

COMPARISON: Size of U.S. Air Traffic Control System vs. Nav Canada System

BUSIEST AIRPORTS *(in terms of yearly movements)*

UNITED STATES	
AIRPORT	MOVEMENTS
Atlanta (ATL)	882,000
Chicago O'Hare (ORD)	875,000
Dallas/Ft. Worth (DFW)	681,000

CANADA	
AIRPORT	MOVEMENTS
Toronto (YYZ)	443,000
Vancouver (YVR)	316,000
Calgary (YYC)	239,000

BUSIEST AIR TRAFFIC CORRIDOR



DC>NYC>Boston
11,000 Daily Operations

Toronto>Ottawa>Montreal
3,000 Daily Operations

ANNUAL AIRCRAFT MOVEMENTS



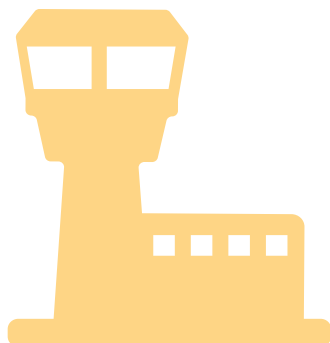
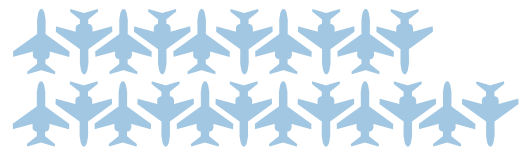
AIR ROUTE TRAFFIC CONTROL CENTERS

Responsible for controlling air traffic over larger geographic areas

CANADA
7 Control Centers



UNITED STATES
22 Control Centers



CONTROL TOWERS

Responsible for controlling air traffic departing and arriving from an airport



NAV CANADA: CONCERNS FOR GENERAL AVIATION AND TAXPAYERS

- General Aviation (GA) operators pay both a fuel tax and a user fee to conduct flights in the Nav Canada system.
 - When air traffic control (ATC) was privatized in 1996, the government promised that GA fuel taxes would be phased out and replaced by a user fee.
 - Now over 20 years later, GA operators are still paying a fuel tax and user fee.
 - However, only GA pays a fuel tax and a user fee- the ticket tax paid by commercial airlines was phased out in the 1990s as promised.
- There is no regulation of the fees/charges imposed by Nav Canada- it can set fees at any level, increase them year over year or impose new fees, all without the approval of Parliament.
 - In 2003, when Nav Canada's largest customer, Air Canada was emerging from bankruptcy, the corporation implemented a 6.9% user fee increase.
 - In 2004, Nav Canada again increased user fees by 7.9% to offset continuing revenue shortfalls due to the economic downturn.
 - There is no aviation trust fund in Canada or general fund contribution to Nav Canada so all funding shortfalls must be covered by users of the ATC system.
 - Nav Canada has the unconstrained ability to shift costs between classes of users- GA could be required to make up a revenue shortfall caused by declining airline traffic.
- When Nav Canada was created \$1.5 billion of government ATC assets were purchased by the corporation without a competitive bidding process.
 - Nav Canada went to the bond market to generate the \$1.5 billion in capital needed to purchase ATC assets.
 - These assets had already been paid for by the aviation fuel/ticket taxes collected from travelers by the Canadian government.
 - This means Nav Canada user fees are going towards paying off the \$1.5 billion in debt for assets that had already been paid for.
 - There is no provision for the government of Canada to regain control of the ATC system (and its assets) should Nav Canada fail.

SLOT RESTRICTIONS AT TORONTO PEARSON INTERNATIONAL AIRPORT

Slot Restrictions Reduce General Aviation Access

- All general aviation (GA) aircraft were required to book an arrival and departure slot *48 hours* in advance to utilize Toronto Pearson (YYZ).
 - During a rehabilitation project of one runway (the airport has 5 total), GA aircraft will **be banned from YYZ** from 3:00 pm - 8:00 pm.
- Slot restrictions were only removed after complaints from the GA community and the airport has stated a slot program **will return in the near future.**
- Slots at YYZ are controlled by a company owned by a former Air Canada manager who is designated as the “independent” slot manager.
- YYZ is defined as a “level 3” slot controlled airport by the International Air Transport Association (IATA) which is a designation for the world’s busiest airports.
 - However, Atlanta (ATL) which has **double** the number of aircraft movements of YYZ **has no slot restrictions.** There are 882,497 yearly movements at ATL vs. 443,958 yearly movements at YYZ.
 - The only airport in the U.S. with IATA level 3 slot restrictions is JFK, which handled **15 million more** passengers than YYZ in 2015.¹
- YYZ had slot restrictions even after additional runway capacity was added in 1997 and 2002, raising questions about the need for slot restrictions that reduce GA access.
- Los Angeles International Airport (LAX) which has **200,000 more aircraft movements** than YYZ is completing a 3-year runway rehabilitation project on four runways.
 - However, all air traffic is being managed with traffic management initiatives and **no new slot restrictions are necessary.**
 - YYZ has less traffic than LAX and is only rehabilitating one runway, yet this required GA traffic to be banned from the airport for large parts of the day.
- General aviation is a \$10.7 billion industry in Canada and was not consulted before the slot restrictions at YYZ were implemented.
 - There are multiple fixed based operators (FBOs) at YYZ that employ hundreds of workers and have invested millions of dollars at the airport- these businesses will be harmed by the slot restrictions.

1. LaGuardia Airport (LGA) and Ronald Reagan National Airport (DCA) require slots for non-scheduled arrivals and departures, however both airports have significant runway constraints with no option for runway expansion.