



CANADIAN
AIRPORTS
COUNCIL

CONSEIL DES
AÉROPORTS DU
CANADA

November 4, 2024

Canadian Transportation Agency

OTC.FPRTA.Consultations-Consultation.CTA.ATCC@otc-cta.gc.ca

Re: Canadian Transportation Agency Consultation: Air travel complaints fee proposal

To Whom it May Concern:

On behalf of the Canadian Airports Council's (CAC) 63 members representing over 100 airports in every province and territory in Canada, we strongly urge the Canadian Transportation Agency (CTA) not proceed with proposed regime in the air traveller complaints fee proposal.

Canada is the second largest country in the world by land mass with our population centres vastly disbursed across the country, making it imperative that every community has access to affordable and dependable air travel options. Air travel in this country is not a luxury, it is a necessity. Given Canada's chosen model for self-funding of the aviation ecosystem, a change in costs to one stakeholder ultimately flows down to the traveller. It is in this context that the CTA's air travel complaints fee proposal needs to be considered.

It is important that the Canada's passenger protection regime strike the correct balance — incentivizing high service standards and protecting travelers, while not increasing costs for passengers, reducing connectivity, or shrinking the Canadian aviation sector's competitiveness.

At a time when the entire aviation sector is looking for ways to recover from the pandemic and make air travel more affordable for all Canadians, the CTA is proposing a cost recovery system that will add undue costs for all air travellers. To cover the costs of complaints and to inoculate against future costs, air carriers will have no option but to raise their airfares and reduce air services.

The CTA has also chosen a very high fee for carriers to pay for each complaint. A \$790 fee, regardless of merit or outcome, is inordinately high and possibly punitive. It is the legislated mandate of the CTA to administer adjudication of complaints against air carriers, and while the CTA does have the ability to invoke a cost recovery regime, it is essential that parameters and values attached to the regime do not unnecessarily harm air carriers or the travelling public.

The CTA must also examine the potential negative impacts on regional air connectivity. Smaller markets continue to struggle to gain and maintain affordable air service. As a country regional connectivity has only recovered to 70% and many markets are only at 50% of 2019 passenger traffic levels. These regional connectivity challenges are exacerbated by air carrier fleet changes, the pilot and aircraft mechanic shortages, thin margins and existing APPR. Injecting increased risk and costs onto these regional routes has the potential to reduce regional connectivity while

increasing the cost of travel further. Just last month, 5 airports and communities in Canada lost Flair service entirely citing APPR rules as a major contributing factor in discontinuing these services,

CTA decisions are already adversely impacting air service in regional markets, adding a cost recovery fee would be an additional burden for travellers and come at a great cost to community connectivity.

We strongly advise the CTA not to proceed with the proposed cost recovery regime as described in this consultation. As put forward, this regime would only increase costs to all travellers across the system without providing any additional benefit or protection. Furthermore, the proposed mechanism would greatly jeopardize connectivity for Canada's regional, remote, northern, and indigenous communities. through increased air carrier costs and risks.

Sincerely,

A handwritten signature in black ink that reads "M. Pasher". The signature is written in a cursive, slightly slanted style.

Monette Pasher
President