

March 6, 2025

Ms. Mary Johnson
Team Leader, Senior Policy Advisor
Analysis and Regulatory Affairs Directorate
Canadian Transportation Agency
60 Laval Street, Unit 01
Gatineau, Quebec K1A 0N9
Via email: Consultations-aeriennes.Air-Consultations@otc-cta.gc.ca

Subject: Submission to the Canadian Transportation Agency's Consultations on Proposed Amendments to the Air Passenger Protection Regulations (APPR)

Dear Ms. Johnson,

I am writing on behalf of Halifax International Airport Authority (HIAA), a locally controlled, non-share capital corporation responsible for overseeing and managing Halifax Stanfield International Airport (Halifax Stanfield), the largest airport in Atlantic Canada. HIAA ensures that Halifax Stanfield operates as a vital community and economic asset, serving as a crucial hub for regional connectivity and international access, while providing essential links for both passenger travel and cargo movement throughout Atlantic Canada and beyond.

While the primary focus of the Air Passenger Protection Regulations (APPR) is on air carrier operations, airports are undeniably affected by these regulations. Therefore, HIAA is submitting comments regarding the Canadian Transportation Agency's (CTA) consultations on proposed amendments to the APPR.

The proposed amendments to the APPR seek to establish stricter service delivery standards, improve accountability for air carriers, and expand compensation for affected passengers. While we support initiatives that enhance the passenger experience, we are concerned about the amendments' potential significant negative impacts and unintended consequences which could ultimately harm the entire aviation sector, including travellers.

Our key concerns include the following:

- 1) Escalation of Travel Costs:** Airlines will face higher operating costs due to APPR amendments, likely resulting in increased ticket prices and making air travel less affordable. This could hurt sectors reliant on affordable travel, especially in regions like Atlantic Canada, where inflated ticket prices may dampen demand and impact local businesses, the tourism industry, and family connections. Higher prices also challenge airlines' value propositions, potentially leading to decreased demand, service reductions, and job cuts in the local aviation sector.

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- 2) Impact on Regional Connectivity:** Atlantic Canada has encountered significant challenges re-establishing regional connectivity during the post-pandemic recovery period, with service levels from Halifax Stanfield to other Atlantic Canada destinations at approximately 50% of pre-pandemic figures. In a political climate where domestic trade and mobility are becoming increasingly important, maintaining strong air links is more essential than ever. However, the proposed amendments to the APPR present a considerable risk to this goal by potentially driving up operational costs for airlines, which could result in higher ticket prices and decreased route viability, especially in regional markets like Atlantic Canada.
- 3) Limiting Access to Essential Air Services:** The potential repercussions of these amendments are not confined to increased travel costs but extend to the broader economic and social fabric of the regions we serve. Reduced connectivity hinders economic growth, affects social cohesion, and limits access to essential services and opportunities. This is particularly pertinent for rural and remote areas where air travel is not merely a convenience but a necessity. Equitable, affordable air access is essential to our country, and our communities.

We urge the Canadian Transportation Agency to consider the broader implications of these amendments on the national and regional aviation ecosystems. An in-depth review of global best practices and regulatory impacts should guide the development of a balanced approach that safeguards passenger rights while ensuring the sustainable operation of airlines and airports. The goal should be to enhance service quality and accessibility without imposing undue financial strain on carriers and, by extension, passengers.

In conclusion, while HIAA supports efforts to enhance passenger experiences and rights, these regulations must not undermine the very connectivity and affordability they aim to protect. We advocate for a regulatory framework that supports the sustainability and growth of the aviation industry, enabling Halifax Stanfield to continue as a vital gateway in Atlantic Canada.

We appreciate your consideration of our views as part of your consultation. Our goal is to find solutions that support our ability to effectively serve our communities without compromising the accessibility or affordability of air travel in our region and throughout Canada.

Sincerely,



Joyce Carter, FCPA, FCA, ICD.D
President & CEO