



Manitoba Aviation Council

Room 209B, 2020 Sargent Avenue
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January 12, 2010

The Honourable Chuck Strahl
Minister of Transport, Infrastructure and Communities
Tower C – 330 Sparks Street
Ottawa, Ontario, Canada
K1A 0N5

Honourable Minister,

This letter is to advise you that we oppose the renewal of an exemption for Alpine Helicopters currently under review by you. The Manitoba Aviation Council has just become aware of the past and current circumstances that have led to this review. The information we have been able to obtain also indicates that there may be problems in the process of granting exemptions and the follow up when exemptions are reviewed.

Fortress Investments a foreign entity, appears to own 100% of Alpine Helicopters. If this is incorrect please provide us with documentation identifying the correct amount of foreign ownership. We have also reviewed the submissions you and your department have received on this subject from the Helicopter Association of Canada and are in agreement with their position as presented in their letters.

There are well-established protocols that are accepted by the Canadian Transportation Agency for document holders to arrange their ownership structures to accommodate foreign economic interests without offending Canadian control requirements. As well, the Minister has granted exemptions from the requirement to be "Canadian" in cases involving very limited, self-generated, transportation requirements (such as serving the transportation requirements of specific foreign-owned fishing camps by an affiliated air carrier) in circumstances when Canadian operators cannot meet the demand adequately or economically.

We see no apparent reason in this case to justify exemptions or arrangements beyond those that apply to the industry generally or that do not fit into the limited circumstances for Ministerial exemptions described above. Extending exemptions to effectively permit a foreign operator to freely compete in the Canadian market is not in the public interest. That issue should be addressed through the legislative process.

Safety Management Systems are an integral part of the Aviation industry and require that we review our procedures whenever something does not go the way it should. We trust that you will use a similar process to review and identify how exemptions could be issued with no expiry date. The other area to apply this principal would be a review of how a company that exceeds the conditions of its exemption went undiscovered by the department. It would be unfortunate if other exemptions or this one have led to an unfair business environment with a negative impact on Canadian companies. We are sure that this is a simple mistake and that if the process was not followed or requires updating you will take the appropriate action. If the Manitoba Aviation Council can be of any assistance please let us know.

Yours Sincerely,

Dennis Lyons
President

CC:

(Hon.) Vic Toews, Provencher
(Hon.) Steven Fletcher, Charleswood—St. James—Assiniboia
Nike Ashton, Churchill
James Bezan, Selkirk—Interlake
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