



July 13, 2020

Mr. Sandy Struthers
Executive Vice President, Finance and CFO
NAV CANADA
77 Metcalfe Street
Ottawa, ON K1P 5L6

BY EMAIL

SUBJECT: NAV CANADA Notice of Revised Service Charges dated May 21, 2020

Dear Mr. Struthers,

First of all, thank you to you and your team for taking the time to meet with ATAC and some of its Board members on Monday, June 29th, 2020. The insight you provided with regards to the background leading up to the issuance of the subject Notice was much appreciated. However, as you can appreciate the extremely large overall fee increase proposed is of great concern to our industry. This would be the case at any time but during the COVID-19 Pandemic and the unprecedented adverse impact it is having on our Canadian commercial aviation industry, this is truly a situation that requires a much different approach than that proposed.

We understand that you have taken advantage of the Government of Canada (GoC) financial assistance through the Canada Emergency Wage Subsidy (CEWS) program. You have also advised that the GoC is unwilling to provide further necessary financial support beyond CEWS to help NAV CANADA weather this extreme situation. Given the essential infrastructure that NAV CANADA provides to Canada and indeed a large portion of the world, we find this totally unacceptable. This dire situation is made even worse when it is realized that not all users of NAV CANADA services are paying their fair share or in fact anything towards the costs of providing this essential service. This is particularly galling when it is realized that state and military aircraft are included within this group that is not financially supporting or paying their costs to the Canadian Air Navigation System.

ATAC has been and will continue to advocate for adequate financial support from the Federal Government such that these proposed fee increases be held in abeyance for a period at least as long as it takes the Canadian commercial aviation industry to recover to pre-COVID-19 economic levels. Any price reduction strategy by industry to stimulate air travel during the recovery would be negated by such a significant increase in NAV CANADA fees. We also suggest that you take this opportunity of reduced activity to undergo a complete service review. This could perhaps lead to eliminating service bottlenecks and obtaining resulting efficiencies, in certain areas as we

have been experiencing serious service delays in many regions across Canada, some COVID-19 related but others are not.

ATAC encourages NAV CANADA to work with the Canadian aviation industry in advocating for a reasonable and sustainable solution with the Federal Government. To that end, we agree to facilitate such advocacy through meetings and other means in getting the appropriate messaging from the most senior levels of management within our members to the very top levels of the Canadian Government in order to protect this critical and essential infrastructure that NAV CANADA provides. With this firm commitment in place we ask that NAV CANADA put on hold the proposed fee increase as it would apply to Canadian commercial aviation operators.

Sincerely yours,



John McKenna
President and CEO

cc The Right Honourable Justin Trudeau, Prime Minister
The Honourable Bill Morneau, Minister of Finance
The Honourable Marc Garneau, Minister of Transport