

# Reality Ch



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First Air's ATR 42 combi aircraft carries anywhere from 10 to 42 passengers as well as cargo.

The new CBC Television series *Arctic Air* makes the reality show *Ice Pilots* on the History Channel look, well, almost realistic. Perhaps the show's greatest crime is that it perpetuates the notion that a yahoo culture of bush flying is still widespread in the North. In so doing, the program shows just how out of touch most Canadians are about the realities of Arctic aviation.

Such ignorance is not limited to the viewing public and the CBC. With notable exceptions, politicians and various government agencies often fail to appreciate and accommodate the unique demands and requirements of Arctic aviation. The result is that policy set in Ottawa often has significant repercussions for northern carriers; and, by extension, the remote communities they serve.

This is of particular concern to 705 operators in the Arctic. Specifically, the federal government is at a point where it

needs to consider the overall lack of aviation infrastructure in the North. Moreover, northern operators have to contend with cumbersome regulations that often don't take into account the unique realities of Arctic operations.

Now, after decades of neglect, Arctic operators are looking to Ottawa for some overdue investment and a bit of consideration. The question is, does the federal government have the political will to follow through with needed spending and bureaucratic support?

## NOT MUCH NORTH OF 60

The three Arctic territories — the Yukon, Northwest Territories and Nunavut — have a combined population of just over 100,000 residents, spread over almost four million square kilometres. Indeed, fully 40 per cent of Canada's land area lies north of 60 degrees latitude.

# Check, North

ARCTIC 705 OPERATORS  
LOOK TO THE FEDERAL  
GOVERNMENT FOR  
OVERDUE INVESTMENT  
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CONSIDERATION.

STORY BY GARTH EICHEL | PHOTOS BY JASON PINEAU



There is next to nothing in the way of roads in the territories; remote communities depend almost entirely on air service for their needs. Moreover, northerners fly twice as much as their southern cousins. But with such small populations, municipal and territorial governments don't have the tax base to make necessary investments in aviation infrastructure to support viable operations. As such, it falls to the federal government to step up, particularly with regard to improved weather reporting, fuel availability, instrument approaches and runways.

In terms of weather, most reporting in the Arctic is done by community aerodrome radio station (CARS) operators, who are generally local residents in each community who are employed to provide basic aerodrome services, including weather reporting. While many CARS operators provide yeoman service, consistency varies from one community to the next.

"Adequate reporting is critical in the Arctic where weather

plays such a significant role," said Chris Ferris, vice president, marketing and sales, for Ottawa-based Arctic airline First Air. "With few data collection points in the area, and local CARS operator reporting being hit and miss, weather reporting poses real operational challenges in certain communities."

What is more, Ferris remarked that the ability CARS operators have to set their own hours creates operational headaches and adds considerable costs when callout fees are incurred outside set hours: "We're paying close to \$1 million a year in callout fees — that's a significant expense for us."

First Air is not alone on this issue.

"Absenteeism and reliability of weather reporting in the North is a real issue," said Laval St. Germain, director, flight operations, for Calgary-based Canadian North. "When it isn't up to snuff, we don't go. We manage the risk carefully, delaying or cancelling flights, or turning around en route if

necessary. Sometimes we just have to spend a lot more time, energy and money.”

Stephen Nourse, executive director, Northern Air Transportation Association (NATA), concurs: “There are some very good CARS operators, but there are some places where weather reporting isn’t very good.” He added, “There is actually less weather reporting in the Arctic than there was 10 or 15 years ago... because weather is just not available in some places, or at specific times. Things are not improving.”

Not surprisingly, most northern operators see a greater need for advanced automated weather observations systems (AWOS) in remote communities.

“There is value to having a person on the ground, but it’s getting harder and harder to get a person around the clock,” said Nourse. “We’re in favour of AWOS: it’s consistent, and it’s better than having nobody available.”

Another problem associated with antiquated infrastructure in the Arctic is the dearth of adequate fuel tankage in remote communities. Indeed, capacity hasn’t increased in most places for decades, even as populations have grown and there is an increased demand for fuel from air carriers and the Department of National Defence (DND). As a result, aircraft often have to tanker fuel on flights or schedule additional stops, thus reducing useful loads and further increasing costs.

“Canadians in the south don’t know where their fuel comes from,” said St. Germain. “They do in the Arctic: fuel usually comes in by barge in late summer and once the tanks are filled

up, that’s it for the year. With limited capacity, it’s not uncommon for communities to run low, or even run out of, fuel.”

Then there is the matter of developing better instrument approaches, with an emphasis on new approach design criteria to enable new GPS approaches.

However, Nav Canada can only develop so many GPS approaches each year and the waiting list is long. Still, the perception among some northern operators is that there is a disproportionate focus on developing GPS approaches to southern airports that are already well served, rather than focussing on northern communities where the need is greater.

“The length of time it takes for GPS approaches to be certified and published is onerous. It’s at least one or two years for each one,” said Ferris, who noted that large development and mining projects are economic drivers in the Arctic, but getting approved GPS approaches to northern runways seems to be low on the priority list compared with southern airports.

