

ATAC COMMENTS ON CTA PROPOSED CHANGES TO THE AIR PASSENGER PROTECTION REGULATIONS

ATAC questions the government's decision to include the proposed changes to the APPR in a budget bill. A dedicated stand-alone bill would have offered greater opportunity to debate the merits of the proposed changes and study the financial and operational consequences of these very significant amendments, including the impact on the cost of flying in Canada and the level of service Canadians expect from air carriers in this country, particularly those serving regional routes in remote and northern regions.

Many of the measures imposed by these changes in regulations are certainly not viable or achievable for carriers serving regional routes with the current shortage of pilots.

The proposal that the CTA will charge carriers an administration fee for managing compensation requests sent in by passengers with the burden of proof transferring from the passenger to the airline is unacceptable and will be costly to the industry. The CTA claims that frivolous requests would be discarded, however airlines are still going to be charged for denied requests after CTA analysis. Not charging passengers for denied applications will only encourage massive unfounded requests and administrative costs with no consequences for passengers making unfounded claims. In addition, we don't believe that the Treasury Board of Canada would sanction a regulation that will challenge the CTA's inability to manage such a growth in workload, despite allocating millions of dollars for new hires at the CTA.

CHANGES TO THE CANADA TRANSPORTATION ACT

Changes are needed to enhance the accountability and the shared responsibility of all stakeholders dealing with passenger services in the travel continuum, not simply the air carriers. Proposed amendments need to recommend a model where we all participate in the responsibility, including the passenger, the carriers and all others involved in managing or impacting air travel in Canada, including airports, CATSA, NAV CANADA, and ground service providers.

The fundamental flaw with the APPR is the focus on solely targeting airlines, leaving other services and infrastructure providers and stakeholders in the aviation ecosystem unaccountable in the event of disruptions. Increasing compensation and making it obligatory unless the airline can prove otherwise, is unwarranted and makes the airlines the de

facto "insurance agent" for the entire aviation ecosystem which is not a solution to improving the passenger experience, managing travel costs, or improving safety.

DISTINCTION BETWEEN LARGE AND SMALL AIRLINES INCLUDING CARE AND ASSISTANCE

Rebooking and refunds is the only case in which the CTA makes a distinction between large and small carriers, two million passengers being the dividing factor between the two categories.

The proposal should be amended to include the recognition that the rebooking regulations only apply when viable options exist. The CTA guidance is still unclear for all other aspects in standards of care and assistance such as communications, accommodations, food, internet services, chain effect of delays, etc. The regulations assume that every airport will always have access to the relevant standards of care at any given time. This is clearly not the case especially in northern and remote stations where services and accommodation are limited or non-existent, and communication can be adversely affected by a significant weather event. The regulation does not address the fact that assistance can only be offered if available to do so. Airlines cannot be expected or penalized to provide standards of treatment when the availability of assistance does not exist or is not attainable due to circumstances not within their control. The CTA paper suggests that when disruptions are caused by exceptional circumstances airlines are required to respond with assistance for a certain period which is unclear. The industry is recommending that a limit be defined for services under the exceptional circumstances criteria.

NEGATIVE IMPACT ON AIR TRAVEL IN CANADA

The CTA recommendations and proposed regulations will achieve one very significant outcome, negatively impacting air travel in Canada especially in northern and remote communities which rely on this essential service. Increased administrative burdens and costs for airlines will translate into higher fares for passengers, less service, and a less competitive market. ATAC is calling on the CTA to work with the airline industry to take the necessary steps and appropriate time to develop regulations that are fair, evidence-based, focused on truly enhancing the traveler's experience, with safety as the primary driver. The regulation must address any significant cost increases and resource burdens which could negatively impact passengers and the viability of the aviation industry.