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BUSINESS

Leaving China for B.C.'s skies



RICHARD LAM/VANCOUVER SUN

Entrepreneur David Lai (front) is financially backing the Sealand Flight Centre at Boundary Bay Airport.

Flight school takes off

AVIATION | Venture invests over \$2 million to train Canada's future pilots

BY JOANNE LEE-YOUNG VANCOUVER SUN

ext to planes that don't have GPS devices, low wings or glass cockpits, the Diamond DA20s at Sealand Flight Centre seem sleek enough to be airborne even when they are just parked on the

school has invested over \$2 million to secure four of the newest, shiniest small

planes available for pilot training in B.C. The seed for this recently launched venture came, in part, when Michael Peare, a Vancouver flight instructor, found himself in Shijiazhuang, a coalchoked, dusty Chinese city south of Bei-

About two years ago, he was stationed there to help steer China's first non-military, non-state aviation academy, the Beijing PanAm International.

It was the usual China tantalizer: A booming economy; the need for some 3,000 commercial pilots per year; plus, a hint that dramatic regulatory changes could spark a new small-plane culture. To top it off, Beijing PanAm had just bought a new fleet of Diamonds.

Peare gave it a go, but soon threw in



Instead, he returned to B.C. to start The Boundary Bay Airport-based Sealand with Vancouver-based entrepreneur David Lai and the financial backing of Thomas Fung, who owns Richmond-based Fairchild Media, a Chinese-language network, and Aberdeen Centre, an Asian mall.

What Peare saw first-hand and what made him leave China, however, revealed an opportunity for Sealand and others in B.C.'s flight-training industry.

In North America, business people take to the skies on a whim. They can pretty much roll out to an airstrip, jump in a jet, and go where they like.

There are an estimated 200,000 small planes in this market, both private and

There is no shortage of business people able and interested in owning and flying their own jets in China, but there are only about 50 comparable small planes — that is, non-military and not Soviet-

era Russian designed ones — says Jason Liao, a Beijing-based regional vice-president for American plane-maker Hawker Beechcraft.

Despite the demand for commercial pilots and growing private interest in flying, training to get a licence in China can be a painstaking saga.

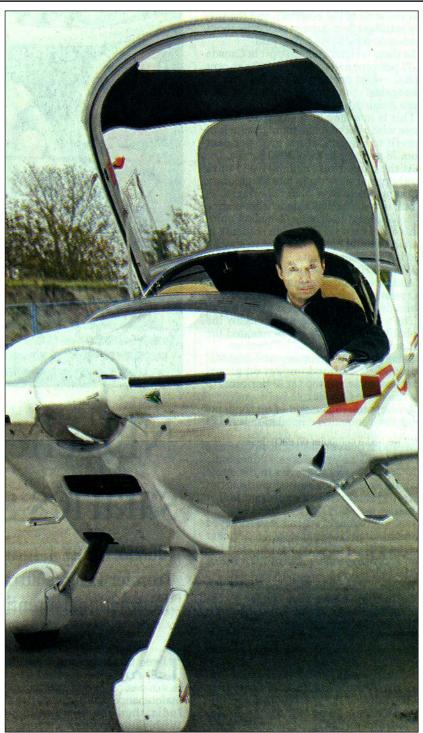
For one thing, there is the smog.

"We were in the most polluted part of China," said Peare in an e-mail. "This meant that we had a lot of trouble with the 'weather,' as good visibility is necessary for flight training."

When he was later transferred to another location, Binzhou in Shandong province, the air quality was better, but I ran into all the restrictions imposed by ATC [Air Traffic Control China] and the People's Liberation Army [They] own the airspace, and they conduct a lot of military exercises and flight training of their own. This meant that permission for us to conduct training was often refused on a daily basis.'

Liao, the Hawker Beechcraft executive who is also vice-president of the Asian Business Aviation Association, estimated that between 70 to 80 per cent of China's airspace is controlled by the military.

See **DEMAND RISES** D10



RICHARD LAM/VANCOUVER SUN

David Lai, president of Sealand Flight School, sits in the cockpit of a trainer plane at Boundary Bay Airport.

Demand rises for Canadian flying schools

From D8

He agreed that getting permission to fly is prohibitively tedious for private pilots, even though there have been some improvements and concessions in recent years.

Most observers looking for a break in the market point to 2010. The Civil Aviation Administration of China (CAAC) has broadly earmarked some regulatory changes that would open up more airspace at lower levels, or in certain areas. Details are vague, but the world's major small-plane manufacturers, including Hawker Beechcraft, are busy stoking interest in flying in China because they expect this could allow for a whole new class of high-flying commuters there.

For now, burgeoning Chinese schools cope by sending their best students abroad to complete their training, said Peare. Most are looking for commercial licenses, but not all.

At first, the U.S. was a key destination, but since visa restrictions were significantly tightened post 9-11, it is much easier for Chinese, and also Indian, students to consider Canada.

Peare, as chief flight instructor, has already tapped many of his Chinese contacts. One former PanAm student now does his training at Boundary Bay. Both Lai and Fung have been flying for decades, and have extensive

cross-Pacific contacts. (Another Sealand instructor, Pranavan Mohanraj, who immigrated to Canada from Chennai, India, in 2002 said that he regularly gets "cellphone calls from India saying that I am a friend of so-and-so and he said that I should call you about learning to fly in Canada.")

Sealand may appear well-positioned for this market, but it certainly isn't the only one angling.

There is another Boundary Bay school that is already four years into teaching mostly professional pilots from China.

Montair Aviation has contracts with four Chinese airlines, according to president Al Neufeld. The company website has a "CAAC (Civil Aviation Administration of China) Approved" icon, but Neufeld declined to disclose further details.

Francois Leh, a veteran B.C. flight instructor, said he has never seen such overseas demand for flight training, but for now, his Squamish-based company is "staying away from that market because once you start dealing with [it], they come in hoards. If word goes out, if you are good, they will want to come. And you cannot sustain it unless you have the facilities. We don't have that ... [but] Sealand has to watch that they don't over-commit."

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