



August 13, 2018

Mr. Scott Streiner
Chair and Chief Executive Officer
Canadian Transportation Agency
15 Eddy Street
Gatineau, Quebec J8X 4B

Via email scott.streiner@otc-cta.gc.ca

Northern Air Transport Association (NATA) Submission- Canadian Transportation Agency Modernization Initiative Phase 2- Passenger Protection Rules

Dear Mr. Streiner;

NATA membership is representative of all aspects of northern and remote air operations including 705-704 scheduled passenger service, mainline cargo carriers, 703 air carriers, helicopters and specialized operations including internationally renowned medivac and firefighting capabilities. Our operators are committed to the highest possible standards and cooperating with all government agencies to achieve this standard with rules and recommended practices that are appropriate for northern and remote operational realities.

We appreciate the very extensive consultations that have been held across Canada. We would like to take this opportunity to thank the agency and the staff for including NATA in these important consultations. NATA members participated in the public consultation in Yellowknife, as well attending the Ottawa public session. We were also pleased to host an extensive presentation on the CTA Modernization Initiative at NATA's 42nd Conference in Whitehorse and as well, NATA maintains membership on CTA's Accessibility and Mobility committees.

NATA's position has been clear from its opening position paper presented on March 7, 2017 to the Transportation Parliamentary committee on Bill C-49 (attached) and continues with this submission.

While there has been a genuine effort by the Agency to understand the unique issues associated with northern and remote aviation, the Northern Air Transport Association finds several assumptions with these new regulations as very disturbing. Passenger issues such as flight delays, passenger bumping, loss of baggage are southern airline issues. This was made clear on April 24, 2018 at NATA's 42nd Northern Aviation Conference in Whitehorse by CTA's Director of Enforcement Fred Gaspar, who confirmed there have been no significant trends of passenger complaints received by the CTA on northern operators.

Northern air operations are very different from the traditional southern airline business model and this needs to be recognized because one regulatory standard does not suit all aspects of Canadian air travel.



NATA General Response on the development of Air Passenger Protection Regulations

The Federal government wants to pass legislation to address problems they helped create. The Federal travel booking mechanism requires carriers to allow no-shows and short notice cancellations with no penalty. This requirement creates no-shows which in turn causes airlines to overbook and therefore occasionally deny boarding.

Another example beyond the control of operators is ATC understaffing, which results in flow control and ground delay programs which causes flight delays and misconnecting passengers. There are other agencies including CATSA that need to be considered as causal factors to the event.

In 2017 the Office of the Auditor General, and the Parliamentary Transport and Infrastructure Committee both issued reports identifying Transport Canada's lack of northern aviation infrastructure support as a causal factor in reduced community service delivery and increased travel costs for northern Canadians. On a daily basis, northern air operators need to make operational decisions based on incomplete meteorological information at airports with minimum approach navigational and runway lighting support. Yet, there does not seem to be any process in the CTA regulatory oversight process to consider these other factors.

Regarding punitive sanctions, NATA's submission to the Senate Transportation Committee is unchanged. There should be no set fine structure as there are too many variables. Size of airline does matter especially when re-protecting passengers in a reasonable time. Possible rules must have language that is determined by circumstances that offer some protection for the airline. Rules for large airlines may not be practical for smaller airlines operating northern and remote routes.

Northern operators know their passengers, and northern travellers understand the challenges associated with northern air travel.

Northern operators have limited options for passenger support that is taken for granted in southern Canada (i.e. accommodations, meals and back up air resources or alternate means of travel)

Northern air carriers have forged partnerships with northern remote and aboriginal communities, unique again from southern relationships with the passenger base.

Northern Air operations involve considerable contracted medivac, ambulatory patient travel, private chartered transportation on behalf of resource development companies etc. that do not meet the definition of passengers and should not be included in this rule making. This includes all form of ad-hoc/outfitting charters that are well regulated by existing Transport Canada rules.



