harper Grey Easton  
Hydro-Quebec

Imperial Oil  
Interactive Solutions New  
Media Inc.

KPMG Chartered  
Accountants

Lavery, de Billy  
Leggat Aviation Ltd.  
Litton Systems Canada  
Lloyd's Aviation Underwriters'  
Association  
LPS Aviation Inc.  
Lyondell Chemical Company

Marsh Canada Limited  
Mechtronix Systems Inc.

NAV CANADA  
Nobbs, Woods, Kavanagh &  
Bateman  
Northwest Airlines, Inc.  
Nova Scotia Community  
College

Ogilvy Renault  
Ontario Ministry of  
Transportation  
Osler, Hoskin & Harcourt LLP  
Ottawa International Airport  
Authority

Paterson, MacDougall  
Piedmont Aviation Services,  
Inc.  
PLH Aviation Services Inc.  
Policyshop.com  
Pratt & Whitney Canada  
Corp.  
PricewaterhouseCoopers  
LLP

PROAV International Aviation  
Services Corporation  
PSA Insurance Services Ltd.  
Purolator Courier Ltd

Rapid Aircraft Repair Inc.  
Rohmer & Fenn

Saab Aircraft Leasing  
Samsonite Canada Inc.  
Saskatchewan Institute of  
Applied Science and  
Technology  
Shell Canada Products  
Limited  
Standard Aero Limited  
Stephenville Airport  
Corporation  
Sypher: Mueller International  
Inc.

Technica Software  
Corporation  
Temple Scott Associates Inc.  
The Van Horne Institute  
Training Crue Graphics Inc.  
Transport Canada  
Transportation Partners  
International

United Airlines, Inc.  
United Parcel Service  
Canada Ltd.  
University of Toronto  
US Airways, Inc.

Vector Training Systems, Inc.  
Vista Cargo International Inc.

Wagner International  
Insurance Brokers  
Willis Corroon Aerospace of  
Canada Ltd.  
Willis Lease Finance  
Corporation  
Wilson Aircraft, Div. of  
913661  
Winnipeg Airports Authority  
Inc.

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## Affiliates

Alberta Aviation Council

British Columbia Aviation  
Council

Canadian Business Aircraft  
Association

Canadian Owners and Pilots  
Association

Federation of Canadian  
Municipalities  
Flight Safety Foundation

Helicopter Association  
International

Manitoba Aviation Council

National Air Transportation  
Association

Northern Air Transport  
Association

Saskatchewan Aviation  
Council

# 10. Honorary Life Members

## List (Revised October 2001)

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### 1976

D.N. (Don) Watson      Retired President, Pacific Western Airlines

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### 1977

Al Smith      President, Smith Airways Limited

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### 1978

Jack Fleming      President, Dominion Pegasus Helicopters

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### 1978

Max Ward      President, Wardair Canada (1975) Limited

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### 1979

H.D. (Don) Cameron      Senior Vice President, Administration & Public Affairs, CP Air

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### 1980

Jack Scholefield      President, Laurentide Aviation Limited

---

### 1981

Claude Taylor      President & Chief Executive Officer, Air Canada

---

### 1982

Dave Jacox      Vice President, Pacific Western Airlines

---

### 1983

Ian Gray      Retired President, CP Air

---

**1984**

T.L. (Tom) Spalding      Executive Vice President, Wardair International Ltd.

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**1985**

A.C. (Angus) Morrison      President & Chief Executive Officer, Air Transport Association of Canada

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**1987**

Rhys Eyton      Chairman & Chief Executive Officer, Canadian Airlines International Ltd.

---

**1988**

Pierre J. Jeannot      President & Chief Executive Officer, Air Canada

---

**1988**

Stanley M. Deluce      Chairman of the Board, Air Ontario

---

**1989**

Donald S. McClure      Moncton Flight Centre

---

**1994**

Charles H. Simpson      Retired Executive Vice President, Operations, Air Canada

---

**1995**

T.A. (Al) Kaptly      General Manager, Trans North Helicopters

---

**1997**

Jean-Jacques Bourgeault      Senior Executive Vice-President, Air Canada

---

**1999**

C.A.L. (Arnold) Morberg      President, Calm Air International Ltd.

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**1999**

Harry Steele      Chairman and Chief Executive Officer, Newfoundland Capital Corporation Limited

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## 2000

Barry Lapointe

President, Kelowna Flightcraft Ltd.

# 11. Staff List

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<b>Officer</b>	<b>Ext.</b>	<b>Assistant</b>	<b>Ext.</b>
Les Alders VP – Engineering & Maintenance	308	Zeny Aquino	305
Warren Everson VP – Policy & Strategic Planning	314	Pamela McGann	317
Fred Jones VP – Flight Operations	307	Jeanie Peppy	304
Cliff Mackay President & CEO	313	Debbie Simpson	312
Glenn Priestley VP – Fixed Wing Air Taxi and Flight Training	309	Zeny Aquino	305
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