

August 10, 2022

Mr. Michael Rousseau President, Air Canada Air Canada Centre, ZIP 1273 P.O. Box 14000, Station Airport Dorval, Ouébec H4Y 1H4

Dear Mr. Rousseau,

I write to you today to express concern from the business community in our region over the routes that are being cut from YSJ. The community is increasingly alarmed by the actions of Air Canada.

Our region's growth strategy outcomes can only be achieved with a strong performing airport. YSJ will continue to support a growing population and workforce in the Saint John region.

The Province of New Brunswick recently released a provincial airport strategy that highlights enhanced collaboration that focuses on long-term, sustainable growth in air service at YSJ.

YSJ is located within 18km of the Saint John core, making it a key component in our Why Saint John location story: ensuring we are a global gateway offering an intermodal transportation and logistics hub. We have the components in place for this to be a success because of the work of numerous partners including, Port Saint John, NB Southern Railway, CP Rail. YSJ is key to this strategy.

Our key economic sectors all rely on YSJ, these include Energy, Health, Tech, Port & Logistics. In addition, YSJ is supporting tourism initiatives through Sport, Meeting & Conventions and Leisure travel with big impact to our regional economy:

- Economic impact for Memorial Cup between \$10 to \$12 million
- Future events like 2029 Canada Games estimate, \$110 \$115 Million
- Global Seafood Alliance's Goal 2023 conference estimate, \$1 million

Prior to the pandemic, YSJ was one of the fastest growing airports in Atlantic Canada, upon what data was your decision to cuts routes to Saint John made? In addition:

- YSJ has recently invested almost 25 million in modernizing its airfield to help airlines manage issues related to the historic fog in Saint John which will result in improved on-time performance for airlines and reduce risk,
- Air Canada should not be picking "winners & losers" in New Brunswick with regards to local economies and airports. It is unfair to our region and our province.

Your cuts to the routes for YSJ have had significant impact on our business community.

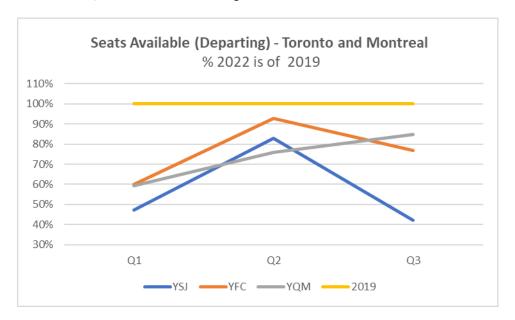
In July alone, route reductions from YSJ have resulted in a 50% seat reduction and the number of daily flights was reduced from 5 flights to 2 flights.



When compared to other New Brunswick airports the inequity is apparent, with Fredericton (YFC) experiencing 13% seat reductions with 6 daily departures. Moncton (YQM) experienced a 6% seat reduction with 5 daily departures.

In addition, a key connection for YSJ was lost by cutting the early morning flight to Toronto. YFC and YQM both maintained this key connection point.

Prior to the July cuts, YSJ has disproportionately taken seat reductions in the market. The cuts in Q3 seats to AC hubs is significant.



Our corporate business travel represents a significant portion of our overall traffic, and our members are rightly concerned. The Halifax route elimination is an issue.

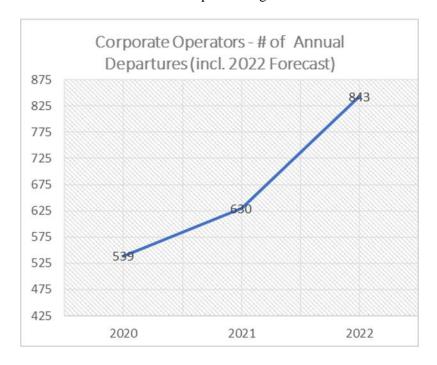
YSJ – represented 25k departure seats in 2019; utilized heavily by our corporate travellers, connection issues in Pearson and Trudeau make flying to Halifax and eastern destinations problematic.

Our business travellers are finding other alternatives to commercial flying, including use of their own aircraft.

Our membership includes some of Air Canada's biggest corporate Canadian clients, the estimated travel among our larger corporate members is increasing significantly. These include J.D. Irving, Cooke Aquaculture, Irving Oil Limited and Ocean Capital.



Estimates for the number of departure flights for these members is illustrated below.



Our business travelers in many cases are now forced to fly in and out of YFC and YQM. As we have heard from our corporate members, in winter months this is a significant safety issue, basically stranding YSJ. Compounding this problem, many of our members are now choosing to fly from Bangor and Portland, Maine. Many of these members are your corporate clients and they indicate to us that this could increase.

YSJ stood behind Air Canada's requests for pandemic relief funding and supported government lobbying efforts for other major Air Canada interests.

We urge Air Canada to be consistent in their treatment of YSJ as it relates to the other major New Brunswick airports and reconsider the proposed distribution of aircrafts.

Best regards,

David Duplisea CEO Saint John Region Chamber of Commerce

CC: David Rheault, VP of Government and Community Relations, Air Canada Monette Pasher, President, Canadian Airports Association