DATA Collection Requirements

There is concern with the data CTA/TC is requesting. There needs to be a clear distinction of what the CTA definition of passenger is, because there are different types of lift required by individuals in northern and remote Canada who are not “passengers” as envisioned by the proposed CTA’s rules.

The data collection and reporting will require carriers to hire more staff as well as invest in upgrades to existing management software upgrades.

There are concerns on how the data is to be managed and secured.

Large Carriers (705) will be required to submit:

1. Flight Delays, Cancellations, Tarmac Delays – Monthly, flight-by-flight reporting on the causes and details of each flight’s on-time performance,
2. Lost/Damaged Baggage – Monthly, Route-level aggregates of the number of lost and damaged bags carried, at the passenger’s final airport
3. Denied Boardings due to Overbooking – Monthly, route-based aggregates on the number of voluntary & involuntary denied boardings, categorized by the delay to the traveller would be required under ECATS, in addition to existing requirements.
4. Complaints recorded by the airline on the remaining C-49 elements – Monthly, Route-based aggregates of complaints logged by the airline on Child Seating, Flight Notification & Musical Instruments

This will be onerous and expensive for operators to provide on a monthly basis.

Small Carriers (704) will be required to submit:

1. Flight Delays, Cancellations, Tarmac Delays, Denied Boardings due to overbooking – Quarterly, aggregated reports of flights delay counts by cause, long tarmac delays, and denied boardings due to overbooking categorized by the delay to the passenger.
2. Lost/Damaged Baggage – Quarterly, the number of lost and damaged bags by airport

There does not seem to be any reasonable use of data that is at least three months old when submitted.

The data should only apply to fare paying passengers for scheduled or individually accessed advanced booking charters.

All forms of 704/703 operations should not be subject to any proposed passenger protection under the CTA rule making as there is proven adequate Transport Canada regulatory oversight.

Specific contracted air transportation should also not be included with this data collection as there are proprietary and corporate privacy issues that were not considered when the rationalization for this passenger protection rule making process was created.



Industry Specific Observations regarding the proposed changes to Regulation:

“On days when we are delayed due to weather, queuing for deicing etc. can place us in a difficult position. Often the company may delay boarding until the next weather update is in, and it’s at this point the decision is made to depart. Once delayed at the gate and then again in queue for de-icing may exceed the 3-hour delay restrictions.

Northern air carriers often face weather concerns based on their geographic location. The carriers will always try to fly even if we are delayed. We need to move the passengers as we must consider medical travel, supplies into the communities such as food. There is an expectation and a responsibility of a northern carrier to service the people living in remote locations.

Hotels in the north are also a problem for the communities. We are often faced with no accommodations. The infrastructure is not available to respond to these demands.

If they extend the compensation to weather delays, this would have a huge impact on us financially. Maintenance delays are understandable as they determine this to be *controllable* however weather is not, and we need to ensure *weather is not part of this compensation* especially as we are a northern air carrier.

Denied boarding is virtually unknown in the north. It is well managed by Northern carriers however it should be noted that we will deny boarding for medical travel. The medical travel for the northern stations is important. Often, we are the only form of transportation out of the communities.

Bumped baggage for most carriers occurs when we have payload restrictions due to changing weather conditions or airfield limitations.

Accessibility equipment and transportation of the mobility devices would also raise concerns for any northern carrier. The gravel ramp areas make it difficult to move mobility equipment as well as the loading on the smaller gauge aircraft which is typically the only means of transportation into the community.



In summary, NATA members are very concerned at any increase in regulatory burden and costs without commensurate proof that any change is required.

The proposed CTA Modernization initiative underway increase costs to the travelling public which will increase the overall cost of living in the north.

NATA is concerned there is a large regulatory oversight and reporting structure that will provide very little, if any, increased protection to the travelling public in Canada 's northern and remote areas.

Finally, there does not seem to be any consideration for causal factors that affect the passenger experience outside of the control of the operator. Nor is there any recognition of the operator's present regulatory requirements regarding passenger safety including maintaining safety management systems. SMS already includes all forms of operational issues associated with the passenger travel experience that are now being considered for prescriptive based rules with punitive measures that do not seem reasonable for the northern and remote operational reality.

