



February 5, 2016

Case No. 15-03590

BY E-MAIL: jim.young@newleafcorp.ca

NewLeaf Travel Company Inc.
128 - 2000 Wellington Ave.
Winnipeg, Manitoba
R3H 1C2

Attention: Jim Young, Chief Executive Officer

Dear Mr. Young:

Re: Inquiry into whether NewLeaf Travel Company Inc. is proposing to operate an air service

By confidential decision dated August 21, 2015 (Decision), the Canadian Transportation Agency (Agency) initiated an inquiry, pursuant to section 81 of the *Canada Transportation Act*, S.C. 1996, c. 10, as amended (CTA) into whether NewLeaf Travel Company Inc. (NewLeaf) is proposing to operate an air service and, therefore, required to hold a licence pursuant to section 57 of the CTA (Inquiry).

Mandate of the Inquiry Officer

The Agency appointed Ghislain Blanchard, Director General, Industry Regulation and Determinations Branch (the Inquiry Officer), to conduct the Inquiry and report his findings to the Agency. The Inquiry Officer's mandate was set out in terms of reference attached to the Decision.

On September 23, 2015, the Inquiry Officer presented a Preliminary Report to the Panel which summarized NewLeaf's confidential responses to the Inquiry Officer and explains the approach NewLeaf will employ to offer the air services to the public. The Preliminary Report states that any conclusion on whether NewLeaf is required to hold a licence is subject to the Panel's consideration of the appropriate criteria to be used in such cases and the application of those criteria to the facts surrounding NewLeaf's proposed operations.

On December 21, 2015, the Agency launched consultations on the broader issue of whether companies that bulk purchase all seats on planes and then resell those seats to the public, but do not operate any aircraft, should be required to hold a licence.

The Inquiry Officer's mandate effectively concluded with the launch of these consultations. By this decision, the Agency formally confirms there is no longer a role for the Inquiry Officer to play under the Inquiry and confirms the conclusion of his mandate. While the Agency continues the Inquiry and will make a determination in due course, it will do so without the Inquiry Officer.

Submissions from external parties

A number of submissions were filed as part of the above-noted consultation process and have been posted on the Agency's internet site.

In addition, two unsolicited submissions from Enerjet and Jetlines were received by an Agency designated enforcement officer, in which the companies express their views about the Agency's licensing requirement as it applies to NewLeaf's proposed operation.

Whether NewLeaf should hold a licence for the service it is proposing to operate is a regulatory matter that is currently being addressed through the Inquiry and is not subject to the Agency's Dispute Adjudication Rules contained in the *Canadian Transportation Agency Rules (Dispute Proceedings and Certain Rules Applicable to All Proceedings)*, SOR/2014-104. As such, while Enerjet and Jetlines indicated that their submissions are "complaints", the Agency is of the view that they are most appropriately treated as information that may have some relevance to the Inquiry. The Agency has not, however, determined the weight that it will give to these submissions, nor has it granted any further rights to either Enerjet or Jetlines to participate in the Agency's Inquiry.

Enerjet's submission is enclosed with this decision. As Jetlines' submission is marked confidential, NewLeaf must have any individuals who will have access to Jetlines' submission sign and provide the Agency with the enclosed undertaking of confidentiality before the Agency can disclose it.

NewLeaf has until February 19, 2016 to provide any comments on these submissions as well as any other information or documentation that it wishes the Agency to consider before making a determination on the Inquiry.

BY THE AGENCY:

(signed)

Scott Streiner
Member

(signed)

Sam Barone
Member

Encl.

Request for Disclosure and Undertaking

Request for Disclosure

1. I, Jim Young, President and CEO of NewLeaf Travel Company Inc. (NewLeaf), request that the Canadian Transportation Agency (Agency) provide me with the following document submitted in the context of the Agency's inquiry (Agency Case No. 15-03590) into whether NewLeaf is proposing to operate an air service:

Confidential submission filed by Jetlines dated January 14, 2016

2. I request permission to provide the document to the following individuals who need access to the document in order that NewLeaf may respond:

(please list names and position of each individual)

Jim Young, CEO, NewLeaf Travel Company Inc. Date:

Undertaking

1. I acknowledge that the document is confidential and that it is not to be disclosed to anyone other than as permitted and in accordance with this undertaking.
2. I will disclose the document only to those persons identified above who are employed by NewLeaf and who are required to see the document in order that NewLeaf can effectively respond and to no one else.
3. I undertake to not disclose this document to any other person and will inform the Agency immediately if any impermissible disclosure occurs, for whatever reason.

Jim Young, CEO, NewLeaf Travel Company Inc. Date:

_____, NewLeaf Travel Company Inc. Date:

_____, NewLeaf Travel Company Inc. Date: