

Annual Report

2021-2022





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For more information about the Agency, please contact:

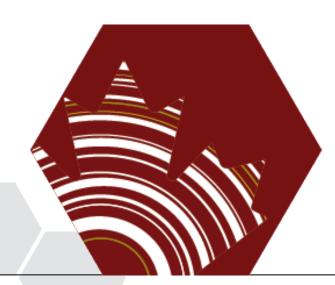
Canadian Transportation Agency

Ottawa, Ontario K1A 0N9 Telephone: 1-888-222-2592 Facsimile: 819-997-6727 Email: info@otc-cta.gc.ca Website: otc-cta.gc.ca

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Message from the Chair and CEO:

A Year of Achievement, A Year of Transition



In many respects, 2021–2022 has been a year of transition for the Canadian

Transportation Agency (Agency). The last few years have seen the Agency strengthening the regulatory framework for which it is responsible, particularly concerning air passenger protection and accessibility of the transportation system. We are now focusing on implementing these regulations. After two years of the COVID-19 pandemic, the whole transportation industry – rail, air, marine, and interprovincial bus – is adapting to a post-pandemic environment. And since June 1, 2021, with my appointment, the Agency has a new Chair and CFO.

In the Agency's role as a regulator, we are winding down the most intensive period of regulatory review and modernization in our history. In the past year, we advanced regulatory initiatives, such as:

- the new Accessible Transportation Planning and Reporting Regulations,
- consultations on requiring refunds for flight disruptions outside carrier control under the *Air Passenger Protection Regulations*, and
- implementing the <u>Accessible Transportation for Persons with Disabilities</u> Regulations under the Accessible Canada Act.

The impact of the pandemic, combined with the coming into force of the new regulatory framework, has led to an unprecedented increase in the number of complaints, particularly from air passengers. In 2021–2022, we received 12,158 new complaints related to air travel, on top of the 16,515 which we carried over from the previous year. This past year, we processed 15,264 air travel complaints. Historically, the Agency has received 1,000 complaints a year. This difference represents a foundational change

requiring a more operationally focused organization. We are committed to reducing the time it takes to process a complaint, both at the informal and formal stages of our dispute resolution process.

The context has also been challenging for the rail and marine industry, with climate events, increased global demand, and supply chain issues. We will strive to improve our services in these areas as well.

To reflect this changing environment, the Agency has adopted new strategic priorities that focus on operational challenges, including, eliminating the backlog of complaints, process and service innovation, and increasing the use of technology and data.

In the fall, we will be working from a new, accessible building and will continue cultivating our diverse workforce and an inclusive and equitable workplace.

I am personally committed to providing a work environment where the Agency's employees find satisfaction in their work. That includes having interesting work, satisfying relationships with their supervisors and colleagues, and working in an environment that support their wellness.

I feel honoured and privileged to have been appointed to the position of Chair and CEO of the Agency. I am grateful to have been given the opportunity to serve Canadians in that capacity. Although mostly virtually, I have had the chance to meet and see Agency employees in action. I am fortunate to work with dedicated, professional experts who are open, responsive, and creative. I want to thank them for their support as I integrate into my new functions.

My good fortune also includes the pleasure of working with the Members of the Agency. I want to thank them for their welcome and continuous cooperation. I want to express my gratitude to Liz Barker, the vice-chair of the Agency, who has generously shared her deep knowledge and experience right from my first day. With such a fine team in place, I am confident that the Agency is well-positioned to continue advancing its mandate and deliver results for Canadians.

France Pégeot

Who we are



The Agency is an independent, quasi-judicial tribunal and regulator.

The Agency oversees the large and complex <u>Canadian transportation system</u>, which is essential to Canadians' economic and social well-being.

Our legislation and mandates

The <u>Canada Transportation Act</u> outlines the National Transportation Policy. It states that competition and market forces are the prime agents in providing viable and effective transportation services. It also states that regulation may be required to meet public policy objectives that cannot be achieved by competition and market forces alone.

The Agency has specific powers assigned to it under this legislation:

- The Agency is a regulator of modes of transportation under federal jurisdiction. The Agency develops and applies ground rules that establish the rights and responsibilities of transportation service providers and users and that level the playing field among competitors. These rules can take the form of binding regulations or less formal guidelines or codes of practice.
- The Agency is a tribunal and hears and resolves disputes, much like a court.
 The Agency resolves disputes between transportation service providers and their clients or neighbours, using various tools from facilitation and mediation to arbitration and adjudication.

The Agency's mandates are:

- To help ensure that the national transportation system runs efficiently and smoothly in the interests of all Canadians: those who work and invest in it; the producers, shippers, travellers, and businesses who rely on it; and the communities where it operates.
- To protect the human right of persons with disabilities to an accessible transportation network.
- To provide consumer protection for air passengers.

The Agency exercises its powers through its members, who are appointed by the Governor in Council (GIC), and temporary Members appointed by the Minister of Transport from a GIC-approved roster. Their responsibilities include:

- approving applications for licences,
- making regulations,
- rendering decisions and orders related to formal complaints or applications,
- authorizing the construction of railways.



Our Strategic Framework 2021–2024: Proud of our history, ready for the future

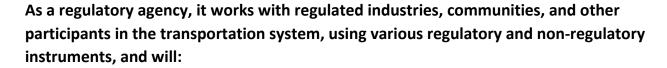
The Agency has established a <u>three-year framework</u> to establish its goals and priorities, focusing on the implementation of the new regulatory framework.

Desired Outcome

In alignment with the National Transportation Policy, the Agency contributes to achieve: An accessible, competitive, economic and efficient national transportation system that serves the needs of participants and communities, and in which people trust.

Our Vision

The Agency is a modern, high-performing outcome-driven organization that uses its expertise in the Canadian transportation system to provide high value to Canadians.



- use the most efficient and effective mix of instruments to achieve results and will be innovative in how it addresses regulatory issues.
- work with all stakeholders to advance desired outcomes and compliance with legislation and regulations.
- maintain its current regulatory framework ensuring its alignment with developments in the transportation system.

As an administrative tribunal, it provides timely dispute resolution services and access to justice based on procedures proportional to the impact and complexity of the cases, and will:

• protect its independence.

- have procedures and processes proportionate to a disputes' nature, complexity, and impact.
- inform parties about its processes and ensure they feel heard in their dealings with the Agency.
- continue to develop and maintain its deep transportation expertise.

The Agency is a diverse, inclusive, and equitable organization that works collegially and fosters employee satisfaction and well-being in a renewed work environment.

- We will have a workforce that is representative of the Canadian population.
- We will create a healthy work environment where every Agency employee feels free to share ideas, learns, and contributes to the best of their abilities.
- Post-pandemic, we will consider the nature of the work and balance the needs of individual employees and the organization in its new accessible office and its return to the workplace strategy.