“Greater emphasis needs to be placed on getting GPS approaches developed for remote communities,” said St. Germain, observing that Canadian North has had to resort to spending its own money to get things done: “We pay third-party contractors to design instrument approaches; we paid for the publicly-available GPS approach into Runway 09 in Norman Wells.”

What is more, St. Germain highlighted the fact that spending private money on public resources is not limited to GPS approaches: “We hire companies to test gravel runways to



The optional unpaved strip kit for the Boeing 737-200 became available in 1969. It allowed the jet to operate from gravel, dirt or grass strips. The 737-200 is still in use today by Air North, Canadian North and First Air.



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ensure they are safe to operate. [To wit], Canadian North has paid nearly \$60,000 out-of-pocket to ensure that publicly-owned and -operated gravel runway airports meet minimum runway hardness requirements, with not one penny paid back from any government — municipal, territorial or federal.” He added, “Find an example of Air Canada or Westjet paying to ensure runways in CYYZ, CYYC, CYEG, CYVR, or anywhere else, are hard enough to safely take off and land.”

Indeed, the federal government needs to consider long-term investment in northern aviation infrastructure.

“We’re faced with an airport system in the North that has never kept pace with the development of aircraft,” said Nourse. “Most strips were built for the critical aircraft of the day in the 1950s and ‘60s, which was the [Douglas] DC-3. This is a real inhibitor for jet fleets. Many runways are too short... and there are not a lot of paved runways.” He added, “You go across the border into Alaska and there are paved runways everywhere, courtesy of the federal government. You don’t see that in Canada.”

In fact, there are 61 paved runways in Alaska, compared to just 10 in all three Canadian territories combined. Because there are so few paved runways, most 705 operators in the North are limited to using older-model B737-200s on gravel strips.

“We fly the older B737-200 because that’s the only Western-built big jet that can get into gravel strips,” said St. Germain. “Once these aircraft hit their maximum life span, it will require a move to turbo-props.”

First Air also sees the writing on the wall: “The markets we serve require a combination of freight and passengers on flights, so your hands are tied on what kind of aircraft you can use. The world is moving away from the 737-200, but they are a necessity for northern gravel strips.” He added, “The lack of paved runways limits what we can do in the way of fleet replacement.”

If, or when, 705 operators are forced to abandon jet service, unit costs will naturally go up, and so any move away from jets to turboprops won’t be efficient or popular.

## AIRPLANES CAN’T FLY WITHOUT PAPER

Red tape is nothing new in the aviation industry, but Arctic operators worry that policies set in Ottawa don’t always take into account the practical realities of northern operations.

“The regulatory burden just keeps growing, but the hit is disproportional on northern operators,” said Nourse, who is concerned the regulatory environment in Ottawa is not always sensitive to their needs.

Joseph Sparling, founder and president of Whitehorse-based Air North, shares Nourse’s concern: “Regulatory requirements need to go through a proper cost-benefit analysis, and include all stakeholders.

Specifically, Arctic operators like Sparling point to potential ramifications of the Canadian Transportation Safety Board’s (TSB) recommended changes to runway end safety area (RESA), as per ICAO standard. If implemented, most Arctic runways would need to be significantly extended; or, where





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Its short takeoff and landing (STOL) characteristics make the de Havilland Canada DHC-5 Buffalo uniquely suited for the northern environment.

that is not practical, it would necessitate the shortening of available runway length, which would inhibit the types of aircraft permitted to land.

"The Arctic is not an easy place to operate; what works in the south doesn't always work in the North," said First Air's Chris Ferris. "We're already working on short runways. If the regulations are enforced as recommended, it will have

a significant impact on our operations. Some communities would go from ATR and Dash service to Twin Otters. That's not sustainable."

Granted, Arctic operators recognize the need for safety, as well as the reasoning behind the proposed RESA changes, which stems largely from the Air France Flight 358 overrun accident at Pearson International Airport in 2005, but many are troubled by policy developed in the south without input or appreciation for the northern operating environment.

"We can't have a lesser degree of safety; rules that apply to an A340 in Toronto should apply anywhere. We have to play in the same sandbox," said St. Germain. "But policy made by bureaucrats in Ottawa who don't consult with all the stakeholders can cause difficulty.

"RESA could have a heavy impact on operators in the Arctic. The area of operations is challenging and it would be difficult to accomplish in remote areas."

NATA's Stephen Nourse takes that sentiment further: "This one-size-fits-all decision will have a huge effect on small northern strips. It will cost millions of dollars and, in some places, it will be physically impossible, meaning available runway will need to be shortened."

Underscoring his point, Nourse added, "To implement RESA in the Northwest Territories would be a \$35-million-dollar problem for a population of 35,000 people. You do the math."

