

BUSINESS & ECONOMY

New task force to seek aid for struggling airport



Saint John Airport CEO Derrick Stanford says that so far there has been no meaningful federal program to help airports through the COVID-19 crisis.

Photo: Brian Comeau/Submitted

🕒 Published 15 hours ago



Emma McPhee | Telegraph-Journal

SAINT JOHN • Facing a \$3.5-million loss for 2020 with no respite in sight, the Saint John Airport is turning to a task force to help survive the financial fallout of the COVID-19 crisis.

The Saint John Region Chamber of Commerce has created an advisory committee to help shape lobbying efforts on behalf of the airport as it seeks federal programs to stay afloat.

"Every day that's open, we lose money, and we never close," Stanford said. "We've got \$1.3 million in expenses. There's not much left to do to try to save money for the airport and continue to offer this service."

Currently, the airport is serving private charters, medevac and one flight per day to Montreal via Air Canada.

In June, Air Canada announced it was delaying starting up some of its regional flights indefinitely, including the Saint John-Halifax flight. Porter has delayed the restart to its regular route until at least the end of August, and Flair Airlines has delayed its launch in Saint John until the end of October.

In an attempt to mitigate the revenue loss, the airport has already laid off 40 per cent of its workforce, Stanford said, and has scrapped its capital plan for 2020 and 2021. The airport is now turning to federal aid as a final resort.

Stanford said the two main obstacles for the airport are no meaningful federal programs for airports, and restrictive provincial borders.

The task force, a group comprising 15 entities of both large and small businesses, will work to advance the voice of the Saint John Airport to the federal government. The committee's first meeting is on Thursday.

The airport is looking for access to low- to no-interest loans, the elimination of airport rent for the remainder of the lease, and making airports eligible for bilateral infrastructure agreements. The task force will also be asking provincial influencers to relax the 14-day isolation period for travellers from the rest of Canada, said David Duplisea, CEO of the Chamber.

"Without assistance from the government, it's going to be a fairly bleak outlook for recovery and growth in our region," Duplisea said.

The Saint John Airport isn't alone in its struggles, Stanford said. Across the country, airports are dealing with reduced flights or none at all. In Atlantic Canada alone, traffic is down by 96 per cent, with 2.1 million fewer passengers in April to June, according to data from the Atlantic Canada Airports Association.

The association anticipates a decline of 70 to 80 per cent of traffic for 2020 – a total of 5.5 million passengers. It projects a loss of \$140 million in revenue.

The estimated economic impact of cancelled service for the region is about \$35 million, Duplisea said.

As well as the Saint John Airport's task force, the province has started up a task force of its own to address the issues facing all of New Brunswick's airports. So far, the provincial committee has met twice, Stanford said.

"The province is helping us explore what programs we may be eligible for," Stanford said. "The province is also escalating our voice to the federal government."