Our strategic priorities

- Timely resolution and elimination of the backlog of complaints.
- Implementation of the new regulatory framework.
- Process and service innovation and modernization.
- A data-driven, digitally integrated, and proficient organization.
- A diverse workforce and an inclusive and equitable workplace.

The Agency's permanent funding has remained relatively stable at around \$30 million per year in the past decade.

Please consult the Agency's <u>Corporate Reports</u> for more information about its plans, priorities, and results reporting.



Transportation industry context



The air transportation sector faced challenges from the start of the pandemic. A significant decline in air passenger traffic continued in 2021. However, the industry eventually posted signs of recovery. For example, the International Air Transport Association (IATA) noted that passenger traffic at the start of 2022 was substantially higher than in the previous year.

The decline in passenger traffic and increased demand from online retail shopping led Canadian airlines to invest in their cargo operations.

The Minister of Transport announced over \$500 million in funding to help Canada's airports recover from the effects of the pandemic.

The Government, meanwhile, continued to support the industry. That included financial support for Canadian airlines, on condition that refunds be provided to passengers whose flights were cancelled as a result of the pandemic, even those with non-refundable tickets.

In the rail sector, two extreme weather events in British Columbia impacted BC's many First Nations communities, critical infrastructure, supply chains, and the agriculture sector.

A wildfire in late June led to a Cease Movement Order for CN and CP in Lytton, BC. Later in the year, torrential rains caused severe flooding that washed out critical parts of the CN and CP corridors along the Fraser River. That temporarily halted the movement of goods to the Port of Vancouver, causing a backlog of incoming containers and outgoing commodities.

There was also a reduced number of operational maritime vessels at the pandemic's beginning, as many maritime shippers had sent ships for refurbishment rather than have them sit idle. As demand surged, it took time for these vessels to return to service and help to address the increased demand.

A shortage of containers was further complicated by port congestion. The pandemic caused a reduced workforce at terminals and other functions such as trucking.

Global supply chains continue to be disrupted by the pandemic, container shortages, the growing impacts of climate change, and the consequences of Russia's invasion of Ukraine. Ensuring that Canadian supply chains are resilient and fluid is a priority.

The pandemic also impacted the interprovincial bus sector, leading to a drop in ridership. Last year, Greyhound Canada ended its routes in Ontario and Quebec and sold its fleet.



Regulating industry



Regulatory development

Accessible Transportation Planning and Reporting Regulations

The Agency has made new regulations called the <u>Accessible Transportation Planning and Reporting Regulations</u> (ATPRR). The ATPRR was created under the authority of the <u>Accessible Canada Act</u> (ACA). The ACA sets out planning and reporting requirements to identify and remove barriers – and prevent new barriers – in priority areas such as communication, services, and equipment. These will be coming into force between December 31, 2022, and December 31, 2024, based on the classes of the transportation service providers.

The Agency has published three guides on the ACA and the ATPRR. These guides help implement the requirements for accessibility plans, feedback, and progress reports.

Three organizations (the Agency, Employment and Social Development Canada, and Canadian Radio-television and Telecommunications Commission) were required to develop regulations under the ACA. At the request of the Agency Chair, rather than each developing their regulations independently, they decided to pool their efforts. The goal was to deliver three harmonized regulations and have them come into force simultaneously. The three organizations won the Regulatory Excellence Award for Excellence in Cooperation and Collaboration from the Community of Federal Regulators for their work in this partnership.

Proposed Regulations Amending the Air Passenger Protection Regulations

The pandemic caused a global collapse of air travel that resulted in mass flight cancellations. This situation highlighted a gap in Canada's air passenger protection framework. Specifically, this gap is the absence of a requirement for airlines to refund tickets:

- when flights are canceled, or
- where there is a lengthy delay for reasons outside their control, and

• where the airline can't complete the passenger's itinerary within a reasonable time.

On December 18, 2020, the Minister of Transport issued a <u>Direction Respecting Flight</u> <u>Cancellations in Situations Outside of a Carrier's control, SOR/2020-283</u>, providing the Agency with authority to develop a regulation to address this issue for future air travel.

The Agency held two rounds of <u>consultations on the proposed refund requirements</u> with the public, consumer advocates, and the air industry. The results of both consultations will inform the final regulations expected to come into force in 2022–2023.

Accessible transportation

Determination on the Request for conditional exemptions – subsections 170(3) and 170(4)

The Agency's <u>Accessible Transportation for Persons with Disabilities Regulations</u> (ATPDR) establishes comprehensive, legally binding requirements for accessible travel. Most provisions of the ATPDR – over 200 – came into force on June 25, 2020. The more complex provisions were phased in until June 2022.

Due to the disruptions caused by the COVID-19 pandemic, in June 2020, after consultations, the Agency <u>ordered</u> that the coming into force of the 22 ATPDR provisions would be delayed from June 25, 2020, to December 31, 2020.

The transportation sector continued to experience pandemic-related operational and financial disruptions, which affected its ability to implement ATPDR requirements. As a result, the Agency received requests from a broad spectrum of transportation service providers across all modes (including industry associations as well as individual companies) for temporary exemptions from the ATPDR. Most requests were for us to further extend the previously ordered exemptions beyond December 31, 2020.

Following <u>consultations with stakeholders</u> and working group meetings, the Agency issued <u>Determination No. AT-2021-151</u> in October 2021 and dismissed the applications for temporary exemptions.

Airlines for America (A4A) and the National Airlines Council of Canada (NACC) also filed a separate request for their member airlines asking for conditional exemptions from some specific requirements of the ATPDR. The ATPDR allows the Agency to exempt transportation

service providers from certain requirements if they are taking measures that are at least equivalent to what they would be required to do under the regulations (in other words, they "meet or beat" the ATPDR). A4A and the NACC argued that alternative measures provided by their member airlines satisfied this requirement, by waiving limits of liability for damaged, destroyed, or lost mobility aids on an international air service.

Following consultations with stakeholders and working group meetings, the Agency issued Determination No. A-2022-10 in February 2022. The Agency granted Air Canada and Jazz Aviation LP an exemption as their alternative measures satisfied the "meet or beat" requirement. The Agency dismissed the application for conditional exemptions for the other carriers, because their alternative measures were found to not be equivalent to the ATPDR requirements.

Accessibility Regulations for Small and Medium Transportation Service Providers

The <u>Accessible Transportation for Persons with Disabilities Regulations</u> (ATPDR) cover large and medium transportation service providers but not small transportation service providers (TSPs). Small TSPs are still required to provide accessible services and can be the subject of complaints from persons with disabilities. The Agency is considering whether and how to extend ATPDR provisions to small transportation service providers not currently covered. Initial consultations were held and will continue in order to understand the unique operating realities of these small TSPs.

Accessibility Advisory Committee

The Agency has a standing Accessibility Advisory Committee (AAC) with members representing persons with disabilities, the industry and other interested stakeholders. Two meetings were held.

