

**NACC Appearance at the House of Commons Standing Committee on Transport,
Infrastructure and Communities**

**Review of the Canadian Transportation Safety Regime:
Dangerous Goods and Safety Management Systems**

June 3, 2014

Check Against Delivery

Good morning and thank you to the committee for the invitation to appear today as part of the review of the Canadian transportation safety regime. We genuinely appreciate the opportunity to discuss our experience with transportation of dangerous goods safety and the implementation of safety management systems – or SMS – in relation to aviation in Canada.

My name is Marc-André O'Rourke and I am the Executive Director of the National Airlines Council of Canada – NACC – an industry association that represents Canada's largest air carriers: Air Canada, Air Transat, Jazz Aviation LP and WestJet.

Nous promovons des déplacements aériens sûrs, durables et compétitifs en collaborant avec le gouvernement et les intervenants de l'industrie pour promouvoir la mise en place de politiques, règlements et lois qui soutiennent le système de transport de calibre mondial essentiel à la croissance économique et à la prospérité de notre pays.

Many of our activities are undertaken by our subcommittees which represent the combined expertise of our member carriers. Our subcommittees, namely Safety, Flight Operations and Maintenance and Engineering work together to maintain and enhance world-class safety standards at NACC member airlines. Given SMS's systematic approach, it is important to note the collaboration and information sharing between all areas of airline operations – from the actual operations to all support functions. SMS is not only the concern of the Safety departments, it is a shared responsibility.

Today, I'm joined by representatives of our safety subcommittee who will share their expertise with you in a few minutes. [*Introduce Sam Elfassy, Senior Director, Corporate Safety and Environment, Air Canada, Capt. Scott Wilson, Vice President, Safety, Security and Quality, WestJet, David Deveau, Vice President, Safety, Quality and Environment, Jazz Aviation and Capt. Jacques Mignault, Senior Director, Safety, Quality and Security, Air Transat*]

NACC member airlines directly employ 43,000 Canadians and carry more than 50 million passengers annually. Together, our members serve more than 60 Canadian communities and represent 87 percent of the domestic traffic market share and 64 percent of total airline traffic in Canada.

Most importantly, our members' deliberate and unwavering commitment to safety is engrained in everything they do. Nothing is more important to our members than delivering passengers safely to their destination.

Aviation is the safest mode of transport. Today, modern aviation is safer than ever before. This achievement is not the work of chance, but is the result of a comprehensive and systematic approach to safety taken by industry stakeholders at all levels.

To NACC's airlines, safety is not just a matter of following the rules. Safety is about proactively managing risks and hazards that go well beyond minimum requirements established by civil aviation authorities. Safety is the foundation that underpins the way the airline business is run.

NACC carriers have embraced the principles of Safety Management Systems and embarked on a journey which brought about significant and meaningful enhancements to the safety culture that already existed in the industry. It is important to note that SMS is internationally recognized by the safety and aviation communities as the most advanced approach to managing safety available.

At the outset, I think it is important to take a minute to describe what SMS really is. A Safety Management System (SMS) is a holistic approach where policies, processes, and systems are used to identify and mitigate or eliminate safety hazards and risks. It means every activity an airline engages in - whether it be flying an aircraft, servicing engines, or any of the thousands of steps it takes to get you from point A to B - is designed in a way that eliminates or reduces the potential for errors or accidents.

Today, I can state unequivocally that transformation towards an improved safety culture has taken place at all levels within our member airlines – front line employees, managers, and the most senior ranks of our members are fully engaged. A company-wide commitment to safety and accountability is a hallmark of the SMS framework.

I would like to be very clear about the fact that the implementation of SMS does not mean that airlines are policing themselves with no government inspector or oversight. SMS is a partnership whereby airlines are required to implement more sophisticated oversight systems than ever before.

No one within the aviation industry is advocating that the oversight and continued surveillance functions have become redundant. On the contrary, we believe that certification and oversight surveillance activities are essential parts of Transport Canada's mandate. In fact, under an SMS approach, Transport Canada oversight is much more rigorous and meaningful.

SMS adds a layer of safety to what is already one of the safest industries in existence. SMS increases oversight by utilizing ever more sophisticated risk management techniques, including enhanced two-way safety communication and data trending, to uncover potential safety hazards. It is applied on top of all the existing safety and quality tools.

The SMS process is not just a general review of procedures and data – as has been suggested by some – but includes digging into specific safety issues to find evidence of what has been done to address these issues. Airlines must show Transport Canada evidence that they have identified root causes, took corrective and preventative action and verified the effectiveness of any mitigation measures. SMS seeks to find unknown risks, which is far beyond what regulator on-site inspection can ever do.

However, for oversight to remain effective, it too must evolve. The goal of SMS is to move to a proactive state of safety, a more assertive role in which the operator collects and analyzes data to understand hazards and the safety barriers needed to avert possible negative outcomes.

Any suggestion that air travellers have been exposed to higher risk as a result of the implementation of SMS are completely irresponsible and unfounded. It bears repeating that safety is of the utmost

importance for NACC carriers and the individual and collective safety records of our members speak for themselves.

I'd like now to turn briefly to the issue of dangerous goods, because I know it is also a focus of the committee's review. As with other modes of transport, the transportation of dangerous goods by air is governed by the Transportation of Dangerous Goods Regulations.

These regulations incorporate by reference the International Civil Aviation Organization Technical Instructions for the Safe Transport of Dangerous Goods By Air (ICAO TI's), which establishes the rules for the safe transport of dangerous goods by air both within Canada and internationally. It is important to note that the air transportation of dangerous goods is highly regulated by robust and sophisticated international standards.

The aviation industry is committed to the proactive and continuous improvement of its standards, processes and training requirements with respect to the transport by air of dangerous goods. NACC's members are actively involved in ongoing revision and updating of the ICAO TIs.

Pour finir, je tiens à réaffirmer que la sécurité est une priorité absolue pour le CNLA et ses membres. Nos transporteurs continuent de s'engager fermement envers les SGS, parce que nous savons que la sécurité aérienne ne peut être assurée que grâce à une vigilance permanente. Bien entendu, nous sommes prêts à collaborer avec Transports Canada, ce Comité et autres intervenants pour assurer une excellence continue dans la sécurité aérienne au Canada.

I would now like to give an opportunity to members from our safety subcommittee to briefly introduce themselves. As you will see, we have brought with us today representatives that are best placed to discuss issues dealing with SMS implementation and the transportation of dangerous goods at Canada's four major airlines.

Thank you.