

January 28, 2021

The Honourable Mélanie Joly, P.C.
Minister of Economic Development and Official Languages
House of Commons Ottawa, ON K1A 0A6
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Dear Minister Joly,

As Canada enters a critical period and we look to the future, we are pleased to take this opportunity to share information with you on the role that business aviation can play in our nation's economic recovery, especially as it relates to your directives under the new Mandate Letter issued by the Prime Minister.

Using on-demand and non-scheduled point-to-point flights to support jobs and economic opportunity everywhere in Canada, business aviation connects corporations and communities, most especially when traditional airlines cannot. Today, with Canada's major carriers cancelling flights to dozens of Canadian communities, business aviation has become an essential service provider, delivering cargo, personnel and supplies, and ensuring that commerce and trade can continue to support local jobs and businesses. But it can do more.

For instance, business aviation can help kick start the aviation industry's recovery by piloting safety and health programs related to testing and contact tracing. Business flights deploy from carefully managed and controlled Fixed Base Operator (FBO) facilities where every passenger is known to flight operations and could be instantly and easily traced and contacted.

In the longer term, business aviation can help give Canada's entrepreneurs and corporations a much-needed competitive edge, providing safe, reliable and rapid transportation of key personnel and goods, using some of the most technologically advanced and sustainable aircraft flying today. Moreover, supporting the use of these technologies also supports Canadian aviation research, development and manufacturing giants such as Bombardier, CAE and Pratt & Whitney Canada.

One of the many lessons of the past months was to demonstrate the clear advantage of business aviation as a tool of safe air travel, corporate growth and community access, even as we deal with the severe travel limitations imposed by the pandemic. From this experience, the CBAACAA has developed a plan, *#cbaaflightplan*, that outlines how government, businesses and communities could work with business aviation operators to fulfill their own objectives – while strengthening Canada's business aviation operations and aircraft manufacturing sectors at the same time. We shared many of these ideas, including those that would provide shorter term solutions, in our 2021 pre-budget submission sent to the House of Commons Standing Committee on Finance and to the Industry Strategy Council. We are pleased to attach a copy your reference.

In reviewing your new mandate letter, we commend the government for its commitment and focus on the hardest hit sectors and the regional air infrastructure that supports our communities.

As part of the aviation community, business aviation can have a unique and positive impact on your mandate, particularly the section that asks you to *work with the Minister of Transport and with local communities on measures for the air travel sector that sustain regional air infrastructure, support regional economic development and enable growth in other key sectors such as tourism.*

On demand and charter flights directly support tourism, trade and local manufacturing. As an integral part of the aviation sector, business aviation can play a defining role in our economic recovery.

Minister Joly, there are several ways that your support of business aviation would translate into further regional economic opportunities for Canadians.

- First, business aircraft drive Canada’s aerospace sector, making our country a world leader in green and innovative technologies and equipment. Canada can support this leadership **by creating federal financial stimulus programs that would encourage the purchase and environmental modernization of business aircraft, materials and services.**
- Second, the government could stimulate the Green economy **by promoting sustainable aviation fuel (SAF) in any Government of Canada programs that reduce the applicable fuel tax rate and provide incentives to companies that manufacture renewable fuels.**
- Third, the government could encourage the greater use of business aircraft to support regional development including key industries such as tourism, and ensure the continued high safety standards of the sector **by creating a modernized set of Canadian Aviation Regulations (CARs) for business aviation that is more flexible and responsive to business aviation operations, particularly for small operators, including the increased use of appropriate delegations and exemptions.**
- Finally, we ask the government to **exclude all aircraft that are used for business purposes from any new “luxury” tax schemes.**

Minister, as the new mandate letters suggest, the recovery of the air sector, including business aviation will be a government-wide, and indeed, Canada-wide effort. Please be assured that you and your colleagues in Cabinet have the full support of the business aviation community as you work to find the right way forward. We stand ready to help in any way we can.

Yours sincerely,



Anthony Norejko
President and CEO
Canadian Business Aviation Association