

Call with Calm Air

On March 5, 2025, Canadian Transportation Agency (CTA) staff met with representatives from Calm Air to discuss the proposed amendments to the *Air Passenger Protection Regulations* (APPR) and the effects they might have on Calm Air's operations.

Participants

Calm Air

- Gary Bell – President & CEO
- Rob Astwood – Executive Vice President of Flight Operations
- Bridget Anderson – Director of Customer Service
- Jennifer Bryden – Vice President of Commercial Operations

CTA

- Allan Burnside – Senior Director, Analysis and Regulatory Affairs Directorate
- Mary Johnson – Team Leader and Senior Policy Advisor
- Rori Sa – Junior Analyst

Below is a summary of the concerns, issues and comments that were raised by Calm Air's representatives during the call with the CTA:

Amendment requiring provision of assistance during disruptions due to exceptional circumstances

- Representatives raised concerns that this proposed amendment does not reflect the unique operational realities for northern carriers, particularly with respect to weather events, runway conditions and unplanned maintenance.
- The current differentiation within the regulations between small vs large carriers does not consider the unique challenges of northern and remote operators and unfairly penalizes northern operators for factors outside of their control, given that northern airports experience significantly more weather events and delays.
- Cost analysis does not accurately depict the cost difference for hotels, meals and transportation in remote locations.

Challenges faced by northern airports

- Representative noted that northern carriers are treated the same as southern carriers despite differences in route networks, passenger demographics, flight frequency, meteorological conditions and airport infrastructure.
 - Northern airports experience more weather-related delays including:
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- Blizzards lasting more than three days (exceeding the proposed 72-hour cap on passenger accommodations)
- Frequent missed landings due to crosswinds and poor runway friction indexes
- Limited infrastructure and maintenance support in remote areas
 - Many northern airports have only one runway, making diversions more common
 - Some locations lack NAV Canada staff and conditions may not get reported
 - Many airports operate during published airport hours only (which greatly differ) and are not required to provide any services outside of these hours, leading to cancellations.
 - Carriers also pay callouts for services provided outside of published airport hours, whereas larger airports have 24-hour weather and runway maintenance.
 - There are differences to runway approaches in the north versus south. One airport may allow an aircraft to descend to 200 feet versus several hundred feet higher in northern Canada which also further restricts operations in remote locations.

Role of northern operators in remote communities

- Calm Air and similar carriers have close ties with the communities they serve, working with local governments and members of the community.
- The majority of passengers are medical patients, government workers (teachers, nurses, hydro workers) or community members traveling for essential reasons.
- If routes to remote communities are removed, people will have no alternative transportation options.
- Many passengers stay with family and friends during disruptions as there no available accommodations locally and proposed accommodation rules do not accurately reflect needs or available resources in the North.

Financial impact on small and northern airlines

- The proposal to increase AMPs from \$25,000 to \$250,000 is not sustainable for many small and northern carriers.
 - The cost-benefit analysis for the proposed amendments does not reflect the likely ticket price increases for northern carriers, which would be much higher than those of larger operators.
 - If financial and operational burden are too great, airlines may be forced to stop serving certain remote communities.
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- Most of the remote locations being served do not have hotels and/or restaurants to house passengers. Carriers with small teams lack resources to track and manage accommodations and meals for extended disruptions. Significant increases in HR and internal resources would be required.
- It was discussed to possibly look at offering the option to purchase a higher fare which would include additional APPR coverage as an alternative option to increasing fares across the board for all passengers.

Other administrative and operational challenges

- Managing customer compensation claims and refunds will require increases in internal resources.
 - Refund timeline of 15 days is not feasible, especially in remote areas where customers often do not use electronic banking, and prefer paper cheques.
 - Proposed provision enabling passengers to make a claim to any air carrier involved in the itinerary will be burdensome for northern carriers and introduce a risk to duplication of claims if a customer submits a claim with both carriers (not just one). Administratively it does not make sense to submit a claim to an airline unless they are the owner of the flight disruption as there is no way for the carrier to substantiate this with the other airline. Interline and code sharing agreements are more difficult for small carriers to manage due to:
 - o Different operating systems between airlines
 - o Lack of automated communication between carriers
 - o Large # of resources required to manage these partnerships
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