

LOCAL NEWS

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Jones expresses concerns over Air Labrador downsizing

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Air Labrador's announcement it will discontinue Dash 8 air service is a concern that must be monitored by government to ensure air access to all regions of the province remains available and affordable, Opposition Leader Yvonne Jones said today.

"While I am disappointed that air service will be reduced and a number of employees will be displaced," Jones said, "I am pleased to see that the company will not be going out of business, but instead will be refocusing their efforts. They have outlined their commitment to operations on the south coast of Labrador for the short-term and I can only hope they will continue flying to coastal communities who rely on this service."

Jones said she met with Air Labrador officials last week who briefed her on the details of the downsizing. Officials told her that the company was losing money, capacity was down and they could no longer remain competitive.

"While I understand why Air Labrador was forced to make these business decisions, I have concerns what this will mean to competition within the province's airline industry.

"Eliminating competition is never good for the consumer and this will have to be monitored by government. However, Provincial Airlines has operated monopolies on air service to Stephenville, St. Anthony, Churchill Falls and Blanc Sablon and have given excellent access and fair pricing. I'm sure they will continue in this same vein. Provincial Airlines has already stated that they will increase capacity to fill the void, while keeping prices down. They have proven to be a good corporate citizen and I am confident they will keep this commitment."

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