

News Releases

Federal Court to hear Air Canada request for access to Toronto City Centre Airport; Court order sought to prevent Toronto Port Authority from improperly allocating airport capacity

MONTREAL, March 29 /CNW Telbec/ - The Federal Court today issued an order allowing AirCanada to challenge, by an application for judicial review, the Toronto Port Authority's announced decision to engage in a process that would unfairly discriminate against airlines wishing to serve the Toronto City Centre Airport and to seek an order requiring the TPA to properly allocate available slots at the airport.

The hearing of the airline's application has been scheduled for July 6 to 8, 2010 before the Federal Court. This will be the first time since Porter commenced operations that the substance of the matter of competitive access to the airport will be heard by a court.

Air Canada is asking the Court to direct the TPA, a public authority, to allocate all existing and additional take-off and landing slots at the airport, a public facility, in a manner consistent with its legal obligations. The Court order is being sought in response to an improper process through which the TPA has awarded and intends to award slots.

Ben Smith, Executive Vice President and Chief Commercial Officer of AirCanada remarked, "The TPA, a public authority, has provided a private business interest with virtually exclusive rights to use a public facility, conferring on Porter Airlines an anti-competitive advantage. As a result of the TPA's non-transparent arrangement with Porter for all the available slots at the airport, Porter has enjoyed an unfair monopoly on the Island business corridor. This puts Air Canada and other airlines at an enormous disadvantage in attracting passengers flying to or from downtown Toronto. It is not the role of the TPA to suppress competition - its duty is to run a public facility for the benefit of the traveling public, with fair access for interested carriers."

Air Canada has filed a request to resume service to the Island Airport initially with 15 round trips a day to bothOttawa and Montreal and seven a day to Newark, N.J.

Mr. Smith continued, "The TPA is now purporting to invoke an IATA slot allocation process without following the IATA rules. The TPA's announced intention would result in severely limited access to the Island Airport for any carrier other than Porter, thereby suppressing competition from this airport.

"Air Canada's issue is with the TPA, not Porter. We can well understand why an entrepreneurial enterprise would accept the benefit of a non-transparent and unprecedented arrangement with a public authority which provides it with a monopoly advantage. It is unknown what other arrangements, financial or otherwise, exist between the TPA, a public authority and Porter, a private commercial enterprise, to the detriment of consumers and airline competition. But the TPA, as the operator of a public facility, has the obligation to provide proper access to all airlines, which in turn will provide choice and convenience to the traveling public. Air Canada's customers want access to this airport and we're determined to be able to serve them," concluded Mr. Smith.

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