Canadian Air Transport Industry

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Federal Legislation

1.1 Background

The government was responsible for operating the airports in Canada before 1994. The National Airport Policy then privatized the airlines, which resulted in the deregulation of the industry. The airports at national or territorial levels were responsible for carrying 200,000 passengers across the country. Canadian air transport industry transformed from single seller monopolistic firm (Trans-Canada Airlines) to a virtually deregulated industry. The growth in demand for air carriers during the 1970s played a significant role in bringing the change. The evolution of the industry was the result of increased competition and high domestic demand. Another factor that resulted in the evolution was the deregulation of the US airline industry (Bruno, 2015). The National Transportation Act (1987) remains one of the prominent events that contributed to the growth of the aviation industry. The economic regulations of the 1970s acted in favor of the competition, allowing more companies to enter in air transport industry. Air Canada Act operated under principles of due regard to sound business and contemplation of profit. The Air Canada Act emerged after removing various restrictions on the transcontinental services provided by the CP air carrier. Deregulation in the US during 1978 also influenced the air aviation industry in Canada. Domestic Air Carrier Policy in 1982 emphasized continuing regulations with the aim of increasing competition. Liberalizing air transport allowed carriers to compete on routes across Canada. The policy allowed companies to offer air travel across broader areas (Clougherty, Dresner, & Oum, 2001). Changes in the legislative framework occurred in 1985 under the title of 'Freedom to Move.' The National Transportation Act was responsible for the sweeping changes in the industry. The main changes during the period include a decline in economic regulations and increased reliance on market forces for achieving competitive prices and broader services. The legislation opened an opportunity for all new entrants who fulfilled the criteria of fit, willing and able. The requirements emphasized adequate liability insurance coverage for the carriers becoming part of the air travel industry. The legislation also focused on public convenience and necessity that instructed companies to enhance service and quality (Kaps & Phillips, 2004).

The Federal Minister of Transport takes care of the matters related to aviation in Canada. To govern aviation, the minister uses the principles of the Aeronautics Act and the Canada Transportation Act (CTA). Canadian Aviation Security Regulation (2012) has a vital role in governing civil aviation. Canadian Aviation Regulations (CARs) regulate the certification of air carriers and airports under operational standards. The licensing of aviation personnel and accreditation also work under the CARs. The regulation of CARs is also involved in designing operational standards. Measures regarding screening of passengers and safety requirements for aircraft are the responsibility of the Canadian

Aviation Security Regulations. The minister of Transport has the responsibility of dealing with the issues related to the federally regulated modes including air, marine, and rail. The Minister also takes an active role in making decisions regarding aeronautical authority and quasi-judicial tribunal under the power of the Supreme Court (ICLG, 2018).

1.2 Operating license

The airline companies need operating licenses, as mentioned by CTA in section 57. The law does not allow companies to operate unless they hold a license. Under section 59, the companies cannot market or sell in Canada without a license. The agency is responsible for issuing a license for both domestic and international services. The carrier applies to the initial stage for obtaining domestic and international schedule and non-schedule services. The companies cannot operate at national or international levels when they do not hold a license. Section 55 of the CTA mentions, "a Canadian citizen or permanent resident within the meaning of section 2(1) of the Immigration and Refugee Protection Act, a government in Canada or an agent of such a government or a corporation or other entity that is incorporated or formed under the laws of Canada or a province that is in fact controlled by Canadians" (ICLG, 2018). The company giving airline services needs to have possession of Canadian aviation documents, one of the necessary conditions of the license. Prescribed liability insurance is another prerequisite, depending on the service carrier. The entities need to fulfill the financial requirements for operating. Non-Canadian carriers are allowed to hold the license only when the Minister allows them and also, it is in the public interest. The agency does not allow a foreign entity to hold a license when it is against the public interest (ICLG, 2018).

The conditions that allow non-Canadian carriers to hold licenses include the following;

- The foreign government designates the entity to operate internationally, and it holds a license for carrier operations.
- The entity fulfills the conditions of a bilateral agreement, allowing it to operate at the international level.
- The document that foreign government issues must be equal to schedule and non-schedule international service licenses.
- It must hold the Canadian Foreign Air Operation certificate.
- Prescribes liability insurance is also mandatory for foreign carriers.