No Wrong Door initiative

The No Wrong Door Initiative will ensure people filing accessibility-related complaints are promptly and seamlessly referred to the right federal organization. The <u>Accessible Canada Act</u> (ACA) requires the Agency to work with other federal organizations to develop No Wrong Door regulations. The Agency held meetings with its federal partners and persons with disabilities and continues to advance this work.

SSR Codes

Special Service Requests (SSR) codes relay information about the required accommodations for passengers with disabilities between airlines and between airlines and airports.

The Agency established an SSR working group with the National Research Council Canada and the International Air Transport Association. The working group aims to better understand the communication and implementation of SSR codes and areas for future improvement. The Agency held meetings with persons with disabilities, airlines, airports, and other interested stakeholders.

The working group will publish its final report in Spring 2022.

International cooperation: ICAO

The Agency continues to work with federal partners to raise the profile of accessibility at the International Civil Aviation Organization (ICAO). A key project is to develop a compendium of accessibility-related laws and regulations. This compendium is the first step to identifying and promoting best practices in accessible transportation. It will close knowledge gaps about accessible air travel worldwide.



Air regulatory activities

Air licensing and charters

The Agency issues licences to Canadian airlines to operate air services within Canada. The Agency also licences Canadian and foreign airlines to operate scheduled or non-scheduled international air services to and from Canada.



Table 1: Air licensing activities

Activity	Number
New licences – Canadian	35
New licences – Foreign	29
Suspensions	553
Reinstatements	162
Cancellations	51

Table 2: Air charter permits and notifications

Activity	Number
Permits issued	792
Charter notifications of flights	3130

For other air licensing statistics, see the Agency's 2021–2022 Statistics.

Air insurance provisions

New minimum passenger and public liability insurance coverage requirements came into force on July 1, 2021. These minimum coverages were increased to reflect changes in consumer prices since being introduced over 30 years ago. The coverage requirements increased from \$300,000 to \$595,000 per passenger seat. Minimum public liability insurance coverages — which vary by aircraft size — also increased by similar percentages.

The Agency reviewed each licenced air carrier's certificate of insurance to confirm they held the appropriate new minimum insurance coverage. The Agency suspended the licences of 22 air carriers that did not show they had the appropriate minimum coverage.

Drone all-cargo operators

The Agency continues to see new drone operators entering the marketplace and issued two new air cargo licences to drone operators. It also ensured these operators were Canadian-owned and controlled and had the appropriate liability insurance.

WestJet's International Scheduled Services Tariff (A-2021-168)

The Agency initiated an inquiry into WestJet's tariff. This inquiry focused on the tariff's provisions related to schedule delays, schedule irregularities, and denied boarding. The Agency found in decision <u>A-2019-241</u> that WestJet's tariff was incomplete, unclear, and inconsistent with the minimum obligations in the <u>Air Passenger Protection</u>

Regulations (APPR).

WestJet submitted a new tariff. This proposed tariff included:

- clear policies, and
- prescribed terms and conditions and compensation levels owed to passengers under the APPR.

As per Decision No. A-2021-168, the Agency was satisfied the proposed tariff amendments had addressed its concerns.

Canadian status requirement

The <u>Canada Transportation Act</u> (Act) requires that airlines holding domestic licences and certain international licences issued by the Agency must be owned and controlled-in-fact by Canadians.

Drone Delivery Canada Corp. (DDC) is a publicly-traded company that operates an all-cargo service using drones. In February 2022, the Agency determined in <u>A-2022-18</u> that should DDC implement – among other things – a variable voting structure, it would be considered to be Canadian. This structure ensures a majority of votes at shareholder meetings will always be cast by Canadians. As a result, its licence would no longer be issued temporarily. The Agency previously issued the licence based on a temporary exemption from the Canadian requirement that the Minister of Transport granted.

In March 2022, the Agency issued a preliminary determination that Flair Airlines may not be controlled-in-fact by Canadians. Flair holds licences authorizing domestic, scheduled international, and non-scheduled international air services, and were provided with the opportunity to respond within 60 calendar days from the date of issuance. A final determination will be issued at the end of the review process.

In December 2021, the Agency determined in letter decision <u>LET-A-64-2021</u> that Aspire Airlines Inc. (Aspire) is not controlled-in-fact by Canadians. As such, it is not Canadian and the Agency cancelled Aspire's licences.

In December 2021, the Agency preliminarily determined that Canada Jetlines Operations Ltd. (Jetlines) is controlled-in-fact by U.S.-based Global Crossing Airlines Group, Inc. (Global Crossing). Jetlines subsequently made several changes to address the Agency's concerns, including terminating the management agreement with Global Crossing. In addition, the total voting interests of Global Crossing and certain connected shareholders were capped. On March 15, 2022, the Agency found that based on the changes, Jetlines is Canadian. Jetlines will be issued a licence when it meets all other requirements to hold a licence.

International activities: Bilateral air transport agreements

The Agency participates in the negotiation and implementation of international air transport agreements. In 2021–2022 work continued with ratifying previously negotiated agreements with Indonesia, Panama, and Switzerland.

Canada worked with several countries and airlines to ensure reciprocal rights for Canadian carriers. The Agency worked to ensure the continuation or re-commencement of air services between countries.

This work included implementing Ministerial Directions on air services to China, which directed the Agency to place similar limitations on Chinese carriers that China imposed on Canadian carriers. As a result of the Ministerial Directions, the Agency:

- amended Chinese air carrier's licenses to limit the number of flights between Canada and China,
- prohibited passenger service between Canada and Beijing,
- ensured that Canadians would be able to travel to Beijing to participate in the 2022 winter Olympic and Paralympic games.

In February 2022, Russia invaded Ukraine. In response, the Canadian Government closed Canada's air space to Russian air carriers. With this directive, the Agency immediately suspended Aeroflot's scheduled international license. They were the only Russian air carrier licensed to provide scheduled air services to Canada.

Rail regulatory activities

Part of the Agency's mandate is to support the efficiency of Canada's national transportation system. In support of this, the Agency calculates the regulated cost of capital rates used in various rail-related determinations — including regulated interswitching rates and the Maximum Revenue Entitlement.

Milton Logistics Hub Determination (R-2021-172)

In 2016, CN applied to develop the proposed Milton Logistics Hub. The Agency reviewed CN's application under section 98 of the <u>Canada Transportation Act</u> (Act), taking into consideration the requirements for railway operations and services and the interests of localities affected by the line. Based on this review, the Agency determined (<u>R-2021-172</u>) that the location of the lines is reasonable. CN's application was approved subject to conditions listed in the decision.

Preliminary application by CP for section 98 approval of Lac-Mégantic by-pass

In October 2021, the Agency received a preliminary application from CP for the construction of a by-pass at Lac-Mégantic. The Agency assessed the application as incomplete and issued a letter decision to CP (<u>LET-R-60-2021</u>) requesting further information. Following the Agency's <u>review process for section 98 applications</u>, it will consider all information received before making its determination.

