

President's 2009-10 Report

Thank you Mr. Chairman and good morning everyone.

I have much to report this morning. Although I will speak to you in English this morning, copies of my statement will be available in both French and English on our website within a couple of days. Une version française de mon allocution de ce matin sera disponible sous peu sur notre site internet.

Before I begin, I would like to welcome some key industry people present here today that we at ATAC work with on a regular basis. The cooperation that we enjoy with their organizations is key to our success as an industry association. I see a few in the hall this morning and I would like to introduce them to you, although most of these people don't require introductions.

First our Affiliated Associations Representatives:

- Fred Jones, Helicopter Association of Canada
- Sam Barone, Canadian Business Aviation of Canada
- Mike Matthews, B.C. Aviation Council
- Stephen Nourse, Northern Air Transport Association
- Ron Coles, Manitoba Aviation Council
- Kevin Psutka, Canadian Pilots and Owners Association
- Sam Samaddar, Airports Council of Canada

Also with us today are:

- Rob Donald, Canadian Council for Aviation and Aerospace, formerly known as CAMC.
- Martin Eley, Transport Canada, who will be addressing you after the AGM, is heading a important delegation from Transport Canada
- Rudy Kellar, NAV CANADA, and
- Yves Ducharme, CATSA

We welcome you among us today.

A lot has gone in the past twelve months. As I reported to you in Quebec City last year, our strategic analysis revealed that ATAC's biggest weakness was its inability to communicate adequately first and foremost with its members but also with the aviation community at large. We have spent a lot of time and effort to strengthen our communication skills and tools, first and foremost our message but also our website, which we are unveiling at this AGM.

You have probably noticed the absence of a dominant theme to this year's AGM. It's not that we were short of ideas, quite the contrary, there are so many major issues facing our industry that we did not want to focus in on one in particular. As you recall, that last year's theme was "Aviation in a Recovering Economy". Unfortunately, most of our members didn't see any signs of a lasting recovery until May of 2010.

Even IATA's predictions have to be taken with a huge grain of salt. IATA is not at all embarrassed to reviewing its predictions two and three times a year. Unfortunately, I feel that it will have to lower its expectations again soon. It isn't that IATA is incapable of making good predictions; it's just that it is very risky to make predictions in an industry as volatile as ours.

We are very vulnerable to pandemics, volcanoes, and every nut case or extremist trying to make a point. Another very important factor is the price of oil. IATA bases its predictions on a \$79 barrel of oil. Considering the high percentage of operating cost that fuel represents, it doesn't take huge variations to upset the bottom line. Today the barrel of oil is trading over \$83 US.

So at this point, although the Canadian economy seems to be inching back towards recovery, we are still hoping for tangible signs of a U.S. economic comeback.

Membership

ATAC's most important asset remains and always will remain its membership. Earlier this year, we undertook a Membership Drive all across the country. Regardless of one's efforts, the best way to attract members is to be aware of their preoccupations, present in their regions and respectful of their ideas and regional differences.

ATAC as an indispensable tool to improve the conditions they work in. Creating regional vice-presidents was one of the ways to get closer to our members. It's starting to yield some results.

We are also working on developing Joint Memberships with regional associations which would allow many members to join ATAC not at the expense of their regional associations. We also hope to extend this concept to the Canadian Council of Aviation and Aerospace, formerly known as CAMC.

Strong Presence in Ottawa

One of the strengths ATAC offers is its strong presence in Ottawa. In addition to the day to day content lobbying that we do for you, is our lobbying on Parliament Hill. In the past year, we have met with dozens of MPs and made formal comments at both House and Senate Committees, twice before the House Standing Committee on Transport, Infrastructure and Communities; on November 18, 2009 to give our views on Bill C-310, *A Bill to Enable Certain rights to Air Passengers*, and again on May 12th to comment on the greater than 50% increases in the Air Travellers' Security Charge included in the Budget. We testified before the House Standing Committee on Finance on April 29th to answer questions on aviation safety and security; and before the Senate Standing Committee on National Finance on June 30th on budgetary provisions concerning increases to the ATSC. Finally, we appeared before the Senate Standing Committee on

Transport and Communications just two weeks ago to comment on emerging issues related to the Canadian airline industry. Our testimonies are all available in both French and English on the ATAC website.

Reorganization of ATAC

You'll remember that last year at this time, we bid farewell to our long time colleague and friend, Les Aalders. His decision to take on a new challenge gave us an opportunity to reorganize our personnel and responsibilities. I am accompanied on stage this morning by the ATAC officers. I will introduce them to you shortly. The successes we celebrate at ATAC are the result of individual effort and team work.

ATAC is working on a great number of issues for its members. The Officers will make brief presentations of the major files that they have worked on this past year.

You already all know Mike Skrobica. Mike is our Vice-President, Industry Monetary Affairs and Vice-President, Ontario and British Columbia. Mike, would you please.

(Mike spoke)

Thank you, Mike

Another most able veteran is Wayne Gouveia. Wayne is Vice-President, Commercial General Aviation and Vice-President, Prairie and Northern.

(Wayne speaks)

Bill Boucher joined us in March of this year and brings a wealth of knowledge to the team. Bill is Vice-President, Flight Operations, and Vice-President, Quebec and Atlantic.

(Bill speaks)

Thank you.

The newest member of our team is an experienced Maintenance and MRO man whose career not only crossed the Atlantic but also covered both the private and public sectors. Brian Whitehead is our Vice-President, Technical Operations. Brian is only just discovering the scope of all that ATAC does as he has only recently joined us.

(Brian speaks)

Thank you.

Lastly, we were in serious need of help in the area of Communications and Marketing. We were lucky to find Cedric Paillard, a man whose expertise and passion include Aviation and Communications. Cedric is Vice-President, Communications and Marketing. Finally, Cedric will show you what we are doing to enhance our communications with our members and with stakeholders in general, including the revision of our web site.

(Cedric speaks)

Thank you.

This great team of professionals is supported by three dedicated women. Debbie Simpson is Executive Assistant to the President and Corporate Secretary. Wendy Hughes is our Accountant and Danielle Lavoie is the Executive Assistant to all these vice-presidents. Danielle is also responsible for managing our communication tools, including our website and @ATAC Newsletters and Flash News.

That concludes the President's Report. We have time for questions, if there are any.

I invite our chairman to come forward in order to adjourn this assembly.

Thank you.