## NORTH VS. SOUTH

Arctic operators have had to contend with regulations and a dearth of infrastructure for a long time, and this will continue well into the future, but competition for north-south traffic is a relatively new challenge. Many 705 operators in the Arctic find it difficult to keep pace with mainline carriers in the south, such as Westjet, Air Canada and Jazz, which are making inroads into the territories. (Westjet operates scheduled service to Yellowknife, NT, and Air Canada/Jazz operates service to both Yellowknife and Whitehorse, Yukon.) Consequently, the routes with the highest passenger traffic also have the lowest yields.

To be clear, the aviation industry in Canada is built on a philosophy of open competition. That said, some northern operators feel increasing competition from mainline carriers in the south, which enjoy several advantages and lower

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Headquartered in Whitehorse, Yukon, Air North offers scheduled, charter and cargo services. The airline is celebrating its 35th anniversary this year.



Operators say that many northern airport ramps are over-crowded and unsafe. Aviation infrastructure upgrades are desperately needed in the North.

operating costs, puts them at considerable disadvantage. Furthermore, some see mainline carriers as carpetbaggers who are not invested in the northern economy to the same extent as northern operators.

"Overall, it's tough for the territorial businesses," said Nourse. "If money goes out of the North [territorial governments] lose their tax base and operators lose the ability to cross-subsidize their fleets." Moreover, he added, "Air Canada and Westjet have put principles in place that put smaller operators at a disadvantage."

For example, Nourse notes the SABRE airline reservation system, which is required for booking government travel, is impractical and unaffordable for some Arctic operators to adopt. Consequently, he says, "there is a systematic bias within the federal government procurement process."

Nevertheless, you play the hand you're dealt, and 705 operators in the North are not helpless.

"We have a reasonably healthy economy and we've seen

steady and significant growth over the past 10 years since we started scheduled jet service [to Vancouver, Calgary and Edmonton]," said Air North's Joseph Sparling. "The greatest area of growth has been price-stimulated — bringing fares down so more people can travel. Passenger traffic has doubled in response to fares, which are 30 per cent lower than they were when we introduced jet service, even though the price of fuel has doubled during that time."

Another arrow in Air North's quiver is that it is heavily invested in northern business development.

"We're going against the grain by setting ourselves up as a northern operator, but we have purposefully done that and made a living at it for 35 years," said Sparling, who emphasizes the fact that the company is based in the North, employs northern residents, and spends its revenue and tax dollars in the northern economy.

Likewise, First Air's Chris Ferris said, "We recognize that having local participation is essential to giving northerners a sense of ownership and service. The biggest sign of positive change for us has been in joint-venture partnerships with regional associations in local communities."

## BEYOND FED-BASHING

Complaining about the federal government and its bureaucratic agencies is a time-honoured tradition in the aviation industry. To be fair, it is worth noting that not every politician and civil servant has a tin ear. Many are receptive to the concerns of northern operators, but a lack of funding and political leadership often hampers efforts to improve infrastructure and influence policy and regulatory requirements.

But change is in the air, so to speak. In recent years Prime Minister Stephen Harper has declared Arctic sovereignty a top priority, backed by a clear "use-it-or-lose-it" strategy. Reinforcing Canada's claims to the Arctic has much to do with the region's rich mineral resources, as well as the potential for oil and gas. There is also the prospect of the Northwest Passage becoming a navigable waterway if warming trends continue. In keeping with that, the federal government is promoting a more muscular presence in the Arctic.



At great expense, northern operators are introducing "new" turboprop aircraft types, like the Lockheed L-188 Electra that is operated by Buffalo Airways, to service remote communities in the North.

Of course, such talk is cheap without increased investment and changes to policy. Notwithstanding government assurances, Department of National Defence (DND) facilities in the Arctic remain underutilized, and military exercises continue to be conducted on a seasonal basis, as opposed to maintaining a year-round presence. And while the government has made some initial investments in runways as part of a long-term economic development plan for the Arctic, it is only the tip of the infrastructure iceberg. Furthermore, while some civil servants are starting to listen to the concerns of Arctic operators, much more needs to be done to incorporate their input when it comes to regulatory requirements and levelling the playing field among competitors.

The hope now is that if the political will truly exists, then that will ultimately translate into meaningful investment in

infrastructure, and greater attention being paid to the issues that matter to Arctic air carriers over the long haul.

*Garth Eichel is a Victoria, B.C.-based freelance photo-journalist and publisher who has edited several aviation magazines, including Canadian Aviator and Vertical. He is a graduate of the Aviation-Flight Management Program at Confederation College in Thunder Bay, Ont., and spent 10 years flying in the Canadian North, logging over 4,000 hours on wheels, floats and skis. Eichel now enjoys life on the West Coast with his son, Rowan, his long-suffering partner, Heather Lawson, and their two dogs, Otis and Stella.*



## **CBAA2012 EXCLUSIVE!**

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His presentation, **The Long Road Back to Prosperity**, has been created especially for CBAA, and will use leading industry and economic indicators to shine a light on the state of the market, industry dynamics and progress with the recovery.



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