Maximum Revenue Entitlement (MRE) program for transporting Western grain by rail (R-2021-197)

The Act requires the Agency to determine the maximum revenue CN and CP can earn for transporting regulated Western grain.

In December 2021, the Agency determined (R-2021-197) that CN exceeded, and CP was under, their maximum revenue entitlements for the 2020–2021 crop year. In the

2020–2021 crop year, 52,334,795 tonnes of Western grain were moved. This was a 9.0% increase over the previous year – the highest volume on record.

Table 3: 2020–2021 Maximum revenue entitlements

Company	Entitlement	Grain revenue	Amount above/below (\$)
CN	\$1,042,509,669	\$1,044,909,345	\$2,399,676
СР	\$1,035,175,212	\$1,014,927,140	- \$20,248,072

As stipulated in the Act, CN was ordered to pay the excess amount and a 5% penalty of \$119,984 to the Western Grains Research Foundation (a farmer-funded and directed organization).

The Agency also set the Volume-Related Composite Price Indices (VRCPIs) for the 2021–2022 crop year. The 2021–2022 VRCPI for CN and CP were set in determination R-2021-64. CP's VRCPI was adjusted in determination R-2021-173 to reflect extra costs in obtaining grain hopper cars.

Regulated interswitching rates (R-2021-176)

In December 2021, the Agency made its annual determination (R-2021-176) of the regulated interswitching rates for 2022. The Agency has included an adjustment to the 2022 interswitching rates made as a consequence of the Federal Court of Appeal's decision in Canadian Pacific Railway Company v Canada (Transportation Agency), 2021 FCA 69 (FCA Decision). The adjustment ensures compliance with the Agency's statutory obligations in setting interswitching rates.

Cost of capital (<u>LET-R-34-2021</u>, <u>LET-R-35-2021</u>)

In 2021, the Agency made its annual determinations of the cost of capital for CN (<u>LET-R-34-2021</u>) and CP (<u>LET-R-35-2021</u>) for Western Grain. The capital structure in these determinations was analyzed using a status quo approach.

Cost of Capital for Western grain

In 2021, the Agency consulted on matters relating to the calculation of net rail investment and capital structure, including the treatment of general-purpose debt.

The consultation concluded, and the final decision (R-2022-16), issued on February 11, 2022, set out the standard assessment of railway capital structure.

The Agency applied this new approach to determine the 2022–2023 Cost of Capital for Western Grain for the crop year beginning August 1, 2022.

Marine coasting trade

Coasting trade applications

Under the <u>Coasting Trade Act</u>, only Canadian registered vessels can provide marine transportation between points in Canada. The use of a foreign vessel can only happen if the Minister of Public Safety and Emergency Preparedness issues a coasting trade licence.

The Agency plays a role in the coasting trade licensing process by determining whether suitable Canadian vessels are available when someone applies to use foreign vessels for domestic commercial marine activities. This determination is provided to the Minister of Public Safety and Emergency Preparedness for further action.

In 2021–2022, the Agency processed 46 coasting trade applications. Ten applications were contested, as a party offered a Canadian vessel that it argued was suitable and available for the work. In one of these (67-W-2021), the Agency determined, that there was in fact a suitable Canadian ship available to perform the activity described in the application.

Compared to the previous year, the total number of coasting trade applications increased by 27% in 2021–2022.

Compliance and enforcement

Overview and statistics

The Agency regulates over 1,500 transportation service providers (TSPs) in the air, rail, marine, and interprovincial bus sectors.

The Agency encourages and ensures compliance through various activities ranging from promoting compliance through outreach and education, through monitoring and verification, to enforcement.

See our Compliance Monitoring and Enforcement Policy for more information.

Table 4: 2021–2022 Compliance and verification activities

Activity	Number
Carrier Inspections	41
Facility Inspections	1
Carrier Monitoring at Terminal	0
Targeted Verifications	205
Website Monitoring	34
Targeted investigations	41
Total	322

Table 5: Enforcement actions taken 2021–2022

Activity	Number
1. Notices of Violations issued with Administrative Monetary Penalty	11
2. Notices of Violations issued with Warning	
Total number of violations found in 1 and 2 above	831
3. Cautionary Notices issued	56
Total number of potential violations found in 3 above	265

The total amount of Administrative Monetary Penalties issued was \$253,975.

New results-based and risk-informed compliance and enforcement program

The Agency began a new results-based and risk-informed compliance and enforcement program. The Agency applied new tools and strategies to target better compliance promotion, verification, inspections, and investigations.



Data analytics plays an important role in the Agency's compliance and enforcement program. The Agency worked with the National Research Council's Data Analytics Centre to configure its data-driven risk software. This software will guide the use of resources based on transportation service provider (TSP) compliance risk. The Agency has identified tools and techniques for analyzing data to detect compliance patterns, trends, and emerging issues. These will inform the Agency's compliance activities, including targeted verifications and investigations.

Accessible transportation

The Agency implemented a comprehensive strategy to ensure compliance with the *Accessible Transportation for Persons with Disabilities Regulations* (ATPDR).

The Agency has initiated over 40 inspections to verify compliance with the ATPDR, supported by self-reporting questionnaires, and followed by virtual and on-site meetings. These inspections target 120 provisions of the ATPDR, and require transportation service providers to provide the Agency's designated enforcement officers with evidence demonstrating how they are in compliance. Where deficiencies have been detected, compliance plans are developed which clearly detail how, and by when, the TSPs are expected to be in full compliance with the applicable requirements. The Agency is working with TSPs to ensure that they achieve compliance in 2022.

The Agency also entered into its first compliance agreement with a transportation service provider. Compliance agreements are a new tool included in the Act. It allows the Agency to work with parties who have been served with a notice of violation with an administrative monetary penalty to agree to a plan that will bring them into compliance.

Air transportation

The Agency has actively ensured compliance with the <u>Air Passenger Protection Regulations</u> (APPR), through an integrated strategy which addressed issues arising from the COVID-19 variant surge, crew shortages, and associated flight disruptions.

The Agency conducted 19 virtual inspections of Canadian carriers' domestic tariffs to ensure compliance, resulting in 5 cautionary notices.



The APPR includes air price advertising requirements. These requirements allow consumers to determine the total price of advertised air services easily. In the Agency's work, it:

- monitored the advertised air prices of 28 air carriers (and travel agencies),
- issued 22 cautionary notices, and
- issued three notices of violation (NoVs) with penalties.

The Agency investigated Skyservice Business Aviation Inc. for operating international passenger charters without obtaining the required charter permits. This resulted in the issuance of an NoV with administrative monetary penalty.

It also provided a temporary exemption to air carriers that hold a domestic licence from the discontinuance and reduction of service requirements due to the negative impacts of the pandemic. This exemption order expired on September 1, 2021. Following the expiry of the order, the Agency reached out to 41 air carriers to ensure they were aware of their legal obligations. The Agency has been monitoring 32 affected routes, with the majority seeing service re-established.

