



**Consultation on proposed amendments to the Air Passenger
Protection Regulations (APPR)
as published in Canada Gazette Part 1**

**Submission to:
Canadian Transportation Agency**

**Submitted by:
Tammy Priddle
President and CEO-Deer Lake Regional Airport Authority Inc.**



Like many small regional airports across Canada, Deer Lake Regional Airport (YDF) is a vital transportation link for our region. We provide an important commercial air link and deliver public services for the people of western NL and our neighbors in other regions of the province who support YDF as their home airport.

YDF is proud to be an economic spark plug for our region. We are the second busiest airport in Newfoundland & Labrador and in 2023 we contributed \$75 million in output, \$42 million in GDP, 320 jobs and \$7.6 million in taxes. In 2024 we had 330, 106 passengers move through our airport. This is 11% more than 2023 and 2% more than pre-pandemic levels in 2019.

As a small regional airport in a rural and remote island province the unintended consequences of the *Air Passenger Protection Regulations* (APPR) is quite concerning for our future sustainability and provision of connectivity provincially, within Atlantic Canada and beyond. While the *Air Passenger Protection Regulations* (APPR) is focused on air carrier operations, the ecosystem of air travel is so interconnected implementation of these measures will most definitely impact our airport and ultimately our passengers negatively. Our passengers include rotational workers travelling to carry out the essential work of industries around the world, family and friends, tourists and businesspeople. As such, the Deer Lake Regional Airport Authority (DLRAA) is making a submission with respect to the Canadian Transportation Agency's (CTA) consultations on proposed amendments to the APPR.

While the proposed amendments to the APPR have the intent of elevating service delivery requirements, enhancing accountability for air carriers, and increasing compensation for affected air travellers, ultimately, I would argue it will, in our case, hurt those it is trying to protect. While we collectively work to improve the passenger experience, we continue to be concerned that the proposed amendments create significant negative impacts and unintended consequences that ultimately will hurt the entire sector, including the travelling public.



This submission reiterates possible amendments of concern identified in earlier submissions and that remain in the final proposed amendments. These regulatory amendments of concern include:

- passenger cost recovery mechanisms;
- re-protection and duty to assist;
- the elimination of degree of control categories;
- the introduction of limited exemption conditions;
- claim period extensions; and
- and additional penalties,

We believe these will saddle airlines with greater flight service constraints and higher operational costs. This will undoubtedly lead to escalated ticket prices and reduced regional connectivity for air travellers in a market that is already costly with connectivity limitations. Further constraints will stifle growth in our economy including the tourism sector and other business opportunities. Air access is the number one challenge voiced by the local business community and is why airports and the Government of Newfoundland and Labrador have invested heavily in the last four years to grow air service. These amendments will hinder the progress made and impede how attractive we are as a destination for airlines.

Achieving harmony between passenger rights, the sustainable and efficient functioning of airlines, and the challenging reality of our small airport operations is vital to accessible, convenient, air travel while creating the conditions for much needed growth in the aviation sector and the communities we serve.

Escalated Ticket Prices

Additional operating costs incurred by airlines as a result of APPR amendments will undoubtedly result in higher ticket prices for travelers who are already voicing concern about high ticket prices in a low competition



environment. The potential for further increases will suppress travel demand and impact local businesses.

Elevated airline ticket prices will have detrimental effects on both travellers and the broader economy. It is simple economics, if the cost increases consumers will reduce the utilization of that commodity. In our case it is purchasing airline tickets. For a remote and rural island region that equates to a retraction in the demand for air travel, decrease demand results in decreased supply of seats into our already limited capacity market and this further exacerbates an already difficult air access problem. For passengers, increased costs limit accessibility to air travel, potentially hindering tourism growth, family visits, and business trips.