1.3 Legislation of air safety

Transport Canada takes a keen interest in the air safety of carriers and ensures that the airlines provide secure and safe travel to the passengers. The Aeronautics Act remains the central authority taking care of the safety measures and all decisions that maximize passengers' safety. Canadian Transportation Accident Investigation and Safety Board Act (CITAISB) plays a vital role in eliminating the risks of hazardous effects or accidents. Canadian Transportation Accident Investigation and Safety

Board (CTSB) passes regulations and establishes principles that control the adversities related to the airlines. CTSB acts as an independent agency and is involved in conducting investigations that uncover safety-related issues and security deficiencies. The agency makes recommendations to Transport Canada regarding the weaknesses of carriers and suggests areas needing attention. TC acts on the suggestions of CTSB and attempts to eliminate them in the best possible manner. Canadian Criminal Code prohibits airline companies from engaging in unsafe practices or neglecting safety standards. The entities, national or international, commit offenses when they are unable to operate according to the safety conditions. Heavy fines and imprisonment are common penalties for the offenses. In Canada, the legislature does not regulate air safety separately for commercial, cargo or private carriers. Each carrier has to follow similar rules and regulations to operate in the air industry. However, the legislature regulates charters separately for commercial, cargo, and private carriers. The regulation of terms and conditions is under the control of Air Transportations Regulations (ATRs) and CTA. The conditions remain the same for international and charter carriers (Clougherty, Dresner, & Oum, 2001).

1.4 Legislation of limitations

The legislature reserves domestic carriers in case of transportation of goods and passengers carried between two points in Canada. Canada-US Open Skies allow international cargo services to operate at any point between two countries. The taxation legislature gives relaxation to the international carrier, operating in Canada (Clougherty, Dresner, & Oum, 2001). They are not restricted from paying Canadian income tax because they have origins in the US or other countries (Bruno, 2015). The carriers use grants of home jurisdiction to avail relief in Canada. Similar conditions hold for customs duties, taxes or inspection fees. The Canadian legislature provides relief to the international carriers in case of;

- Baggage cargo, mail, aircraft, regular equipment and spare parts, including oils, fuels, lubricants, and engines.
- The exclusion also includes maintenance and repair fees.

1.5 Imposition of conditions on flying carriers

The airports also impose restrictions on the flying carrier. The main features include;

- Landing payment and parking fees vary according to the airport authority.
- Pre-security fee for operating carrier.
- Security deposit used for the provision of financial security including letter or credit and pre-payment of aeronautical charges.
- The carrier is also responsible for paying airport improvement fees from the fees collected from passengers.
- Executing agreements, leases and licenses for airport facilities are also part of the legislature.

- The introduction of new services and destinations qualifies for a reduction in tariffs and fees from the airport authority.

1.6 Legislature of air accidents

CTAISB is the responsible authority for taking control of the accidents and other incidents associated with air travel. The agency restricts carriers to report incidents on an immediate basis. The carrier is responsible for the mishap when a person sustains injury or death resulting from the fault of the carrier. The conditions of a penalty apply to any carrier when the passenger becomes a victim of the jet blast or comes into direct contact with the jet. The carrier is responsible for causing harm or damage to the passenger. The carrier is also faulty when the passenger becomes a victim of rotor downwash or propeller wash. Air operator emergency response is also mandatory for air carriers. Cars make it compulsory under section 705 (2)(1) that the air carriers need to notify the accident controlling agency about the incident. The section emphasizes that the carriers must develop an emergency response plan that allows the staff to act in the best possible manner when they perceive risks. The carriers are responsible for the welfare and crew and passengers and taking adequate measures that minimize the risks of accidents or mishaps. CARs restrict carriers from conducting investigations and uncovering the factors responsible for the incident. The investigation involves assessing the response of the air operating team against site accidents. Preservation of evidence related to the incident is also the responsibility of the carriers. They must provide information regarding claims and insurance procedures. The carriers engage in providing adequate training to the staff for acting in emergency situations (ICLG, 2018).

1.7 Legislature on aircraft trading, finance, and leasing

Ownership registration is a prerequisite for the Canadian Civil Aircraft Registry to contain proof of registry. CARs in sections 202.13(2) and 202.35 emphasize that each entity and individual must have legal custody and control of the aircraft. The aircraft operating in Canadian territory must be registered in the country. The aircraft cannot operate if it lacks a registry, as the controlling authority does not give permission. The Canadian Civil Aircraft Register obtains proof of legal custody and control of aircraft registered in Canada. Without legal ownership, the aircraft cannot operate in the country (ICLG, 2018).