Rail transportation

The Agency is actively monitoring compliance with section 136.9 of the Act. This requires railway companies to publish a list of interchange locations. The Agency conducted 20 virtual inspections of federally regulated railway companies to ensure that the interchange lists were accurate and current. Nine railway companies have since been brought into compliance.

The Agency conducted two investigations to verify compliance by Canadian National Railway (CN) and Canadian Pacific Railway (CP) with the interswitching regulated rate under subsection 127(3) of the Act. These were for interswitching at the St-Luc interchange (Montreal) and destination facilities located on the south shore of Montreal. The Agency issued notices of violations and administrative monetary penalties to CN and CP.

Agency orders and decisions

The Agency verified compliance with 36 orders by following up with passengers and transportation service providers, including:

- collaborating with other government agencies to ensure CN complies with the conditions of the Milton logistics hub approval;
- air passengers receiving compensation and refunds, as ordered by the Agency;
- air carriers amending their tariffs to ensure transparency with passengers about their terms and conditions;
- ensuring transportation service providers communicate with their employees about existing and new transportation policies that allow persons with disabilities to better access air travel; and
- confirming that transportation service providers developed or amended their policies to address the removal of barriers for persons with disabilities.



Resolving disputes



Summary of our dispute resolution activities

Every year, thousands of transportation users, service providers, and other interested parties turn to the Agency, looking to resolve their disputes.

As an independent quasi-judicial tribunal, the Agency hears and resolves disputes, much like a court. This process is called adjudication. It is a formal process where written arguments and evidence is presented before a Panel of Members before rendering a binding decision.

The Agency can also work with parties in a dispute to address issues more informally. This involves using simpler processes to resolve disputes more quickly and with less burden on all parties, including:

- Facilitation, where a case officer assesses the issue and leads an informal exchange between the parties, usually by phone or email.
- Mediation, where an Agency mediator helps parties resolve their differences through negotiation (face-to-face, video conference or teleconference).

Arbitration, where an arbitrator reviews the facts (or final offers) submitted by the parties, is available in some circumstances.

See <u>Dispute Resolution Methods</u> on the Agency's website for an overview of how disputes are resolved.

Most complaints are resolved informally through facilitation or mediation (97%), with a small percentage decided through arbitration or formal adjudication (3%).

See <u>Statistics 2021–2022</u> for the Agency's detailed dispute resolution statistics.

The Agency remains focused on reducing wait times for getting disputes resolved, and continuously updates its website to ensure timely and practical information. The aim is to educate prospective complainants and the transportation industry and support resolution at the earliest stage possible.

The Agency has made several key improvements to its dispute resolution process. This includes improvements to its dispute forms which ensure that information submitted is complete and accurate and will lead to quicker complaint processing. Additionally, measures to streamline the process for managing the adjudication of air travel complaints have been implemented. This includes a simplified decision format, which significantly reduces the length of simple air travel complaint decisions. Finally, through a review of its dispute resolution processes, internal complaint processing efficiency has been increased. This review ensures that processes remain proportionate regarding the importance and complexity of the issues at stake and the relief claimed. These measures have allowed the Agency to resolve an increased volume of formal air travel complaints using existing resources and proportionally allocating resources according to the importance and complexity of the issues.

The Agency will continue to make sound, strategic investments in its employees and technology ensuring that it can respond to the high demand for its services.

Resolving air passenger disputes

Overview and statistics

In 2021–2022, the Agency received 12,158 new complaints related to air travel, on top of the 16,515 carried over from the previous year. These included complaints against 99 airlines from 57 countries worldwide.

This past year, the Agency processed 15,264 air travel complaints.

Table 6: 2021–2022 Air travel complaints processed

Resolution method	# processed
Facilitation	3825
Mediation	148
Adjudication	124
Air Sector Financial Aid Package	7575
Withdrawal, declined, out of jurisdiction	3592

Air passengers benefitted from financial aid packages to airlines announced in May 2021 that guaranteed refunds for flights cancelled due to the pandemic. As a result, 7575 passengers were able to address their disputes immediately and directly with their air carrier.

In addition, the Agency <u>completed its APPR inquiry</u> in November 2021 and issued an interpretive decision (<u>122-C-A-2021</u>) which provided information and guidance to process APPR complaints using informal and formal mechanisms. This effort has also equipped the airlines with the needed guidance to resolve disputes with passengers directly without additional intervention.

Top issues raised by passengers

Flight disruptions, reservations, and ticketing are the top three issues raised by passengers in complaints processed during the reporting period. There are often multiple issues identified within each complaint. As a result, the number of issues raised exceeds the number of complaints filed.

Table 7: 2021–2022 Issues raised by passengers

Issue	Frequency
Flight disruptions	14667
Ticketing	10787
Reservations	3879
Baggage	877
Refusal to transport	606
<u>Assistance</u>	486
Denied boarding (bumping)	208
<u>Fares</u>	88
Communications	60
Out of Agency jurisdiction	1823
Other	306

See the Agency's <u>2021–2022 Statistics</u> for other air travel complaint statistics.



Key air travel complaints decisions

The following are some significant decisions issued by the Agency this year. This selection includes decisions that provide some clarity on the scope of the APPR.

Gourlay v Air Transat (37-C-A-2021)

This decision demonstrates that the APPR regime sets the minimum requirement. If a carrier's tariff is more favourable, the tariff provision prevails and must be followed by the carrier. The Agency found that the obligations in the tariff were more favourable. They required the carrier to consider rebooking on other airlines. The APPR required Air Transat to consider only other air carriers with which it has a commercial agreement.

The Agency ordered Air Transat to compensate the applicants for the difference between the cost of their original Air Transat tickets and the new tickets they purchased with the other carrier.

Chang v Air Canada (65-C-A-2021)

This decision illustrates the Agency's authority to order changes to tariff provisions found to be unreasonable. In such cases, the order benefits all passengers on a go-forward basis.

The applicants filed a complaint against Air Canada about its refusal to transport them due to their late check-in. The Agency found that exceptional circumstances may arise. An example is the one encountered by the applicants, where passengers request a change on the day of travel and their travel agency is closed. The Agency found that Air Canada's existing terms and conditions lacked necessary flexibility and were unjust and unreasonable, but not discriminatory.

The Agency ordered Air Canada to file an amended tariff that reflected the proposed terms and conditions.

Multiple Applicants v Air Canada, WestJet, Air Transat, United Airlines, Sunwing and Swoop (122-C-A-2021)

This decision sets out the Agency's response to eight general questions of interpretation in the <u>Air Passenger Protection Regulations</u> (APPR). This decision provides clarity on the issues raised for both passengers and airlines.

After the coming into force of the APPR, the Agency received an unprecedented number of complaints from air passengers. These complaints alleged airlines were

not accurately communicating the reasons for flight delays or cancellations, as required by the APPR.

The Agency opened an inquiry into 567 of these complaints involving six airlines. The Panel assigned to adjudicate this case received the *Inquiry Officer's Report*.

