



March 6, 2025

France Pégeot
(via e-mail: Consultations-aeriennes.Air-Consultations@otc-cta.gc.ca)
Chair and Chief Executive Officer
Canadian Transportation Agency
15 Rue Eddy
Gatineau, Quebec
K1A 0N9

Re: CAA Comments in Response to *Canada Gazette, Part I, Volume 158, Number 51: Regulations Amending the Air Passenger Protection Regulations*

Dear Mme. Pégeot,

Founded in 1913, the Canadian Automobile Association (CAA) is a federation of eight clubs providing over 7 million Members coast-to-coast with emergency roadside assistance, as well as automotive, insurance, rewards and travel services. CAA is also a not-for-profit that has always advocated on issues of concern to its Members. Today those issues include road safety, the environment, mobility, infrastructure and consumer protection.

Through our store network and online, CAA is also one of Canada's largest leisure travel agencies, with close to 100 retail outlets. We are a member-driven organization that is, at its heart, an advocate for the Canadian traveller.

Our travel agents work with air passengers every day. We understand the business, and we understand the customer experience. This allows us to take a strong, informed position in favour of air passenger rights, while at the same time recognizing that the consumer interest is best served by a healthy and competitive industry.

When Canada's Air Passenger Protection Regulations (APPR) were originally developed, CAA called for an efficient and effective regime that was accessible to the average Canadian. We said the process for passengers to claim their rights needed to be simple and proactive.

The air passenger protection regime in place today is far from perfect. It is, regrettably, neither efficient nor fully effective. It offers too many grey areas that



both passengers and airlines are left to interpret. In many cases, passengers do not have the necessary information to determine what, if anything, they are owed under the regime. Stakeholders and consumer advocates lack adequate data to know where the regime is falling down or if aspects of it are performing well. And, the Canadian Transportation Agency (CTA) now has an 86,000-plus complaint backlog that will likely take years to process.

However, it is better than the lack of a system that preceded it. We believe that administrative issues outside the scope of this consultation are at the heart of the problem, and that while more work can and should be done to further simplify and streamline the rules, the proposed regulatory amendments contained in CG1 are a step in the right direction and will ameliorate some of the issues that have been identified with the current system.

When compensation and other care is due, respecting travellers' rights should be the airlines' default approach. The average passenger in this country does not have the protections that come with premium status or full fare tickets. The APPR needs to help these passengers most of all and today, it is missing the mark.

The goal of the system should be to incentivize carriers to take care of passengers without the need to resort to the government complaint process. And for those cases that do make it to the regulator, the process needs to be simple and clear enough that passengers can determine in advance what they may be owed, and the regulator can deliver answers in a timely manner. Clearer rules will also benefit the carriers by removing uncertainty from the process.

We are pleased to provide our feedback on the proposed changes in *Canada Gazette, Part I, Volume 158, Number 51: Regulations Amending the Air Passenger Protection Regulations*.

Executive Summary section comment

CAA agrees that the APPR is overly complex and unclear for passengers to understand. The fact that there is an 86,000 plus complaint backlog at the Canadian Transportation Agency (CTA) is evidence that the system is not working the way it should.

The proposed changes in *Canada Gazette, Part I, Volume 158, Number 51: Regulations Amending the Air Passenger Protection Regulations* will help



alleviate some of these issues and CAA supports the overall intent of the proposed changes as described.

Issues section comment

CAA agrees that the current three different categories for flight disruptions are far too complex and have led to the greatest grey area in the APPR. The complexity of this categorization system has led to varied interpretations by the air carriers. Adding to this, passengers hold no information about travel disruptions other than what they are told by air carriers, further complicating a passenger’s ability to contest what they have been told.

In particular, closing the loophole where a passenger facing an outside carrier control flight disruption can’t access a refund if the carrier can offer an alternative flight within 48 hours of the original departure, is necessary. Regardless of fare purchased, including non-refundable fares, passengers should always be able to receive a refund if an air carrier disrupts their travel and their itinerary no longer serves its original purpose.

CAA is also supportive of efforts aimed at ensuring passengers receive timely and clear communications, enhancing rules around seating of children and updating the definition of denial of boarding.

Background section comment

It is important to note that this proposed regulatory package comes some sixteen months after the CTA closed its original public consultation. Now, another two months have passed during the comment period closing March 6, 2025, to the detriment of all travellers. CAA urges officials to move quickly to publication in Canada Gazette II, especially in light of the extensive consultation that preceded the publication of the proposed regulations in Canada Gazette I. The positions of all involved are well known.

Objective section comment

CAA concurs with the objectives as detailed.



Description section comments

Clear communications

The need for clear communication from carriers to passengers is never more important than when a flight disruption occurs. While we acknowledge the importance to a carrier of recovering from a flight disruption, and rebooking passengers, this must be balanced with the need to advise passengers of their right to assistance during these instances. As the CTA has noted publicly in its consultation paper in the summer of 2023, assistance (e.g. food, accommodation) is not always offered proactively to passengers.

