



AIR CANADA WELCOMES MODERNIZATION OF AIR CANADA PUBLIC PARTICIPATION ACT

News / Airlines



Air Canada today welcomed the passage of Bill C-10 into an Act of Parliament modernizing in part the Air Canada Public Participation Act that came into effect when Air Canada was privatized 28 years ago. The revised Act allows Air Canada, like other Canadian and international carriers, to determine the location, the volume and type of aircraft maintenance it does, including the work that will be done in Manitoba, Quebec and Ontario.

As a private sector company, owned by private sector interests, and operating in a highly competitive global industry, Air Canada should have the same flexibility enjoyed by other airlines to make business decisions on maintenance services based on the competitiveness and quality of services contracted. The revised Act recognizes that competition, not statutory prescription, creates and sustains jobs by private sector employers in an open economy.

Air Canada has approximately 28,000 employees, mostly based in Canada, approximately 2,400 of whom are maintenance employees. Its Air Canada Express regional partners – Jazz, Air Georgian and Sky Regional – have more than 1,000 maintenance employees. The company and its regional partners also support hundreds of maintenance jobs with suppliers in various regions of Canada, from British Columbia to Prince Edward Island, and Air Canada looks forward to helping to establish new Centres of Excellence in the provinces of Quebec and Manitoba.

Air Canada was privatized in 1988-89 through two public offerings by which the Government of Canada received gross proceeds of approximately \$500 million for its shares. Air Canada derives no ongoing benefits from its prior Crown Corporation status nor does it receive any subsidies or tax advantages. It does not benefit from any protected monopoly routes, nor does it enjoy privileged access to airports or facilities.

23 JUNE 2016

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