The Agency decision was used to create and post clear guidance for applicants and respondents. This guidance helps passengers and air carriers to better understand the APPR inquiry decision and support a more effective resolution of complaints.

Each airline was directed to reconsider the requests for compensation for inconvenience. They were to consider the interpretations provided by the Agency's decision. Airlines were directed to provide the explanation required under the APPR if they rejected the complainant's request. The Agency advised complainants to contact it should any issues remain unresolved. Of these, 20 returned to the Agency to have their complaint addressed.

Resolving accessibility disputes

Overview and statistics

The Agency is responsible for removing barriers to the mobility of persons with disabilities from federally-regulated air, rail, ferry, and bus transportation.

One of the ways that the Agency improves accessibility is by resolving individual complaints on a case-by-case basis. In 2021–2022, the Agency resolved 115 accessibility complaints. This number represents a decrease from the two previous years (174 for 2020–2021 and 227 for 2019–2020).

Table 8: 2021–2022 Accessibility Disputes

Resolution method	# processed
Facilitation	17
Mediation	79
Adjudication	19



The Agency's Accessibility Complaints Help Line remains an important service to assist persons with disabilities. During the reporting period, staff assisted over 100 callers with a wide variety of accessible transportation-related enquiries.

Key accessibility decisions

Decision: Sleeva v Rider Express Transportation Corporation (26-AT-MV-2021)

Rider Express Transportation Corporation's failure to provide wheelchair-accessible bus services was an obstacle to the applicant's mobility. We found no basis to conclude that removing the obstacle to the applicant's mobility would result in undue hardship for the respondent.

We ordered Rider Express Transportation Corporation to provide wheelchair-accessible bus services.

Application by Rosalie Finlay regarding the constitutionality of the remedial powers of the Canadian Transportation Agency (<u>110-AT-A-2021</u>)

The applicant filed a notice of constitutional question about the Agency's remedial powers in accessibility matters. She argued the monetary limitations on general damages found in the <u>Canada Transportation Act</u> (Act) prohibited adequate reparation for discrimination in transportation. As a result, these should be struck down as an unjustifiable violation of the Canadian Charter of Rights and Freedoms. The Agency dismissed the application on the basis that it does not have the authority to strike down legislative provisions, among other factors.

Review of allergy decisions (32-AT-A-2021)

This decision rescinded the orders set out in the Allergy Decisions. These decisions concern persons whose allergies constitute a disability while travelling. The Agency found insufficient evidence to support the need for corrective measures specific to the original applicants.

WestJet, Air Canada, and Jazz Aviation LP argued that the coming into force of the <u>Accessible Transportation for Persons with Disabilities Regulations</u> (ATPDR) constituted a change in facts and circumstance as it sets out a one-row buffer zone for persons with severe allergies.

The Agency found that the ATPDR and the results of the <u>Ministerial Inquiry into Allergies to</u>
<u>Peanuts, Nuts, and Sesame Seeds in Commercial Air Travel</u> were new facts and circumstances significant enough to warrant a rescission or variance of the Allergy Decisions.

Resolving rail and marine disputes

Overview and statistics

Part of the Agency's rail mandate is to help <u>resolve disputes between railway companies</u> and their customers or neighbours.

Marine disputes can involve user fees at ports, charges for pilotage services, or coasting trade applications for foreign or non-duty paid ships to work in Canadian waters.

Table 9: 2021–2022 Rail and Marine Dispute Resolution

Resolution method	Rail complaints processed	Marine complaints processed
Facilitation	33	0
Mediation	14	0
Arbitration	2	0
Adjudication	7	1

The Agency's Rail, Shipper, and Community Help Line remains an important service to assist stakeholders. During the reporting period, staff assisted 239 rail-related inquiries. For other rail-related statistics, see the Agency's annual statistics.

Key rail and marine decisions

Richardson International Limited v Canadian National Railway Company (62-R-2021)

This case was a redetermination of an application filed by Richardson International Limited (RIL) for regulated and extended interswitching with the Lamont and Westmor elevators in Alberta. The Federal Court of Appeal (FCA) set aside Agency decision CONF-18-2018 because of an error in interpretation of the term "interchange." The FCA returned the matter to the Agency for redetermination.

Guided by that decision, the Agency applied modern principles of statutory interpretation to determine whether the term "interchange" includes yards, spurs and other auxiliary lines. The Agency concluded that it does. The Agency found that CN's description of the overarching goal of the Act was incomplete. Competition between transportation service providers and the attendant benefits are as important goals of the legislation as efficiency.

The Agency found that Scotford is an interchange within the meaning of section 111. The Agency ordered CN to interswitch RIL's traffic from the Lamont elevator at the interchange at Scotford.

IGPC Ethanol Inc. v Canadian National Railway Company (89-R-2021)

This decision helped to clarify the conditions for exemptions to obligations under the Act regarding the operation of a railway line.

The Agency previously found in decision <u>460-R-2013</u> that three conditions had to be met to be exempted from the obligations under the Act regarding the operation of a railway line. The Agency found the three conditions were met. CN complied with the transfer and discontinuance process for this line, and the Agency dismissed the application.

Maximum amount of freight charges for summary final offer arbitration (R-2021-166)

The Act requires the Agency to adjust the maximum freight charges for the final offer arbitration (FOA) summary process under an established formula every three years. The Agency applied the prescribed formula and determined the revised maximum amount of freight charges is \$2,102,000. This amount is valid for three years ending on March 31, 2024.

FOA is one means to resolve rate and service disputes between carriers and shippers or transit authorities.

Shipping Federation of Canada v Great Lakes Pilotage Authority (CONF-10-2021)

The <u>Pilotage Act</u> previously allowed any interested person to object to a proposed tariff if they believed a pilotage charge was prejudicial to the public interest. During this time, the Shipping Federation of Canada (SFC) filed an objection to proposed tariff amendments by the Great Lakes Pilotage Authority (GLPA).

The Agency found that the GLPA's general tariff increase, docking/undocking charge and apprentice pilot training surcharge were not prejudicial to the public interest. The Agency recommended the tariff amendments establishing these charges be implemented. However, it found that the GLPA's continued transit charge was unfair and unreasonable and prejudicial to the public interest. The Agency recommended that it not be implemented, and that the amount of revenue that would have been collected by the GLPA through this charge be recovered through an increase to its general tariff.

Assessment of the Act



Under subsection 42(2) of the <u>Canada Transportation Act</u> (Act), the Agency is required to report on the operation of, and any difficulties observed in, the administration of the Act through its Annual Report.

Over the years, the Agency's regulatory and legislative responsibilities have regularly increased and now represent a comprehensive regulatory framework covering key economic, consumer protection, and accessibility aspects of the transportation system. The Agency has evolved from an organization that focused on high-complexity activities with a high economic impact to one that also has to deal with a high volume of low-complexity complaints involving members of the public, and human rights cases involving persons with disabilities.