CAA believes that the proposed regulatory changes strike the right balance to ensure that airlines are requesting and using a passenger's preferred means of communication so timely travel updates can be received. Supporting this primary communication form with notices on carrier websites, in their other digital platforms and with audible announcements at the gate is also reasonable.

We are supportive of reducing the amount of information to be communicated to passengers through audible announcements, in combination with the requirement that air carrier staff make audible gate announcements that would include informing passengers that additional flight disruption information is being sent to each affected passenger via their preferred electronic method of communication.

Ensuring that passenger entitlements such as food, drink and accommodation, rebooking, refund or compensation following a flight disruption are electronically communicated without delay is also of the utmost importance as set out in these regulatory changes.

We further support obliging an air carrier to inform passengers of their entitlements as soon as they have been triggered, as well as the process to obtain their entitlement (for example how to obtain a food voucher for a meal).

Compensation for inconvenience due to flight disruptions

CAA supports the proposed amendments that specify, for all flight delays or cancellations, an air carrier must provide compensation for inconvenience to an entitled passenger, except when the disruption was due to an exceptional circumstance. We are also supportive of the proposed amendments that specify that all passengers who have been bumped from a flight are entitled to receive at least the lowest amount of compensation, including in situations where they are not



delayed at arrival at their destination, or they have chosen to receive a refund, except when the disruption was due to an exceptional circumstance.

With respect to exceptional circumstances, we are satisfied with the exhaustive list of exceptional circumstances as set out in the proposed amendments, which we believe strike the right balance between safety and supporting passengers. During the proposed 30-day implementation period, CAA suggests that the CTA issue guidance to support air carrier decision-making with respect to exceptional circumstances such that each airline is assessing their circumstances using the same guidance.

Assistance (standards of treatment)

CAA welcomes the proposed amendments that will extend the standard of care owed by air carriers during flight disruptions to passengers with a delay of two hours or more from their original scheduled departure time, even under exceptional circumstances. We also support the proposed amendment to ensure passengers who have missed a connecting flight on the same itinerary due to a prior flight delay are entitled to assistance two hours after arriving at their transfer point.

It is important that the APPR clearly sets the minimum standard of care so passengers understand what they are entitled to, even in cases where the air carrier, for various reasons, may not proactively offer or clearly communicate what assistance is available.

Rebooking (alternate travel arrangements)

CAA supports the proposed regulatory amendments to rebookings, including under exceptional circumstances. We believe it should be underscored to air carriers that they should promptly look to competing airlines as soon as they know they cannot offer a flight on their own network or a partner airline within the 9-hour timeframe. For certainty, this means before the 9-hour period has expired.

Refunds

Access to a refund in cases where the carrier initiates the change must be at the passenger's discretion in all cases and for all disruptions, including those passengers with a non-refundable ticket, when the airline cannot provide the service purchased.

Additionally, from the enforcement side, the CTA should address current airline rebooking/refunding processes. A recent [media](#) story has raised concerns that, in some cases, passengers are offered a single unsatisfactory rebooking option and if



they reject it, the passenger is automatically refunded and provided with the minimum level of compensation, effectively leaving them stranded. In other instances, air carriers have reportedly refunded passengers without so much as offering alternate transportation arrangements. Strict enforcement is required by the CTA to ensure obligations under the proposed APPR are being met.

CAA also fully supports ensuring refunds are available if a Government of Canada travel advisory is published as detailed in the proposed amendments, with applicability to both the destination and any countries to be travelled through en route.

CAA also is disappointed to see that the time permitted for an airline to provide a refund will be reduced only from 30 days to 15 days. While this is a shorter period of time for consumers, we believe a maximum of 7 days for refunds of credit card transactions would have been a better amendment, aligning more closely to other jurisdictions such as the US and EU.

Air carrier claims process and providing an explanation for denial of claims

From the original drafting of the APPR, CAA has noted that passengers do not have the necessary details to refute the reasons a carrier provides them. Ensuring airlines provide documentary evidence to the passenger to support a denial of compensation claim is a positive step forward but also must be carefully balanced so the system does not see passengers deluged in hundreds of pages of evidence. We are pleased to see that the proposed amendments would require that air carriers provide information and evidence using simple, clear and concise language so that passengers can understand the air carrier's reason(s) for denying compensation.

CAA is also pleased to see the proposed change that will permit a single adult to make a claim on behalf of their travelling party. Simplifying the claims process has been something CAA has called for since the original drafting of the APPR.

Seating of children under the age of 14 years

The CAA supports the proposed amendments that will require an air carrier to arrange, at the time of booking a reservation, for any child under the age of 14 to be seated next to their parent or guardian free of charge, rather than just nearby.



