

**Submission to the Canadian Transportation Agency by the Lufthansa Group
In re: Canada Gazette, Part I, Volume 158, Number 51
Regulations Amending the Air Passenger Protection Regulations (APPR)**

Submitted via email

March 6, 2025

**COMMENTS OF DEUTSCHE LUFTHANSA AG, AS PARENT COMPANY TO
THE LUFTHANSA GROUP**

Deutsche Lufthansa AG (“Lufthansa”) as parent company and on behalf of the entire Lufthansa Group (comprised of Lufthansa German Airlines, Swiss International Air Lines, Austrian Airlines, Brussels Airlines and Discover Airlines, herein referred to as the “Lufthansa Group”) respectfully submits these comments on behalf of the Lufthansa Group carriers, in response to the Canada Gazette, Part I, Volume 158, Number 51: Regulations Amending the Air Passenger Protection Regulations.

- Airlines are perfectly incentivized to avoid delays and cancellations and the resulting inconvenience to our passengers. It is estimated that every single minute of block delay costs airlines CAD \$145. This does not include the cost that airlines incur today when providing assistance, accommodation and care to passengers during delays.
- There is no evidence that the original APPR resulted better performance by air carriers. This compensation scheme does not impose any requirements on other entities that also directly are involved in commercial aviation and are behind the causes of most of these disruptions.
- APPR and the amendments being proposed by the CTA are based in large part on the 20-year-old European Union Air Passenger Rights Regime EC no 261/2004. Rather than reducing delays and cancellations, the EU 261 scheme has resulted in billions of dollars of increased costs for airlines, more than 90 court decisions interpreting the regulation, and the creation of claims management companies that extract exorbitant fees from consumers,

which is now being mimicked in Canada. We encourage CTA to learn the lessons from this failed wealth transfer program.

- The proposed amendments would require airlines to develop new complex systems to comply with provisions that seek to mandate CTA's vision on how airlines should operate. The costs of developing these systems are largely ignored by the mandatory cost – benefit analysis.
- CTA has proposed a conclusive list of circumstances that would be considered exceptional and therefore not subject to compensation. While we commend CTA for recognizing that aircraft are often impacted by unforeseeable manufacturing and technical defects, we believe it is impossible to capture all circumstances that occur now or in the future that would be outside of an airline's control. This is particularly problematic when in a separate rule CTA is proposing to charge airlines a CAD\$790 fee for processing passenger claims, whether or not the claim is ruled invalid.
- We again encourage the Canadian Transportation Agency (CTA) to expand their discussion with the airlines impacted by these regulations.

We urge CTA to consider these comments and those of IATA when finalizing these amendments. Airlines are committed to supporting their customers during disruptions in ways that do not reduce their ability to continue to offer safe and affordable air services.

Respectfully submitted,

Deutsche Lufthansa AG on behalf of the Lufthansa Group

/s/ 

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/s/ 

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