However, some the Agency's legislative authorities have not kept up with these increased responsibilities and demands. The Agency has identified amendments to the Act that would allow it to modernize its operations and to more efficiently and effectively fulfill its expanded mandate.

Enhancements to realize efficiencies and modernize enforcement

Ability to intervene on reasonableness and clarity for domestic tariffs

Currently, under the Act, the Agency is able to intervene on its own motion if a concern arises regarding the reasonableness or clarity of an international air tariff. This allows the Agency to proactively address situations where, for example, a tariff has provisions that may be unfair or undermine the spirit and intent of passenger rights regime. However, we are unable to intervene in the same way for cases involving domestic travel. The Agency must first wait for a complaint to be received before looking into possible issues, even if those issues are widely reported in the media, for example. An amendment could be made to allow the Agency to look into possible issues with domestic tariffs on its own motion, consistent with the authority it has for international tariffs.

Ability to proactively gather information on flight disruptions that could give rise to complaints

Currently, under the Act, the Agency is only able to examine passenger issues, such as issues associated with major events involving multiple flight disruptions, following the receipt of a complaint. This limits the Agency's ability to address the concerns of affected passengers in a proactive and timely manner, as it can take some time for a complaint to be filed after a flight disruption. An amendment to the Act could be made to allow the Agency to launch inquiries on its own motion, particularly when there is a large-scale flight disruption, which would assist providing clarity about passenger entitlements in flight disruption situations in a more timely manner.

Restrictions on Appointment of Members

Currently, Members must reside in the National Capital Region. This unnecessarily restricts the pool of potential members. Removing this requirement could contribute to increase the diversity of talent available to the Agency.

Also, provisions limit the ability of the Chair to expand or decrease the number of Temporary Members based on file volumes. Furthermore, given that Temporary Members are not allowed to serve more than two consecutive one-year terms, the Agency is experiencing issues with continuity as the Agency is having to re-assign cases upon the end of a Temporary Member's term. The Agency would have greater flexibility and respond with greater efficiency if the three-person cap on the number of Temporary Members was removed or raised and Temporary Members were permitted to serve more than two consecutive one-year terms.

Issue-appropriate decision making

Given the wide range of issues that are now being brought before the Agency, it is important to ensure that the right level of decision making is engaged, consistent with practices in other federal agencies. In particular, decision-making mechanisms should be appropriate to the nature and level of complexity of the matter under consideration, the nature of the parties involved, and the potential impact of the decision. Many matters for which the Act currently requires a decision by the Agency's GIC-appointed Members do not actually require such a high level of expertise.

The Act could be amended to give the authority to public servants, instead of GIC-appointed Members, to decide on passenger complaints that an airline has not met its

obligations, as they are straightforward, involve limited discretion and have a low potential impact and dollar value. This would leave Members to decide more complex or impactful matters.

This type of approach is seen in other administrative tribunals, including the Immigration and Refugee Board of Canada. To support this decision-making change, the Agency Chair should be given authority to issue binding guidelines on the interpretation of the law, to be reflected in the decisions of public servant decision-makers. Further, the remedies that the public-servant decision-makers could order should be clearly delineated in the Act. Having specific remedies will focus complaints and Agency intervention on key issues.

This amendment would make many dispute resolution processes simpler, shorter and more cost-efficient by reducing the levels of approval, internal steps, and staff support required, and would also allow the Agency to provide a quicker response to the complainant and make best use of Agency resources by ensuring GIC-appointed Members' time and expertise are appropriately used for complex and more impactful matters.

For similar reasons, the Act could also be amended to allow authority to be delegated to public servants to decide on authorizations that have become routine and require limited or no discretion, such as issuing charter permits that are no longer subject to strict requirements and conditions under the <u>Air Transportation Regulations</u>. The powers of the Agency over licensing matters are similar to some of the powers of the Minister of Transport under the <u>Aeronautics Act</u> and the <u>Canadian Aviation Regulations</u> (CARs). However, some of these powers, such as the power to issue a Canadian Aviation Document, are delegated to Transport Canada staff whereas the same cannot be done by the Agency.

Modernizing the Agency's enforcement tools

The Agency currently enforces its regulatory and legislative requirements using cautionary notices in the case of inadvertent, low-impact contraventions of requirements (and warnings in the case of accessibility provisions) and penalties—Administrative Monetary Penalties (AMPs). However, there are additional, more modern approaches that the Agency could use to better promote and ensure compliance, and therefore minimize violations and complaints if the Act were amended to permit this.

In particular, the Agency would benefit from being able to enter into compliance agreements with transportation service providers, as appropriate, if we determine they are not following a requirement. Depending on the violation and the transportation service provider's compliance history, these agreements can be effective tools for ensuring that the provider brings themselves into compliance as soon as possible and supporting them in doing so. The Agency was recently given the authority, through the <u>Accessible Canada Act</u>, to use compliance agreements in response to violations of accessibility provisions. Amending the Act to add compliance agreements, as well as other powers currently found in the <u>Accessible Canada Act</u>, would give us modern and consistent enforcement tools across all of our mandates.

Moreover, under the current structure of the Agency, two different bodies are called to interpret the same legislative and regulatory provisions – i.e. the Agency when exercising its adjudicative and regulatory powers under the Act, including the power to review Notices of violation (NoVs) containing a warning, and the Transportation Appeal Tribunal of Canada (TATC) when reviewing NoVs issued by an Agency's designated enforcement officer. This creates an unnecessary duplication of roles and regulatory unpredictability, as the TATC and the Agency may interpret the Act and the regulations differently and the two bodies are not bound by each other's decisions.

In addition, the current statute of limitation for both prosecutions and issuance of NoVs is only 12 months (from when the subject matter of the proceedings arose). Extending the statute of limitations to 24 months would allow the Agency to ensure that issues of non-compliance are addressed even if proceedings and issuance of NoVs do not happen right away. In cases where investigations are needed, a further delay may be possible as these can sometimes be complex and take time.

Appeals and judicial reviews of Agency decisions

As a result of the Supreme Court of Canada's decision in the Vavilov case, Agency decisions are now reviewed on a standard of correctness by the Federal Court of Appeal (FCA) rather than reasonableness. As such, deference is no longer owed to the Agency despite its long-standing specialized expertise in federal transportation matters. This is a significant departure from decades of case law in which the Agency's decisions were given deference. It also undermines the Agency's expertise and its ability to issue decisions in support of policy objectives, as well as legislative and regulatory requirements. The Act could be amended to specifically state that the intended standard of review for Agency decisions

is reasonableness. This approach recognizes the Agency's long-standing expertise in areas under its mandate.

Further, the Agency's participation in appeals of its decisions to the Federal Court of Appeal (FCA) has been questioned in recent proceedings, notwithstanding the fact that subsection 41(4) of the Act provides the Agency with the right to be heard on the argument of an appeal. The Act could be amended to clarify the right of the Agency to appear and to confirm the scope of its participatory right. This right to respond to all arguments raised in an appeal, including at the leave stage, would help ensure that the record before the FCA is as complete as possible.