Bumping (denial of boarding)

CAA supports the proposed amendments that clarify denial of boarding situations. We also observe the following. The APPR strictly defines denied boarding as applying to only cases where a plane is overbooked, which misses passengers who are denied boarding for other reasons. For example, a case was reported where a gate agent thought a couple didn't have the right documentation for travel, denied them boarding and was ultimately mistaken. The aircraft departed and the passengers were not owed 'denied boarding compensation' under the APPR. Other scenarios could include agents closing a gate early or not having proper staff at baggage drop, causing a passenger to miss their flight. In these cases, the passengers had checked in and properly presented themselves and were denied boarding by no fault of their own.

It is also possible for an airline to change a passenger's flight and call it a schedule change to avoid having to bump them at the gate and owe the increased level of compensation for denied boarding. If under a 3-hour delay for that alternate flight, the passenger would get no compensation and in longer delays, any compensation owed would be far less than under the denied boarding regulations.

We suggest including these circumstances in the definition of denial of boarding.

Administrative Monetary Penalties (AMPs)

CAA supports the increased maximum AMPs for corporations for non-compliance as drafted.

The CTA recently proposed to amend the *Canadian Transportation Agency Designated Provisions Regulations* to allow it to fine a passenger who violates subsection 85.09(1) of the *Canadian Transportation Act*, which requires details of a CTA complaint decision be kept confidential. CAA does not agree that a complainant should be at risk of being fined.

Regulatory Development section comments

CAA was pleased to participate in the CTA's 2023 consultation on amendments to the APPR and has no further comment.

Regulatory Analysis section comment

No comment.



Implementation, compliance and enforcement and service standards comment

Implementation

CAA supports the proposed amendments coming into force 30 days after the day on which they are published in the *Canada Gazette*, Part II. We agree that many of the proposed amendments clarify and simplify regulatory requirements and, therefore, do not require substantive changes to existing air carrier processes and procedures.

Compliance and enforcement

CAA is supportive of maximum AMPs increasing to \$250,000 (from \$25,000) for corporations as well as the clarification that violation of any provision that is designated in the APPR can be subject to an AMP for each day on which a violation is committed or continued.

However, the CTA recently proposed to amend the *Canadian Transportation Agency Designated Provisions Regulations* to allow it to fine a passenger who violates subsection 85.09(1) of the *Canadian Transportation Act*, which requires details of a CTA complaint decision be kept confidential. CAA does not agree that a complainant should be at risk of being fined.

Proposed Regulatory Text section

No comment.

Amendments section

Denial of boarding

The APPR strictly defines denied boarding as applying to only cases where a plane is overbooked, which misses passengers who are denied boarding for other reasons. For example, a case was reported where a gate agent thought a couple didn't have the right documentation for travel, denied them boarding and was ultimately mistaken. The aircraft departed and the passengers were not owed 'denied boarding compensation' under the APPR. Other scenarios could include agents closing a gate early or not having proper staff at baggage drop, causing a passenger to miss their flight. In these cases, the passengers had checked in and properly presented themselves and were denied boarding by no fault of their own.



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We suggest including these circumstances in the definition of denial of boarding.

Denial of claim

We suggest adding, "in simple, clear and concise language," to what is proposed in section 2.1(a).

Provision of Information section

Website

We suggest adding, "...a description of the process, in simple, clear and concise language, for dealing with claims that is established by the carrier under section 85.01..."

Precision – passengers' entitlements

We suggest amending (2)(a)(iv) as follows: alternate travel arrangements or a refund at the passenger's choosing.

Explanation – exceptional circumstances

We suggest amending as follows: 15(1)(4) If the carrier determines that compensation is not payable due to the existence of a circumstance referred to in section 18, the explanation referred to in section 2.1 must be accompanied by any documents, reports or other evidence that establish the existence of that circumstance, in simple, clear and concise language.

Explanation — exceptional circumstances

We suggest amending as follows: 16(1)(6) If the carrier determines that compensation is not payable because of the existence of a circumstance referred to in section 18, the carrier must provide to the passenger, within 48 hours after the denial of boarding, a clear and detailed explanation as to why compensation is not payable that is accompanied by any documents, reports or other evidence that establish the existence of that circumstance, in simple, clear and concise language.



Travel Advisory section

No comment.

Coming into Force section comment

CAA supports the proposed amendments coming into force 30 days after the day on which they are published in the *Canada Gazette*, Part II. We agree that many of the proposed amendments clarify and simplify regulatory requirements and, therefore, do not require substantive changes to existing air carrier processes and procedures.

Schedule section comment

CAA supports the increased maximum AMPs for corporations for non-compliance as drafted.

The CTA recently proposed to amend the *Canadian Transportation Agency Designated Provisions Regulations* to allow it to fine a passenger who violates subsection 85.09(1) of the *Canadian Transportation Act*, which requires details of a CTA complaint decision be kept confidential. CAA does not agree that a complainant should be at risk of being fined.

We thank you for the opportunity to share this input on the Canada Gazette, Part I, Volume 158, Number 51: Regulations Amending the Air Passenger Protection Regulations. If there is anything our organization can do to provide further details, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read 'I. Jack', is positioned above the typed name and title.

Ian Jack
Vice President, Public Affairs
Canadian Automobile Association (CAA)