Connectivity and Capacity

In Summer 2024 we saw a return to pre-pandemic level of seat capacity that fueled our passenger recovery and growth by 2% however, 2025 has already retracted with capacity reduced to below 85% of 2019 levels due to changes in airline operational strategy of WestJet and Flair removing service from our airport for the southern Ontario market. Air Canada has also decreased frequency in the spring. We are fortunate compared to other small airports to have Air Canada once daily into Toronto, Montreal and Halifax and PAL Airlines service within the province and into Moncton, New Brunswick year-round as well Porter service to Halifax and Toronto in June to October. Unlike larger



airports with multiple airlines competing on the same route we are already in a low competition and reduced capacity situation which will reduce our ability to grow passenger volumes, reducing costs of air travel needed to stimulate the market and connect us to the world.

Airlines are focused on maximized loads and profitability thus the reason for the WestJet and Flair reductions in Summer 2025. If APPR financial risk is too high to service an airport destination, like YDF then resources will be deployed elsewhere. On the risk continuum DLRAA is absolutely a higher APPR cost risk.

Given this operating environment, our airport, will be at risk of seeing those routes with less than daily service cease to exist and ultimately further reducing our connectivity to the rest of Canada and the world, while simultaneously increasing costs of travel further for the people of western NL and all those who need to connect to us.

Regional connectivity holds immense importance in fostering economic growth, social cohesion, connection, and overall development. Efficient transportation and communication networks enable seamless movement of goods, services, and people, boosting trade and commerce within the region and beyond.

Reprotection and Duty to Assist

More specifically to the proposed amendments themselves and the potential negative impact on connectivity, it is understood that proposed changes to the APPR will significantly shorten the time period that airlines would have to rebook passengers before being required to book passengers on a competing airline at the originating airline's expense. Given lower flight frequencies, and the limited air carrier options in the shoulder season at YDF, as well as seat capacity at our airport, this pending performance benchmark is simply not



practical. It is hard to rebook a passenger when the only flight out was cancelled, and it will be 24 hours or three days before it is physically at the airport again.

Implementing this tighter performance regulation will contribute to reduced attractiveness of our airport from the perspective of airlines, further exacerbating the regional, domestic, and international capacity challenges we experience. It will also reduce our competitiveness as an airport alongside our counterparts in other areas of Canada that would not face these low frequency risks. All of this would combine to create a less than attractive environment for business development, immigration and inter-provincial migration needed to support our economic growth potential in mining, energy and tourism.

In the end, it will be connectivity and linkages to smaller regional airports like YDF that will suffer, not just in Atlantic Canada, but throughout Canada. Rather than enhance service, the people in rural and remote Canada will be disadvantaged by these changes.

Trade Tensions, Economic Uncertainties and the Growth of Inter-Provincial Trade

Canada faces considerable international trade tensions for the foreseeable future with the risk of significant and lingering negative economic impacts. Is it prudent at this time to implement regulatory amendments with the potential to have unintended negative impacts that may exacerbate a weak economic environment? Introduction of new changes that have significant unintended consequences that in all likelihood would negate the positive intended calls for caution and delay to identify a more balanced way forward.

Given the international trade environment, federal and provincial governments are motivated to grow inter-provincial trade and displace exports with domestic and new international markets. In advancing the growth of the domestic



economy, air service is a critical transportation link for international, national and regional connectivity and the movement of goods and people throughout Canada and the world.

We urge the government to reconsider the application of APPR 2.0 considering the severe economic consequences that create additional barriers to internal trade, harming the affordability of air travel, competition, and most notably, rural and regional connectivity. Additionally, as businesses expand into new markets beyond the U.S., it is critical to avoid increasing operational costs or imposing further obstacles that could hinder their ability to establish and grow international trade relationships.

The Canadian aviation industry, which serves as the lifeblood of our country, operates in a globally dynamic and competitive marketplace where cost, connectivity, and service dictate success and failure. Achieving a balance between passenger rights, the sustainable functioning of airlines, and the operations of smaller airports like YDF is crucial to ensuring the continued support and growth of this vital industry. Our small airport and many like us, feed into the Hubs so failure to support our sustainability will eventually impact the Hubs as well.

Similar legislation and regulation have been successfully introduced in other parts of the world, including Europe and the United States. I sincerely and respectfully encourage you to pause and delve deeper into the experiences, successes and best practices of other jurisdictions to advance regulations that are fair and reasonable for both air service users and providers.

Thank you for consideration of this submission.