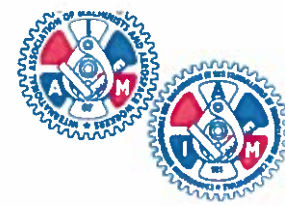


**INTERNATIONAL ASSOCIATION
OF MACHINISTS AND AEROSPACE WORKERS
ASSOCIATION INTERNATIONALE DES MACHINISTES
ET DES TRAVAILLEURS ET TRAVAILLEUSES
DE L'AÉROSPATIALE**



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October 20, 2020

The Honourable Chrystia Freeland
Minister of Finance/Deputy Prime Minister
House of Commons
Ottawa, Ontario K1A 0A6

The Honourable Marc Garneau
Minister of Transport
House of Commons
Ottawa, Ontario K1A 0A6

Email: Chrystia.Freeland@parl.gc.ca

Email: Marc.Garneau@parl.gc.ca

Dear Ministers Freeland and Garneau:

Subject: Re-Nationalization of Canada's Airlines – the Time is Now!

We have all watched with horror as the Covid Pandemic has impacted friends and families across Canada. It is a health crisis of great enormity, and all Canadians share in our common interest to find a solution to this disease and end the needless infections and deaths we are witnessing across our country and around the world.

Yet there is also the extremely disheartening impact on Canada's industry and infrastructure. Particularly, we have seen unparalleled devastation on Canada's airlines and air transportation industry. As the Union representing workers at Air Canada, we have seen the company lose \$1.75 Billion in the second quarter of 2020, the result of a 95% drop in passenger revenue.

In our view it is long past time for the Federal Government to step in and prevent our crucial air transportation industry from collapsing in the midst of this global pandemic. We are calling for investment in the industry, particularly as it impacts upon Air Canada and the tens of thousands of Canadians who rely upon this company for their income and their livelihoods.

We were once all proud to call Air Canada our National airline, and it is now time for us to reconsider the 1988 decision to privatize this valuable resource and expose it to volatile market forces – this reconsideration is particularly important at this crucial time.

We now recommend a debate on the Re-Nationalization of Air Canada.

The IAM recognizes the challenges confronted by public participation in this industry, but we feel it is critically important at this crossroads. Canada is one of the largest countries in the world, with a relatively small population. Having a rich and viable airline is key to Canada's infrastructure; having good middle-class jobs as part of that equation is equally vital. There have been calls for a multi-billion dollar investment in the airline industry, and we are pleased to add our voices to those calls.

But we must emphasize: any contribution to Canada's airline industry must be in the form of an investment – an investment that comes with a voice in the governance of that airline. We have all seen commitments made in other countries around the world, such as Germany's recent investment in Lufthansa, which gave the German government a 20% stake in the company.

To be absolutely clear, we oppose any contributions being used to pay for executive bonuses or other forms of executive compensation. Over the past six months, we have watched as more than half of the IAM members working for Air Canada have been laid off or otherwise furloughed; any Federal Government recovery plan must consider the needs of those workers, and must ensure they continue to be employed in strong working class jobs. These workers built Air Canada, we intend for them to be there to rebuild it.

The recent suspension of flights (both Air Canada and Westjet have made flight reductions) into many of the regional routes across Canada underscores the importance of having a Federal Government stake in the airlines. Canadian citizens in all communities must have access to this resource, and it is incumbent upon us all to ensure this service is reinstated and maintained.

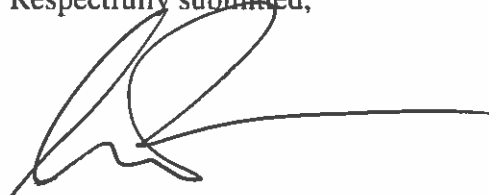
We must also consider the smaller airlines across the country, all of whom have suffered significant losses. Whether it is Air Transat and Sunwing, or the smaller regional carriers across the country, it is our job to ensure they are maintained and continue to perform this needed service to Canadians. Additionally, there are many airport contractors who must be considered; they provide necessary services from ground baggage to wheelchairs to airport and flight security.

Finally, we also point out the many downstream jobs and industries that rely upon Canada's strong and viable airlines: from the airport workers and providers, to hospitality industry workers and hotels, to Canada's crucially important aerospace companies that build and maintain the aircraft and keep us flying. There are hundreds of thousands of Canadian jobs that flow from this important industry.

We must ensure it is strong and healthy, for the next year and for the next generation.

It is our view that it is of utmost urgency for the Federal Government's Transportation Committee to meet immediately and discuss how to best preserve this crucial industry and the many thousands of jobs connected to it. I urge you to act immediately!

Respectfully submitted,



Stan Pickthall
General Vice President

SP/jc

cc: Justin Trudeau – Prime Minister
Jagmeet Singh – NDP Leader
Erin O'Toole – Conservative Leader
Yves-François Blanchet – Bloc Québécois Leader
Annamie Paul – Green Party Leader