



Notes for an Address

By

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Chairman of the Board

NAV CANADA

Annual General Meeting

Ottawa, Ontario

January 13, 2016

Good afternoon, everyone.

On behalf of NAV CANADA, welcome to our 2016 Annual General Meeting.

To our guests from out of town, thank you for joining us.

In my three years as Chair, I have come to appreciate the important role NAV CANADA plays in connecting the world and supporting the freedom to travel.

If we visualize a globe criss-crossed by flight paths, we have some idea of how aviation helps to unite the world by connecting its many regions.

Of course, there are far too many flights each day to visualize, but these tens of thousands of flights connect people, families, businesses and nations, making all of us global citizens.

NAV CANADA people are keenly aware of their contribution to this essential global industry.

They understand that modern aviation is a shared effort that requires strong, seamless connections linking everyone involved.

That's why connections are the theme of this year's annual report.

Connections and collaboration are built into the foundations of NAV CANADA, now approaching its 20th anniversary.

We can thank our recently retired President and CEO, John Crichton, for drawing on these connections in laying the foundations of NAV CANADA.

It was his vision that brought the stakeholders of the air navigation system together to share in its oversight, and the NAV CANADA model has stood the test of time.

John also saw the value of global, space-based air traffic surveillance and championed the Company's investment in our joint venture, Aireon.

I am pleased to say that John has accepted the invitation of the NAV CANADA Board and Neil Wilson, our new President and CEO, to become Aireon's Chair.

I am also pleased that John is in attendance at this annual meeting, and I ask him now to stand and be recognized.

John, don't go away because we will have a few more words to say about you before we conclude the formal part of this meeting.

All of the Company's efforts are in the service of safety, and here again connections are key.

For example, NAV CANADA is the only aviation organization that shares a Safety Oversight Committee with Transport Canada, our safety regulator.

We value our close connection with Transport Canada and consider it a partnership dedicated to improving the safety of the air navigation service.

We also maintain close connections with our industry partners, and these strong relationships help us to exchange safety information and work together to mitigate safety risks.

Fiscal 2015 saw the Company continue its outstanding safety record, especially as measured by a key safety benchmark – the rate of IFR-to-IFR losses of separation.

The five-year moving average was 0.75 per 100,000 aircraft movements, keeping NAV CANADA in the top decile of major ANSPs.

We anticipate that our Aireon joint venture will make a significant contribution to global aviation safety and efficiency.

Its satellite-based technology will deliver near real-time aircraft position updates for suitably equipped aircraft, wherever they fly.

This includes, for the first time, aircraft flying over oceans and remote regions not covered by radar.

The Aireon project is on track to go live in 2018.

Connections among the people who deliver our services are also critical to safety and to our successful operations.

These connections foster effective teams comprised of people who learn from one another, share insights and grow together to continuously improve safety and service.

We see the strength of these connections among colleagues and between individuals and their communities during the Company's annual recognition program, Points of Pride.

This year, it was again my privilege and pleasure to present Chairman's Awards to ten outstanding individuals at National Awards Night 2015.

John Crichton was given a Chairman's Award for his outstanding contribution in all facets of our operations and for his community service.

The nine other very worthy winners were:

- Anne Breen,
- Tej Dhaliwal,
- DJ Moon,
- Derek Yakielashek,
- Dean Gallop,
- Bridget Terpstra,
- François Bisailon,
- Will Johnston,
- and Debbie Purkiss.

I understand that some of you are with us today, and I ask you to stand up now and be recognized for your achievements.

Because NAV CANADA people have strong connections to their communities, the Company is proud to support their efforts to give back.

Over the past year, we increased the amount of matching dollars available for employee charitable fundraisers across the country, while moving from a national company-driven campaign to local campaigns.

This change has been embraced by employees in every Flight Information Region, with a wide range of local charities benefitting from their fundraising efforts.

Our people supported hospital foundations, Hope Air, food banks, missions for the homeless, search and rescue, and a host of activities to fight the devastating inroads that cancer has made on the health of family members and friends.

NAV CANADIANS understand the importance of a strong, connected community and we are proud to be able to support their efforts to 'make it better'.

NAV CANADA is also strongly connected to the world of business and finance.

As a private-sector, non-share capital corporation, we receive no government funding.

We charge for our services, raise money in the debt capital markets, and invest in our infrastructure.

And, like other private-sector companies, we must balance our budget.

The Company's strong financial performance in the last fiscal year was the result of practiced fiscal discipline and the efforts of all our employees to maintain our global industry leadership.

The combination of revenue growth and effective cost control allowed the Company to keep rates stable, as it has for 11 years.

Customer service charges today are, on average, just five per cent higher than they were in 1999.

That is 32 percentage points less than the change in the Consumer Price Index over the same period.

Clearly, there is a strong connection between the state of the global economy and the health of the commercial aviation industry.

We continue to manage with an eye on potential economic and geopolitical instability.

With falling oil prices, a weakened Canadian dollar, and uncertainty about the global economy, the Company will continue to maintain fiscal discipline.

In closing, I want to express the Board of Director's gratitude, appreciation and best wishes to John Crichton on his retirement.

As the architect of this unique organization, John can take credit for its success over 19 years and its reputation as a world leader in safe, efficient and cost-effective air navigation services.

He would be the first to say that credit must be shared with all NAV CANADA employees, past and present.

The Board agrees and recognizes NAV CANADA employees as the backbone of the Company.

I also want to welcome our new President and CEO, Neil Wilson.

Neil was formerly Executive Vice President, Administration and General Counsel.

He joined the Company in 2002 following a career at a major Canadian law firm, where he was very much involved in establishing NAV CANADA.

The Board is confident that his experience and leadership are what NAV CANADA needs to build upon the strengths created during its first 20 years, and to thrive in the decades to come.

Finally, before I conclude my remarks, I would like to express my appreciation to departing Director Gary Fane, for his excellent service on the Board of NAV CANADA. The NAV CANADA Bargaining Agents Association has elected Umar Sheikh to take Gary's place.

In addition, I am pleased to note that the Government of Canada has elected Michelle Savoy to fill the Board vacancy left by the departure of Jim Gouk.

Umar and Michelle, I would like to offer you both a warm welcome.

For our new Board members and for everyone here today, I want to emphasize that the key to this Company's progress – and the secret of the NAV CANADA model – has been to tap the talent, initiative and enthusiasm of our people to power the Company.

By working together, by creating and sustaining strong connections with aviation colleagues and customers, they will continue to drive our efforts to be the world's most respected air navigation service provider.

Thank you – merci beaucoup.