



For Immediate Release

Rent relief and infrastructure funding, airports' key asks of government for budget 2019

Saint John (October 2, 2018) – The House of Commons Standing Committee on Finance heard today in Saint John that airports in Atlantic Canada are in need of continued infrastructure assistance and that the federal government needs to change its policies on the rent it collects from airports.

A number of priorities for the region's airports were described in a presentation to the committee by the Atlantic Canada Airports Association as part of the pre-budget consultation process in advance of the 2019 federal budget.

"Air travel in Atlantic Canada has been growing, and this growth is supporting tourism and trade in the region," says Reg Wright, president of the association and president and CEO of Gander International Airport. "This government has recognized the key role our airports play in growing our local economies and the unique needs small airports face in ensuring our infrastructure is safe and secure. This summer \$23 million in federal funding was announced to support \$47.5 million in airport runway rehabilitation projects at Gander, Charlottetown and Saint John Airports."

Greg Hierlihy, Director of Finance and Administration for Saint John Airport presented to the Committee on behalf of the Association. "We were one of the airports in the region to receive this important funding, planning for runway rehabilitation work in Saint John is underway." He added, "Airports today are considered the new "main street" in many of our cities and towns. People want to fly for ease and convenience and we need to continue to invest in infrastructure and services to meet the needs of today's travelers."

Airports across Canada were privatized by the federal government beginning in 1992. Some were divested entirely to communities, while others were divested, but remained on federal land. These airports are run by community not-for-profit authorities, who pay rent to the federal government.

"The federal government collects more than \$368 million a year in rent from Canada's airports," says Monette Pasher, executive director of Atlantic Canada Airports Association. "A small fraction of that, about 10 per cent, goes back as infrastructure funding support through the Airports Capital Assistance Program. But more rent monies need to flow back into the system to support smaller airports."

The Atlantic Canada Airports Association is also proposing that the federal government eliminate rent payments for all airports with less than 3-million passengers annually, and that rent charges for larger airports be capped.

“We need to stop the upward trajectory of airport rent,” noted Pasher. “We are competing in a global economy and we must be globally competitive. This is currently not the case, as Canada is one in only a handful of countries in the world today that collects rent from airports.” She continued, “Reducing airport costs and charges will stimulate growth and our economy.”

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About the Atlantic Canada Airports Association

The ACAA represents 13 airports in Newfoundland and Labrador, Nova Scotia, New Brunswick and Prince Edward Island. The region’s airports move over 8 million passengers and approximately 60,000 metric tons of cargo annually and account for over 46,000 jobs in the region. Atlantic Canada’s airports are significant economic generators with passenger and cargo traffic generating over \$4.4 billion annually into the Atlantic Canada economy.

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