Regional Community Airports of Canada

"A national organization dedicated to promoting the viability
of Regional and Community Airports across Canada"

September 23, 2026

The Right Honourable Mark Carney
Prime Minister of Canada
Office of the Prime Minister
Parliament Hill
Ottawa, Ontario, Canada

RE: An Open Letter on the Privatization Concession of Canada's Largest Airports and Investing in a Connected and Enabling National Aviation System

Dear Mr. Prime Minister:

The Government of Canada's intent to explore concession arrangements to generate new investment and unlock the value of Canada's four largest airports represents a significant shift for Canada's aviation system. Regional Community Airports of Canada (RCAC) supports the evolution of our national airport system and supports the governments' efforts to enhance Canada's connectivity.

Internationally, concession models have found success and, depending on the structure, may also find success here. However, regional airports remain curious as to exactly how critical national infrastructure can be auctioned off and equity extracted, with capital invested and returns generated, all without increasing the cost of air travel to Canadians. And while we are confident that a solution may exist, it has yet to be established or communicated with Canadians.

Canada's current model has also been successful. Since Transport Canada began divesting airports following the 1994 National Airports Policy, locally governed airport authorities have invested over $30 billion in infrastructure and helped build a safe, modern and connected national aviation system that is sought after by investors worldwide. And although there are challenges to the current model, those challenges by-and-large are attributed to Canada's stifling user-pay model.

As the Government of Canada considers its next steps, RCAC, who represents the voice of Canada's regional airports, believes one principle must be front and centre: the value generated through Canada's aviation system should be reinvested in, not extracted from, Canada's aviation system.

As the second-largest country in the world by land area, Canada depends on air connectivity in a way few other countries do. Our communities, natural resources and economic opportunities are separated by enormous distances, and for many northern, rural and remote communities, there is no practical alternative to air travel.

Aviation connects people with communities, patients to healthcare, businesses to customers, tourists to destinations, workforces to worksites, resources to markets, and safeguards our sovereignty. Air connectivity is essential to Canada, now and for our future.

Yet for more than 30 years, Canada has largely treated aviation as a source of income. Over these three decades, tens of billions of dollars have flowed to the federal coffers. In 2025 alone, $556 million was extracted from airport ground rents, $143 million was siphoned from aviation fuel tax and $100 million pocketed in passenger security fee surpluses.

At the same time, other modes of transportation have benefited from significant public operating and capital investment. In 2025, VIA Rail received $375 million in operating subsidies and $360 million in capital subsidies – from those same federal coffers that the aviation sector contributed.

That's not what's concerning. The Government of Canada should be investing in essential national infrastructure and should be subsidizing national transportation systems and services. Investment in VIA Rail is important and provides Canadians with sustainable transportation options. But the context matters. Of the 4.4 million passengers who travelled on VIA Rail last year, 4.2 million, approximately 95 per cent, travelled within the Quebec City–Windsor corridor, where travellers have access to multitudes of transportation options.

The reality is very different across much of northern, remote and rural Canada. For many of the 15 million passengers who travelled through Canada's regional airports in 2025, air travel was not simply the most convenient option, it was the only viable option. And in some of these most northern and rural communities, aviation is not an alternative mode of transportation, it is life.

RCAC supports funding critical transportation infrastructure. We support providing VIA Rail with $735 million in operating and capital subsidies or investing $4.3 billion in new rail cars. What RCAC does not support is the inequity of operational or capital investment across Canada's transportation sector – particularly in aviation and especially between North and South.

Airports Capital Assistance Program (ACAP) is a federal safety capital funding program which was established under the 1994 National Airports Policy. Though well intentioned, ACAP has been chronically underfunded, with annual funding remaining stagnant for over 25 years. And although Transport Canada recently announced an increase in ACAP funding, the majority of this increase has been earmarked for an airport owned and operated by Transport Canada, which under the current policy is ineligible for ACAP, to fund projects which, according to Transport Canada policy are ineligible for ACAP.

It's not that aviation is a user-pay model; it's that Canada's aviation system is paying for itself and subsidizing everyone else – and the consequences are increasingly evident.

The outcome is that local governments and communities, who Transport Canada divested regional airports to, were left to fund a system it was never intended to fund, or alternatively to recover costs through higher rates and charges, paid for at the expense of national connectivity and productivity.

The result of this financial burden being shouldered by communities and air passengers alike is that regional connectivity has become prohibitively expensive to the extent that 30 communities across Canada have lost scheduled passenger service since the pandemic.

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That is alarming, particularly as Canada looks to strengthen its economy, diversify trade and reinforce northern and Arctic sovereignty. We do not extract critical minerals, harvest lumber, generate hydroelectricity or access many of Canada's natural resources in our largest urban centres. Much of that economic opportunity exists across Canada's North and in rural and remote regions.

In many of those places, the road, rail or port that connects the community to a national or global economy simply does not exist. The airport is the connection, and that connectivity across these regions is critical to advancing our national priorities.

It is RCAC's position that the value of the equity created at these four airports does not belong to the federal government for the benefit of the general coffers. It was generated though the investment of the local airport authorities and paid for though the rates and charges collected from Canada's airport users. This is not a local discussion for just these airports, this is a national discussion with repercussions reaching each airport, municipality, province, territory and passenger who operates within or benefits from Canada's vast air transportation system.

Through this national discussion brings opportunity to establish a new approach and to create a solution for air transportation in Canada. A solution that enables, not supresses, national values and priorities of equity, inclusion, growth and prosperity. A solution that addresses both operating and capital costs of Canada's national airport system and that strengthens connectivity, reduces the cost of air travel, enhances productivity, and enables generational investment – from coast to coast to coast, and not just south of the 49th parallel. At its core this discussion requires resolution in how we view Canada's national aviation system.

Critical public infrastructure is not intended to maximize profits - its role is to enable economies.

As your government charts a bold new future for Canada in this changing global economy, where connectivity is life, our national aviation policy should solve to resolve – when our immense social, economic and natural resources are spread across our vast nation, what is the most effective and productive way to connect our communities to our nation, and our nation to the world, and how do we use this moment and opportunity to create that future?

RCAC stands ready to help answer these questions and to build that future.

Respectfully,

James Lindsey

James Lindsey
Chair, Regional Community Airports of Canada

cc: Hon. Currie Dixon, Premier of Yukon
Hon. R.J. Simpson, Premier of Northwest Territories
Hon. John Main, Premier of Nunavut

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