



Making a difference...together

**Capital Regional District**

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February 23, 2017

File: 0550-01

Federation of Canadian Municipalities  
Attention: Resolutions Coordinator  
24 Clarence Street  
Ottawa, Ontario  
K1N 5P3

Via Email: [resolutions@fcm.ca](mailto:resolutions@fcm.ca)

Dear Sir/Madam:

**Re: 2017 FCM Convention Resolution – Emergent Issue**

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At the February 22, 2017 Capital Regional District Board meeting, the Board of Directors adopted the attached resolution to submit to the 2017 FCM Convention. The Board expressed that the issue as an emergent one, and requested it be considered despite having missed the regulation resolution submission deadline.

Also attached is a copy of the background information.

Should you require further information or have any questions, please contact me at 250-360-3128 or by email at [breems@crd.bc.ca](mailto:breems@crd.bc.ca).

Yours sincerely,

Brent Reems  
Corporate Officer  
Legislative and Information Services

- Attachments:
- 1) 2017 FCM Resolution
  - 2) Background Information: Stop Push for Privatization of Canada's Airports

## **Attachment 1: CAPITAL REGIONAL DISTRICT FCM 2017 RESOLUTION**

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### **STOP THE PRIVATIZATION OF CANADA'S AIRPORTS**

**Capital Regional District, BC**

**WHEREAS** recent media reports indicate that the Government of Canada is actively considering the privatization of Canada's airports in order to achieve a one-time financial windfall and this plan may be formalized in the upcoming federal budget;

**AND WHEREAS** airports are part of the core economies, including the tourism economy in Victoria, and social infrastructure of every community and region and consultation with local governments need to be advanced on this issue;

**RESOLVED, That** the Capital Regional District Board urge the Federation of Canadian Municipalities (FCM) to immediately call on the Government of Canada to stop its push for the privatization of Canada's airports; and to begin consultations with Canadian local governments and other stakeholders to develop an air transport policy that reflects the true needs and aspirations of Canadians and Canadian communities.

### **Notice of Motion (Director Brownoff, 22 Feb 2017)**

The federal government is currently exploring “asset recycling” of its airports; ie selling equity stakes to attract institutional investment. The prospect of “cashing in” on the sale of Canada’s major airports to private for-profit business interests is no doubt appealing to the federal government but much of the potential (one-time) revenue such as a sale *might* generate seems to miss the very real long-term risks to Canadians of a sell-off. When it was tried in the UK and Australia, the sale of their airports did not produce the promised returns to the government and did not deliver the anticipated tax revenues. What did happen is that the customer fees increased and service levels for passengers declined, leading Australia’s Competition Commissioner to say that the sale of these assets “is severely damaging Australia’s economy.”

In a country as vast and as sparsely populated as Canada, safe and efficient air transportation is essential to connecting families, communities and to the continued economic prosperity of our country. Our Victoria International Airport is the 10th busiest airport in Canada with over 1.7 million passengers per year, a mainstay of our region’s tourism economy, and a leader in the area of environmental sustainability around the airport facilities and lands.

**Whereas** recent media reports indicate that the Government of Canada is actively considering the privatization of Canada’s airports in order to achieve a one-time financial windfall and this plan may be formalized in the upcoming federal budget;

**And Whereas** airports are part of the core economies, including the tourism economy in Victoria, and social infrastructure of every community and region and consultation with local governments need to be advanced on this issue;

**Therefore be it resolved that:**

The Capital Regional District Board urge the Federation of Canadian Municipalities (FCM) to immediately call on the Government of Canada to stop its push for the privatization of Canada’s airports; and to begin consultations with Canadian local governments and other stakeholders to develop an air transport policy that reflects the true needs and aspirations of Canadians and Canadian communities.



**NACC**  
National Airlines  
Council of Canada

**CNLA**  
Conseil national des lignes  
aériennes du Canada

February 17, 2017

Ms. Judy Brownoff  
Capital Regional District  
625 Fisgard Street  
Victoria, British Columbia  
V8W 1R7

VIA EMAIL: judy.brownoff@saanich.ca

Dear Director Brownoff:

**Re: AIRPORT PRIVATIZATION**

I'm writing to congratulate you and your CRD Board colleagues for your leadership in bringing the Government of Canada's consideration of airport privatization up for debate and to the attention of municipal leaders across the country. While this issue has flown largely under the radar, it has serious implications for air travellers, communities and for the airlines that serve them.

The international experience in airport privatization is instructive as it has often resulted in higher fees and reduced services for travellers and airlines. This alone should urge not only caution but an open airing of the issues, options and policy objectives of the Government of Canada. Your resolution will help kick-start that dialogue and engage municipal and community leaders.

The National Airlines Council of Canada (NACC) is proud to support your efforts to mobilize Canada's municipal sector, and a copy of this letter will be sent to all Mayors and Councils so that they too can take stock of the implications of airport privatization on their residents and their community.

The last decade has seen a massive increase in the number of hard-working Canadians using air travel to connect with loved ones, enjoy well deserved vacations and explore the country, or help create jobs. Any increase in the cost of air travel stemming from government fiscal policies, would amount to an unfair tax on travellers and the middle class.

Airports and the airlines that serve them are part of the core social and economic infrastructure of communities and regions of all sizes. In Canada, we need a full and open debate on how to improve air transport and reduce costs for travellers and for airlines. The closed-door review of airport privatization falls short.

As Canadians prepare to celebrate our country's 150<sup>th</sup> anniversary, we can reflect on the role that efficient transportation has played in shaping who we are. In a country as vast and sparsely populated as Canada, buffeted by the pressures of globalization, air transportation is the bridge that connects families and communities, and the catalyst for economic opportunity and job creation.

Your resolution and support serves to bolster the important links that bind and define us.

Sincerely,

**THE NATIONAL AIRLINES COUNCIL OF CANADA**



Massimo Bergamini  
President and CEO

cc. Councillor Clark Somerville, President of the Federation of Canadian Municipalities (FCM)