

March 5, 2025

Canadian Transportation Agency

Consultation: Canada Gazette, Part I, Volume 158, Number 51: Regulations Amending the Air Passenger Protection Regulations

Canadian Transportation Agency,

The Fredericton International Airport Authority (FIAA) offers the following comments on *Canada Gazette, Part I, Volume 158, Number 51: Regulations Amending the Air Passenger Protection Regulations (APPR)*. While airports are not specifically captured under the APPR, which is appropriate, the impact of the enhanced regulatory regime will have broad impacts across the aviation ecosystem.

Proposed amendments to the APPR have the intent of tighter service delivery requirements, increased accountability for air carriers, and expanded compensation for affected air travellers. Our travellers and community are top of mind for the FIAA, and we support efforts to improve the passenger experience. In a country as large as Canada, air connectivity is essential in facilitating the movement of people and goods between provinces, and small NAS airports such as ours are critical for economic growth, connecting Canadians, and ensuring quality of life.

We continue to be concerned that the proposed amendments to APPR will have unintended consequences that ultimately will hurt the entire sector, including the travelling public. Of particular concern:

Regional 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 the lower flight frequencies and seat capacity at regional airports, this pending performance benchmark is simply not practical. Most routes at our airport operate with one flight daily or less. These connections are critical for our community but may not provide adequate capacity for airlines to achieve the benchmarks set in the APPR. An APPR incident could erase margins on a lower-frequency route for years, and airlines would be reluctant to continue operating a route that is unprofitable.

To be clear, this would severely damage the ability of Canadians in smaller communities to do business, connect with loved ones, and attract tourism. It will also impact airports at a time when Atlantic Canada is already suffering a loss of intra-regional connectivity.

Negligible changes in the passenger experience: Canada's airports are already dedicated to providing superior customer service, and at the Fredericton International Airport we are focused on continual improvement in the passenger experience. However, the European experience has shown that the implementation of aggressive air passenger rights regulations has resulted in significant costs to industry with minimal improvements in aviation systems performance and the air traveller experience.

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. Given the international trade environment, federal and provincial governments are motivated to grow inter-provincial trade and displace exports with domestic sales. Air service is a critical transportation link for the movement of goods and people throughout Canada, and a loss of service to airports such as ours would eliminate countless opportunities for smaller communities to access any benefit of intra-provincial trade, placing these communities at risk of disproportionate impact from an economic downturn.

Passenger protections must be done in a way that is balanced, equitable, and practical, and does not inadvertently harm Canadians' ability to access markets and travel within our own country. We urge the government 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 to ensure that Canada's smaller communities are not disproportionately harmed, especially in our current climate of economic uncertainty.

Sincerely,



Johanne Gallant
President and CEO