

Comments on proposed regulations published in Canada Gazette, Part I, Volume 158, Number 51: Regulations Amending the Air Passenger Protection Regulations

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Executive summary

The Tourism Industry Association of Ontario (TIAO) represents over 200,000 tourism businesses and more than 400,000 jobs across the province, making us the authoritative voice of Ontario's tourism industry. As Ontario's economy continues to recover amidst economic challenges, it is crucial that tourism remain a priority for our leaders. Beyond bolstering the province's global reputation, tourism is a powerful engine for growth, job creation, and community development.

These proposed CG1 amendments will increase costs for air carriers, which will ultimately be passed on to passengers, pricing some out of the market and threatening regional connectivity. We believe that instead of bringing in costly new regulations, the government should be creating new opportunities around supporting tourism and attracting new investment in the space.

As the government and Canadian industries focus on maintaining a competitive national environment, now is not the time to impose additional costs on Canadians and businesses. With an increased emphasis on promoting internal trade and the movement of goods and people, and recognizing the vital role airlines play, the government should prioritize these efforts rather than raising costs, which could undermine competitiveness and disrupt connectivity.

Profit margins in regional markets are already very thin due to smaller market sizes and higher operating costs. Additionally, labour shortages, compounded by new flight and duty time regulations, are further straining regional markets and threatening connectivity. The proposed CG1 amendments could discourage larger carriers from serving smaller markets, as they will face more stringent obligations, including higher compensation levels, stricter rebooking requirements, and increased responsibilities for flight disruptions.

TIAO urges the government to prioritize capital investment, job creation, and maintaining consumer confidence in these challenging times.

