



01 November 2022

Mr. Philippe Rainville
President and Chief Executive Officer
Aéroports de Montréal

Re: Increase of Aeronautical Charges in 2023

Dear Mr. Rainville,

On behalf of the airline members of the International Air Transport Association (IATA) operating in Canada, I am writing to express the industry's serious concern about the recent announcement at the last Airline Consultative Committee regarding the 4 percent increase in aeronautical charges, effective 1 January 2023.

The resulting cost increases on the aeronautical charges at the airport have drawn considerable attention and concern from the airline community, as this additional cost is simply untenable for airlines, especially when international traffic has not recovered. In light of these announced increases, we view it as important to work collaboratively with Aéroports de Montréal (ADM) to have the Canadian Government address the failures of the "user pay" model during the recovery of our industry. The failure to address the user pay model will result in an uncompetitive air transport system that will harm all consumers, who instead of using the airport of Montreal Trudeau, might divert to another airport that has lower fees and therefore benefit from a more attractive airfare.

In this context, we believe that Canadian airports must urge the government to review the "user pay" model to support the industry recovery, starting with a waiver of the airport rent, rather than increasing fees charged to airlines and passengers. In this regard, we note that increased volumes of passengers contribute to a reduction in fees charged by other airports in the world, for example the USA.

Although we appreciated the airline community was notified in advance of the effective date and that the Airport Improvement Fee (AIF) remained unchanged, we strongly believe that as part of the industry's recovery, it is crucial that airports play an active role in supporting the industry and the restart of travel and tourism process by eliminating or reducing taxes, fees and any other potential charge. Considering the circumstances described, we urge that you please reconsider this increase.

IATA and its member airlines remain fully committed to the continued collaboration with ADM. I appreciate your favorable consideration of this request and look forward to your response and any further constructive dialogue that could be helpful to remedy the situation.

Respectfully,

Peter Cerdá
Regional Vice President, The Americas