1.8 Legislation on mortgages

A national registry for maintaining records of the security interest does not exist, while a Personal Property Security Act (PPSA) operates in nine provinces. PPSA has a vital role in providing Moveable Legal Rights to carriers of all kinds after confirming that the entities fulfill safety requirements. The Civil Code of Quebec identifies the necessary conditions of security that protect the passengers and their lives. In the case of the Cape Town Convention and Protocol, Canada is contracting the state, leading to the enactment of the International Interest in Mobile Equipment Act (ICLG, 2018).

1.9 Financer needs

The financer needs awareness of aircraft operations, while carriers cannot operate without a national registry in the region. The security interest is important for the aircraft in each province and territory (TC, 2018).

1.10 Tax legislature

The acquisition and deposition of aircraft involve tax consequences when the owner of the aircraft wants to resale it. The seller has to pay value-added tax when he intends to sell the aircraft. The craft owner individual or corporation needs to pay taxes according to t the jurisdiction. The purchase of aircraft and its use for business activities depicts the need for paying taxes. The tax jurisdiction emphasizes deducting capital cost allowance after considering the capital assets of the company. The subsequent sale of aircraft also makes the owner liable for paying taxes on the selling price and underappreciated capital costs. Common taxes that the entity is liable for paying include Goods and Services Tax (GST), provincial sales tax (PST), Quebec sales tax (QST) and harmonized sales tax (HST) (TC, 2018).

1.11 Litigation and dispute resolution

It uncovers the remedies available to the creditors under the Canadian law. The jurisdiction emphasizes statutory rights to apply at senior court. Section 9(1) of Airport Transport ensures that the owner obtains an order from the court. The financier of aircraft has the option available for self-help that varies according to the territories. The courts provide the option of the true lease to the lessor for retaining the service of bailiff and seizing aircraft according to the conditions of the lease. Canadian aviation does not designate courts for the handling of disputes in Canada. The Supreme Court does not set monetary limits or claims. Federal courts hold more power in resolving the disputes that arise in the case of carriers of aircraft owners. The service requirements change according to the courts of provinces and levels (ICLG, 2018).

1.12 Jurisdictions for Remedies

The courts in Canada provide different jurisdiction remedies to the defendant who suffers loss or damage. When the party who claims damages proves the responsibility of the aircraft, the court imposes penalties on the owner, individual or corporation. The successful party recovers some expenses that allow them to cover losses involved in the lawsuit. The expenses cover the losses faced by victims in the form of full reimbursement, disbursement and expert fees. In the case of legal tariffs, the fee is also applicable under jurisdiction. The law offers remedies on an interim basis involving injunctions that refrain the party from performing certain acts, such as freezing assets and interim judgments. The commercial agreements contain terms that parties require for proceeding to arbitration for resolution of disputes arising under the agreement. Parties in disputes incorporate provincial legislation into the agreements for establishing an appropriate forum for arbitration leading to quasi-judicial powers responsible for final and binding decisions. Arbitration grants interim relief when justified, while arbitrations award injunctive relief. Under common provincial laws, the lower or tribunal court holds the power to hear the appeals. Leave to appeal is not mandatory in the case of ordinary appeal (ICLG, 2018).

1.13 Jurisdiction for commercial and regulatory issues

The Commissioner of Competition has the responsibility of viewing issues related to joint ventures and alliance agreements. The Competition Act emphasizes eliminating anti-competition practices that add to the power of a few sellers. Jurisdiction sets conditions for an alliance between two or more airlines. The proposed legislation allows joint ventures to coordinate items for scheduling and pricing certain routes. The proposed legislation involves the provision of notice to the Minister of Transport and Commissioner of Competition. The assigned authorities take notice of the issue and follow the drafted guidelines (CABAA, 2015).