In recent years, there has been an increase in judicial reviews, for matters not subject to appeals. The Agency is not a party to those reviews – however, for the same reasons mentioned above, the Agency should be named as a party to allow it to be heard, consistent with the Agency's participation in appeals.

Accessible transportation

The <u>Accessible Canada Act</u> amended the Act to provide the Agency with the authority to investigate systemic issues within Canada's transportation system that relates to the mobility of persons with disabilities on its own initiative, with the approval of the Minister of Transport. This is an important tool that can be used to examine reasons for what appear to be recurring or broad-based barriers to travel by persons with disabilities and identify ways to remove these barriers. However, the Agency is unable to order remedies or issue orders to address problems found through such an investigation. This stands in contrast to the authority the Agency has for own motion inquiries into possible international tariff issues. The Act could be amended to provide the Agency with remedial powers in this area, to make sure the finding of an investigation can be relied upon for the purposes of eliminating barriers to the mobility of persons with disabilities.

Appendix: Reporting on dispute resolution and compliance activities



Air travel complaints

For other air travel complaint statistics, see the Agency's 2021–2022 Statistics.

Carrier	Nationality	Total
ABC Aerolineas, S.A. DE C.V.	Mexico	8
Aer Lingus Limited	Ireland	6
Aerolineas Argentinas Sociedad Anonima	Argentina	1
Aerovias de Mexico S.A. de C.V.	Mexico	74
Aerovias del Continente Americano S.A.	Colombia	7
Air Canada	Canada	3245
Air China Limited	China	14
Air India Limited	India	104
Air Inuit Ltée/Air Inuit Ltd.	Canada	2
Air Italy S.p.A.	Italy	1
Air Liaison	Canada	1
Air New Zealand Limited	New Zealand	16
Air North Charter & Training Ltd.	Canada	2
Air Pacific Limited	Fiji	2
Air Saint-Pierre, S.A.	France	1

Carrier	Nationality	Total
Air Serbia	Serbia-Montenegro	1
Air Tahiti Nui	French Polynesia	1
Air Transat A.T. Inc.	Canada	1483
Alaska Airlines, Inc.	United States of America	16
ALIA – The Royal Jordanian Airline plc (Royal Jordanian)	Jordan	12
Alitalia – Società Aerea Italiana S.p.A.	Italy	4
All Nippon Airways Co., Ltd.	Japan	5
American Airlines, Inc.	United States of America	46
Asiana Airlines, Inc.	South Korea	1
Austrian Airlines AG	Austria	15
British Airways Plc	United Kingdom	55
Brussels Airlines NV/SA	Belgium	20
Calm Air International LP, as represented by its general partner, Calm Air GP Inc.	Canada	1
Canadian North Inc.	Canada	8
Caribbean Airlines Limited	Trinidad and Tobago	15
Cathay Pacific Airways Limited	Hong Kong	25
Central Mountain Air Ltd.	Canada	3
China Airlines Limited	Taiwan	7
China Eastern Airlines Corporation Limited	China	1
China Southern Airlines Company Limited	China	3
Compagnie Nationale Royal Air Maroc	Morocco	111
Compañia Panameña de Aviacion, S.A.	Panama	26
Condor Flugdienst GmbH	Germany	3
Corsair	France	14
Delta Air Lines, Inc.	United States of America	34

Carrier	Nationality	Total
Deutsche Lufthansa Aktiengesellschaft (Lufthansa German Airlines)	Germany	123
EgyptAir	Egypt	31
El Al Israel Airlines Ltd.	Israel	8
Emirates	United Arab Emirates	26
EPE SPA Air Algérie	Algeria	19
Ethiopian Airlines Enterprise	Ethiopia	14
Etihad Airways P.J.S.C.	United Arab Emirates	33
Eva Airways Corporation	Taiwan	14
Flair Airlines Ltd.	Canada	239
Fly Dubai – Unlicensed	United Arab Emirates	1
Hainan Airlines Company Limited	China	2
Hong Kong Airlines Limited	Hong Kong	1
Iberia, Lineas Aereas de Espana, S.A. (Iberia Air Lines of Spain)	Spain	1
Icelandair ehf	Iceland	23
Island Express Air Inc.	Canada	2
Kenya Airways Ltd – Unlicensed	Kenya	1
Koninklijke Luchtvaart Maatschappij, N.V. (K.L.M. Royal Dutch Airlines)	Netherlands	66
Korean Air Lines Co. Ltd.	South Korea	1
Kuwait Airways	Kuwait	1
LATAM Airlines Group S.A.	Chile	8
Nihon Koku Kabushiki Gaisha (Japan Airlines Co., Ltd.)	Japan	4
Norwegian Air International Limited	Norway	1
Oman Air	Oman	20

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Carrier	Nationality	Total
OpenSkies	France	35
Pacific Coastal Airlines Limited	Canada	25
Pakistan International Airlines Corporation	Pakistan	19
Philippine Airlines, Inc.	Philippines	76
Polskie Linie Lotnicze LOT SA (LOT Polish Airlines SA)	Poland	21
Porter Airlines Inc.	Canada	80
Qantas Airways Limited	Australia	1
Qatar Airways (Q.C.S.C.)	Qatar	53
Sata Internacional – Serviços e Transportes Aéreos, S.A.	Portugal	20
Scandinavian Airlines System (SAS)	Sweden	1
Singapore Airlines Limited	Singapore	1
Société Air France	France	82
Société Tunisienne de l'Air	Tunisia	13
South African Airways SOC Limited	South Africa	2
SriLankan Airlines Limited	Sri Lanka	2
Sunwing Airlines Inc.	Canada	884
Swiss International Air Lines Ltd.	Switzerland	13
Swoop Inc.	Canada	670
Taca International Airlines, S.A.	El Salvador	3
Thunder Airlines Limited	Canada	1
Transportes Aéreos Portugueses, S.A.	Portugal	152
Türk Hava Yollari Anonim Ortakligi (Turkish Airlines Inc.)	Turkey	77
Ukraine International Airlines	Ukraine	19
United Airlines, Inc.	United States of America	96

Carrier	Nationality	Total
Virgin Australia International Airlines	Australia	3
Wasaya Airways Limited Partnership, by its General Partner Wasaya General Partner Limited	Canada	1
WestJet	Canada	3288
Xiamen Airlines Co., Ltd.	China	1
Total		11672

Accessible Canada Act enforcement

Reporting to Parliament (amendments to subsection 42(2) of the *Canada Transportation Act*) requirements on CTA's annual reporting

Enforcement actions	2021-2022
# of inspections conducted to verify compliance and non-compliance	2
# of orders made under section 181.2	0
# of orders, in writing, made under section 26, 60 to 62	0
# of notices of violation issued under section 180	1
# of inquiries made under any of sections 172, 172.1 and 172.3	19