Sincerely,

Glenn Priestley
Executive Director

Attached: NATA Presentation to the Standing Senate Committee on Transport and Communications



Written Brief on the Canada Transportation Act Amendment - Bill C49

Presentation to the Standing Senate Committee on Transport and Communications

Northern Air Transport Association

March 7, 2018

Introduction

The Northern Air Transport Association's membership is representative of all aspects of northern and remote air operations including 705-704 scheduled passenger service, mainline cargo carriers, 703 air carriers, helicopters and specialized operations including internationally renowned medivac capabilities. Our operators are committed to the highest possible standards and cooperating with all government agencies to achieve this standard with rules and recommended practices that make sense and support the Canadian aviation industry.

We would like to take this opportunity to thank the committee and staff for including NATA, representing Northern and Remote operations across Canada, on these important discussions on the legislation contained in Bill C49.

Bill C49 is a large Bill has three sections that concern the Canadian Aviation industry. NATA supports the concerns of other industry stakeholders regarding foreign ownership and joint ventures regarding wording and interpretation issues. This briefing note will be focusing on the proposed development of the Passenger Bill of Rights regulations from the perspective of the northern travelling experience.

The management of passenger safety and the overall positive travelling experience is a complex and daily issue for northern operators. Long term commitment to isolated communities with initial and ongoing investment in newer aircraft and facilities creates a special bond between the air carrier and customer. The relationship is more like a partnership, and a unique aspect of all northern operators is significant commercial partnerships with many First Nation and Inuit governments. These relationships provide a recognition of the needs of communities and the individual. Example of this recognition would be the reserved seating section for community Elders located in most northern airport waiting areas.

Northern operators have had to find solutions to operational problems that simply do not exist in the South. Examples include long range flight planning with limited information and support, meaning a need for contingency planning to insure the safety of the travelling public.



Referring to the **Canada Transportation Act Amendment**, the Northern Air Transport Association is very concerned with the generalities in the wording and the increase in regulatory authority that these amendments and others will provide the Canadian Transportation Agency. To be clear, NATA agrees the fare paying passenger has rights. However, there are concerns because of problems that have manifested in southern Canada and internationally, northern air carriers are going to be burdened with “one size fits all” regulation. NATA members are currently consulting on flawed regulations that were developed this way regarding flight and duty time rules for flight crew.

NATA agrees that the travel experience should be as transparent as possible, with expectations clearly stated. The following are specific concerns with the wording and intent of the associated regulations;

1. Regarding Sections 86.11(1) (b) – (i)-(iv), NATA does not agree with any minimum standard of compensation in the regulations as there are too many variables.
2. NATA does agree with procedures that provide passengers with essential notice for any unscheduled occurrence that causes delay.
3. Regarding Sections 86.11(1)(c), NATA does not agree with any minimum standard of compensation in the regulations as there are too many variables:
4. Regarding Sections 86.11(1) (d) (e) (f), NATA agrees that every air carrier continue to maintain some form of an Operational Control Manual for these and other procedures associated with carriage of passengers and their carry-on board items as well as checked baggage.
5. Regarding Sections 86.11(1)(g) and 2, NATA is concerned with this blanket amendment that empowers the Minister to give the CTA extra regulatory authority without consultation.

In summary, NATA is proud to be a member of the CTA’s Accessibility Committee, an important forum that provides guidance for our members to make a very good system even better. We believe it is dialogue and guidance materials are better use of resources than the development of new rules and oversight program.

The operator members of the Northern Air Transport Association have an excellent service record with its passenger management in challenging flight environments and difficult locations. Northern operators are invested in their communities in a different way than southern operators that is easy to explain. Our operator members have been respecting all their customers for a long time with recognition for special needs and unique cultures. Any new rules regarding a Passenger Bill of Rights needs to recognize existing industry efforts regarding passenger safety.

For any questions and/or additional information: Glenn Priestley, Executive Director 613-866-2374

The above is respectfully submitted for the Committee’s consideration