General Aviation Industry

2.1 Defining the general aviation industry

General aviation indicates small aircraft with 2 to 18 seats that are ideal for Canada. The idea of small jets is more useful for countries like Canada due to the presence of many towns and communities. The aviation industry in Canada represents a strong history as the industry developed significantly throughout the years. Federal legislation does not provide an official definition of general aviation. The traditional definition of general aviation according to Canadian Owner-Pilot Association (COPA) is, "an umbrella term used for all civil aviation operations that are not scheduled air services, or unscheduled air services for hire." Military or air operations are not part of general aviation; it also excludes air cadets who acquire training on general aviation aircraft. General aviation involves huge airplanes, pilots, and operations. Aviation has a direct impact on the economy and employment. It emphasizes improving workers' productivity, enhances customer service and improves supply chain operations. Another definition of general aviation states, "Business aviation may be perceived as a corporate prerequisite for executives who want to avoid commercial airlines. This perception, however, incorrectly misses the many uses of aircraft to meet the needs for fast, flexible, safe, secure and cost-effective access to small and remote destinations that may be impossible to reach by commercial air and even ground transportation" (CABAA, 2015).

2.2 Aircraft in Canada

The aircraft industry in Canada operates throughout the country, while the majority exists in British Columbia, Alberta, Ontario, and Quebec. There is a concentration of membership in provinces and territories. Aviation businesses have a profound role in the aviation industry, including the conduction of operations. The ATRs and CTA allow air carriers to provide air services after acquiring a license from the Canadian Transportation Agency (Bruno, 2015). The list of services identified by general aviation under section 56 (1) of CTA includes;

- Air advertising services
- Aerial reconnaissance and survey services
- Air fire-fighting and sight-seeking services
- Aerial weather and spreading services
- Air cushion vehicle services
- Air inspection and construction services
- Air flight training services
- Air spraying and forest management services
- Aircraft demonstration and gilder towering services
- Services for retrieving human organs

2.3 Private and commercial sectors

The general aviation industry involves both private and commercial operations. The statistics for 2016 reveal that the number of registered general aircraft in Canada is 32,329. The identified aircraft weighs below 12,500 lbs. General aviation defines the aircraft are capable of holding private, state or commercial registration. Private registration is for individual, recreation and employee transportation. The main purpose of private registration is for the use of business. Commercial registration is for people or corporations who operate under the Air Operator Certificate (AOC). The aircraft needs to fulfill regulatory standards to meet operational needs. Government aircraft require state registration. The facts depict that in the general aviation industry, 83% of aircraft operate under private registration. Only 15% of aircraft enjoy commercial registration and 2% state registration (CABAA, 2015).

The general aviation industry promotes sustaining public infrastructure and making airports powerful engines of growth for the country. Municipalities take an active role in administrating airports. The airports do not handle scheduled and non-schedule services but rely on providers of air service such as flight schools and small aviation businesses. Airports, in many cases, rely on private aviation to ensure the sustainability of the balance sheet. The general aviation industry is one of the significant contributors to the economy as it affects GDP. The statistics released by COPA regarding general aviation identify 18.510 direct operations of aircraft, providing full-time employment to the huge population with wages estimated at $1.4 billion. The business operations of the aviation industry contributed $2.2 billion to the GDP in 2016. The economic output generated from the industry is $5.4 billion, which contributes to the national economy. The general aviation sector provides substantial tax revenues to governments at different levels, constituting approximately $539 million. The majority of taxes (69%) were collected by the federal government, estimated at $371 million. The employers and employees associated with the aviation industry pay taxes in different forms, including personal income tax, employment tax, and corporate income tax. The tax collected from the aviation sector also contributes to CPP. The total tax amount received by the provinces and municipalities constitutes $154 million and $14 million (Kaps & Phillips, 2004).

The general aviation industry plays a vital role in economic stability and growth as CABAA identifies direct impact factors, including increased employment. The sector employs 11,500 people each year, which contributes to the economic output of $3.2 billion annually. CABAA determines the strength of the aviation industry as it mentions, "the ongoing operations of business aviation in Canada annually generate an estimated 11,500 direct person-years of employment, with employees earning approximately $810 million in wages and salaries" (CABAA, 2015). The annual taxation impacts also uncover the positive side of the aviation industry. The federal government collects 68% of the total revenues from the aviation industry, while the share of the provincial government is 30% and the municipal government is 2%. The facts indicate that general aviation remains the prominent contributor to the country's strong financial standing (CABAA, 2015).

