



NAV CANADA Proposes to Eliminate Exemption, Leaving Overall Rate Levels Unchanged

(Ottawa, June 17, 2013) – NAV CANADA today announced proposed revisions to its customer service charges, to take effect on October 1, 2013.

The Company is proposing the elimination of an exemption for certain flights from its enroute charge. Currently, flights operating between an airport with staffed NAV CANADA or DND facilities and an aerodrome that is neither staffed nor certified do not pay enroute charges. In recent years the number of flights between staffed airports and uncertified aerodromes has been increasing, and these are often operated by larger aircraft flying longer distances in support of industrial and commercial activities.

The exemption is being retained, however, for flights operating between aerodromes north of 60° North latitude. Also unaffected are aircraft receiving flat Daily charges in lieu of movement-based charges.

“This exemption, applicable to a small proportion of our overall traffic, is no longer equitable nor warranted,” said Brian Aitken, Executive Vice President, Finance and Chief Financial Officer. “This is a question of fairness for all air navigation system customers.”

NAV CANADA has not increased its overall rate levels in nearly ten years. The Company last modified its service charges on September 1, 2008 by making permanent a one per cent reduction in charges. At the same time the Company completed the phase-in of the terminal charge revised formula, which resulted in lower charges for large aircraft and modestly higher charges for smaller aircraft, changes which were revenue-neutral for the Company.

Charges have been held constant since, despite a significant downturn in traffic levels in 2009 and sluggish growth since then, including two years of traffic declines. Overall, charges are only five per cent higher than they were when fully introduced 14 years ago.

“A continued focus on cost control and productivity improvements, consistent with safety, has allowed us to maintain customer service charges that are among the lowest in the world,” said John Crichton, President and CEO. “This will still be the case.”

The proposal also includes revisions to the Company’s credit terms and conditions.

These proposals are subject to the mandatory notice and consultation period required by legislation. Input received during the consultation period will then be reviewed by the Company’s Board of Directors.

Details of NAV CANADA's proposed revised service charges are available at the links below:

[Notice of Revised Service Charges](#)

[Details and Principles Regarding Proposed Revised Service Charges](#)

NAV CANADA is the country's private sector civil air navigation service provider. With operations from coast to coast to coast, NAV CANADA provides air traffic control, flight information, weather briefings, aeronautical information services, airport advisory services and electronic aids to navigation.