



### **Urgent Financial Aid Needed by Canada's Commercial Aviation Sector**

May 1, 2020. The Air Transport Association of Canada (ATAC), representing 75 air operators across Canada and some 85 industry support stakeholders, is asking for the Government to urgently table a financial aid package for the aviation industry. The consequences of the crisis and of measures taken to contain the virus are having a catastrophic impact on our industry.

ATAC air carrier members operate in all sectors of commercial air transport and are vital economic drivers offering essential services at the regional, national and international levels. As key economic enablers, ATAC operators contribute to socio-economic growth throughout all provinces and territories.

COVID-19 is threatening the commercial viability of many air carriers which are providing essential services throughout Canada. Not only are thousands of industry jobs at risk, but thousands of jobs that support the aviation industry are as well. According to the International Air Transport Association, "each of those (direct) jobs supports a further 24 in the travel and tourism value chain".

Canada is lagging far behind many foreign governments that have already acted in coming to the aid of their aviation industry, including the USA, Australia, Brazil, China, Denmark, Finland, France, Germany, Hong Kong, Italy, New Zealand, Norway, Singapore, Spain, Sweden and the Netherlands.

The Canadian Government must recognize and support the critical role that aviation plays in Canada. Regional carriers, which are indispensable lifelines to Canada's northern, aboriginal and remote regions, and which lack the financial liquidity accessibility of very large carriers, are particularly vulnerable. A government financial aid package must include all sectors as each plays a vital role in Canada's connectivity. Comprehensive government action in the form of a financial aid package will help the Canadian commercial air transport industry preserve jobs, maintain essential connections, transport people who require medical treatment, deliver life-preserving air cargo supplies and overall be a key enabler of the recovery of the Canadian economy.

ATAC is asking that an equitable and verifiable financial aid package be designed to include key elements that can apply to the various sectors of the commercial aviation industry of Canada. The key element of this package is 1) direct financial aid, as liquidity is urgently needed, but it also needs to include 2) taxes and charges relief; and 3) loans and loan guarantees.

"There is an urgent need to move quickly in order to stabilize all sectors of Canada's commercial aviation, prevent insolvency and massive job losses and ensure that the industry can play its necessary and vital role in driving national post-pandemic economic recovery. Failure to act now will make it much more challenging, if not impossible, for many operators to recover from this crisis", stated John McKenna, ATAC President and CEO.