

April 2, 2019

Honourable Marc Garneau, PC, MP
Minister of Transport, Transport Canada
330 Sparks Street
Ottawa, Ontario K1A 0N5
Via Email: mintc@tc.gc.ca

Dear Minister Garneau:

Along with our professional colleagues at Air Canada, WestJet, and the National Airlines Council of Canada, the Tourism Industry Association of British Columbia (TIABC) is writing to request that the consultation period for the impending *Air Passenger Protection Regulations* be extended to allow for a better understanding of the implications of the regulations on the airline industry and consumers.

While recognizing the need for additional consumer protection, better service and compensation options as a consequence of flight delays, cancellations or denied boarding, the new draft regulations could have a significant impact on the tourism industry at-large if implemented in July.

TIABC's primary concern under the proposed regulations is the cost borne by Canada's airlines due to a variety of unforeseen or uncontrollable circumstances that would necessitate compensation. Importantly, these undue monetary penalties applied to airlines via compensation to passengers, will ultimately result in higher ticket prices for flights to all regions as carriers seek cost-recovery options. Another very real scenario could be the cancellation of under-performing routes, particularly in small and regional markets, as airlines look to trim expenses.

As you are aware, Canada enjoyed a record-setting year for tourism in 2019 with the outlook for more record years positive. However, one or more factors could reverse this trajectory. Travel for pleasure is considered a discretionary expense with cost a major factor on whether people choose to vacation outside of their immediate regions to other parts of Canada, and how often. Therefore, significantly higher airline fees for consumers will not only hurt domestic travel and many destinations within Canada, but will further harm Canada's cost competitiveness...already considered a disadvantage when compared to our competitors.

TIABC has noted other measures proposed in the regulations that deserve additional attention. However, these are best left to airline industry stakeholders to provide input and recommendations dependent on adequate time for research and study to ascertain the full scope of ramifications.

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Minister Garneau

Minister, thank you for your consideration in our call to postpone the July implementation date of the regulations to allow for a more comprehensive analysis of their impact. If you have any questions, please feel free to contact TIABC at your convenience.



Sincerely,

A handwritten signature in blue ink, appearing to read "Walt Judas".

Walt Judas
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