Airline Certification

Transport Canada issues airline certificates to the aircraft and carriers that ensure that the commercial air companies comply regulations of the aviation industry. The carriers need to apply for the certification. The aviation inspector investigates that the applicant's operations follow the standards of the industry. The initial step involves applying for the air service provider that initiates the investigation of the operational capacity and financial stability. The issuing of the certificate depends on the worthiness of the airline, licensing and personal training, crew and flight manuals and scheduled point of service. Canadian Aviation Regulation (SOR 96-43) defines the criteria for regulations and activities of aeronautics. The company's aviation facilities, proposed facilities, and personnel must meet the standards defined by the agency. Canadian Aviation Regulations highlight the requirements for attaining certification (Bruno, 2015).

3.1 National Aircraft Certification

The certification allows aircraft to operate according to the standards presented by the Transport Company. Certifications are perquisites for aircraft designs, avionics, and structures. Certification is crucial for the company for electrical and mechanical systems. Aircraft pursuant obtain certificates for equipment and power plants (CAC, 2011).

3.2 Responsibilities

The certificate defines the responsibilities of the aircraft owner, individual or corporation, as follows;

- Promulgating functional direction for carrying operations in Canada.
- Conduction of certification and safety in case of foreign aircraft operator.
- Conducting inspections, including in-flight and operator-based, confirming that the entity fulfills the certification requirements.
- Drafting of directions for air service that complies with the conditions of NAFTA.
- Approval for overflights and technical landings in case of foreign commercial aircraft that do not obtain a Canadian Foreign Air Operator Certificate (FAOC).
- Communications with foreign civil aviation authorities and coordinating with Canadian departments and agencies.
- Involvement in seminars and working group activities that have a direct impact on the training and education of personnel.
- Provision of assistance requested under foreign civil aviation authority.

3.3 Aeronautics Act of CAR

The Act sets the conditions that the aircraft corporation needs to comply with to attain the certificate. The Act mentions, “no person shall operate an aircraft in Canada unless the person complies with the conditions in a Canadian foreign air operator certificate issued to that person by the Minister under Section 701.07.” (TC, 2018).

3.4 ICAO

The certification demands that the aircraft corporation has competent staff that is capable of operating efficiently and taking timely decisions. ICAO standards ensure that the staff fulfills the credentials and has adequate training and skills for performing airline operations. It also states that the aircraft must be maintained according to the defined standards. The transportation industry and licensing state that obtaining a license from a transportation agency remains one of the challenging tasks of the process, involving a clear investigation of the aircraft and the equipment (TC, 2018).

3.5 Foreign air operator certification

Minister issues the terms and conditions of FAOC that the foreign air operators need to comply. The chief and foreign inspection division is responsible for discharging the responsibility. Foreign inspection division mandate remains an essential part of exercising responsibility (Kaps & Phillips, 2004). Fulfilling Aeronautics Act and CARs allow the operator to fulfill the requirements of certification. The foreign inspection division mandate exercises responsibility delegated to the chief of the inspection division. The ICAO convention emphasizes other people's right to regulate aircraft (TC, 2018).

3.6 Certification process

The applicant goes through the certification process that starts with the submission of the application according to the directions contained in the letter. The letter identifies that the applicant completed the documentation (Kaps & Phillips, 2004).

Inspection requirements

The application receives a certificate only when the inspection turns in favor of the aircraft authority. Necessary documents include;

- Certificate of competency issued after Civil Aviation Authority's approval.
- Issued copy of the operator's authority by the state, allowing aircraft to provide air service.
- Complete details of the company's operational manual.
- Approval page for minimum equipment list.
- A certificate of airworthiness confirms that the company is capable of engaging in safe operations.
- Certificate of registration that allows the company to operate in Canadian territory.
- Certificate of maintenance ensuring that the applicant has safe and functional aircraft and equipment capable of carrying passengers safely. It gives information about the maintenance checks.
- Certification charges and cost recovery details.

3.7 Inspections

Inspections remain one of the challenging and important phases of the certification process. In this phase, the applicants are subject to operations and maintenance. Inspection starts as CAA receives the notice. Inspection covers the areas of flight operations, cabin safety, and aircraft maintenance. All inspections are conducted depending on the cost recovery of the applicants (TC, 2018).

3.8 Role of CAA

CAA has a vital role in the process of investigations as the suggestions influence the decision of awarding certification. In this step, the standards and procedures lead to the certification of national operators. It confirms the maintenance of oversight programs and approvals for national operators to conduct air services (ICLG, 2018).

3.9 Safety oversight

FOAC holders are capable of conducting operations in the airline industry as they meet the required standards. The risk management process reveals possible risks associated with the operating authority (TC, 2018). Common risk identification involves;

- Evidence related to unsafe operational practices that exhibit weaknesses of the company.
- Issuing a letter to the FOCA authority after advertising safety deficiency. Highlighting the remedial actions in the document. The foreign inspection division has the authority to suggest future actions. Surveillance activities are part of the investigation process.
- Taking actions against foreign air operators involving conditions related to the FOCA suspension or other flaws. It can also result in the cancelation of FOCA.
- When the pursuant faces threats to safety, he can detain the aircraft. The company, in such cases, needs to notify the registry (TC, 2018).

International Aviation

Canadian aviation has a strong presence in different countries, including America and the European Union. Air transport is involved in trade activities between Canada and other leading countries of the world. The association with different countries adds to the resources of the country. Safety, security, and efficiency remain prominent features of Canadian international aviation, making it one of the most developed in the world. Innovation and technology allowed the aviation authority to expand its business and operate in other parts of the world (Bruno, 2015). The Canada-US binational corporation allows Canada to conduct air business in the partner country. The operations in America improved the international standing of Canadian aviation due to the provision of quality service. It manages to compete with the other aviation internationally. The facts depict an increase in the number of airports by 27 percent in 2009, depicting the impact on increased profits. The number of gateways also improved significantly internationally, strengthening its position (Clougherty, Dresner, & Oum, 2001).

4.1 Global aviation policy

The policy focuses on expanding the aviation network all over the world, with the main emphasis on Western countries. It emphasizes increasing international passengers and capturing wider customers. Canadian aviation has constructed over 100 airports all over the world operated under National Airport Systems (NAS). The policy emphasizes security screening, increasing competitiveness, creating marketing opportunities and linking international airlines with the industry’s economic sustainability and growth (Bruno, 2015).

4.2 Partial liberalization

Canada adopts a partial liberal policy for international aviation as it supports trade between countries. The flag carriers of Canada represent dual designation in the international markets. Liberal bilateral agreement of aviation with other countries represents another strength of the industry. Clougherty, Dresner, and Oum (2001) identify the positive impacts of dual designation as it increased market share and the volume of passengers. Liberalism is the central factor that improved the international presence of Canadian airlines. Due to the Canadian model, aviation experienced high traffic increases in country-pair markets (Clougherty, Dresner, & Oum, 2001).

4.3 International alliances

Canadian aviation takes a keen interest in forming international alliances as it recognizes the direct impact on the economy and stability of the aviation industry. Aviation has formed alliances with other airline companies in America and Europe, becoming the prominent strength of the industry (JUNG, 2005). Mergers remain another strategy used by Canadian international aviation to enhance its performance (Clougherty, Dresner, & Oum, 2001).

4.4 World tourism

The country increased profitability by expanding operations through the construction of more airports. The strategic impact of the aviation industry is more significant as it uses airlines for commercial purposes, including tourism travel. Schedule and non-schedule air service add to the strength as it provide convenience to international passengers and save them from the difficulty of missing flights. The international airline provides other services related to tourism, such as planned tours, recreation, provision of accommodations to international passengers and entertainment. The partnership with the tourism council becomes another benefit of international aviation (Kaps & Phillips, 2004).

4.5 Current prospects

The international aviation industry is performing excellence as 33,000 aircraft operate in the industry. Around 207 commercial carriers are engaged in providing scheduled and non-schedule flights. The country reports over 200 certified airports, catering demands of massive passengers both nationally and internationally. Commercially, the aviation industry is viable and capable of covering operational costs (Clougherty, Dresner, & Oum, 2001).

4.6 International airlines

International aviation offers regional airlines, charter airlines, air cargo carriers, general aviation and special services. Different categories provide choices to the customers thus adding more attractions. Passenger attractions involve car hire, packing facilities, hotels, tours, travel agents, retail purchases, financial services, and conferences. The international gateway allows aviation to target remote passengers (Jacobs, 2012).

4.7 Competitiveness

The international aviation strategy of Canada allows for generating enormous revenues through international flights. High-quality standards and service permit it to compete with the leading airlines all over the world. The concept of collecting people and culture results in increased passenger turnover across national and international flights. Transportation from remote areas enhances the operational capacity and generates huge revenues. Investing in international infrastructures and the high number of airports adds to the competitiveness (Jacobs, 2012).

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