

Annual Report 2025 – 2026

Canadian Transportation Agency
Office des transports du Canada

Canada

Annual Report 2025 – 2026

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Catalogue No. TT1E-PDF
ISSN 1494-7927

Available in alternate formats
Version française disponible



Message from the Chair and CEO

Adapting, Evolving, Delivering: A Five-Year Overview of the Canadian Transportation Agency

Mandate

Created under the *Canada Transportation Act* (Act), the Canadian Transportation Agency (Agency) serves as both a regulator and independent administrative tribunal. It began with the establishment of the Board of Railway Commissioners in 1904, and today its wide mandate covers the entire federal transportation network, including the aviation, rail, and marine sectors. Its three broad roles are: to help ensure that the national transportation system functions efficiently, to provide consumer protection for air passengers, and to protect the human right of persons with disabilities to an accessible transportation network.

As an economic regulator, the Agency develops and applies ground rules that establish the rights and responsibilities of transportation service providers and users. These rules can be binding regulations, guidelines, or codes of practice. It also issues a variety regulatory authorities including those required to operate federal transportation in Canada such as permits and licences.

As a tribunal, the Agency hears and resolves disputes like a court. It resolves disputes between transportation service providers and their clients or relevant stakeholders, using various tools both formal and informal.

The need for transformation

As my term as Chair and Chief Executive Officer comes to an end on May 29, 2026, this report provides an opportunity not only to reflect on the past year, but also on the Agency's evolution over the past five years.

When I joined the Agency in 2021, the organization had recently completed its *Regulatory Modernization Initiative*, and I anticipated that our focus would largely be on implementing updated regulations and refining existing processes. Instead, the COVID-19 pandemic fundamentally reshaped both the transportation sector and the demands placed upon the Agency, requiring rapid adaptation and significant organizational transformation.

First, global supply chains continued to face post-pandemic disruptions as bottlenecks and labour shortages strained transportation networks. These pressures created operational challenges for both shippers and railways, affecting capacity, service reliability, and overall network performance.

Second, the recovery of the air sector proved particularly challenging. Travel demand rebounded sharply while airlines and airports struggled with widespread operational disruptions. In June 2022, air traffic volumes were 58 times higher than they had been two years earlier, during the height of the pandemic, while on-time performance fell to 59% for WestJet and 55% for Air Canada, according to Cirium data.

At the same time, the *Air Passenger Protection Regulations* (APPR), still relatively new, were tested under unprecedented conditions. As is often the case with new regulatory frameworks, implementation challenges emerged. Public awareness and expectations regarding air passenger rights also increased dramatically. Since 2022–23, the Agency has received approximately 48,000 direct inquiries from Canadians and generated over 60,000 media mentions related to air passenger protection.

The impact on complaint volumes was unprecedented. Prior to 2016, the Agency received approximately 850 air passenger complaints annually. After the coming into force of the APPR, in 2019–20, that number increased to almost 20,000. With the resurgence of travel post-pandemic, and since 2022–23, more than 40,000 complaints per year have been received. This dramatic increase of almost 5,000% in just seven years quickly exceeded the Agency's complaint processing capacity, resulting in a substantial backlog. Addressing this challenge became one of the defining priorities of the organization and drove much of the broader transformation undertaken across the Agency.

Third, persons with disabilities encountered significant service challenges throughout the transportation network, including issues involving mobility aids, service animals, and

communications. These were driven in part by high industry staff turnover during the pandemic, which contributed to training gaps and inconsistent service delivery.

It became clear that incremental improvements would not be sufficient. Responding effectively required meaningful transformation supported by new approaches, new investments, and new ways of working.

Guiding Principles

The Agency's transformation focused on three overarching priorities.

First, we adopted a more outcome-based approach. This meant reducing unnecessary procedural rigidity and creating frameworks that gave employees greater flexibility to make decisions and take actions aligned with desired outcomes.

Second, we accelerated the digitalization of our operations, with a strong focus on data-informed decision-making, automation, and the responsible introduction of artificial intelligence to improve efficiency and maximize resources.

Third, we invested in leadership development and staff competencies to meet the growing scale of the organization and the challenges of a fast-changing environment.

Throughout this transformation, several principles guided our work. We emphasized proportionality by aligning resources with risk and impact. We encouraged collaboration across branches and disciplines to address increasingly complex issues. We also strengthened proactive engagement with stakeholders, recognizing that an effective modern regulator must interact with its regulated parties and those benefiting from the regulations and maintain a deep understanding of the sectors and communities it serves. These engagements were conducted in accordance with important principles designed to preserve the Agency's independence, impartiality, and integrity.

Results and organizational progress

While important challenges remain, the Agency today is significantly stronger than it was five years ago. It is more data-driven, more digitally enabled, and better positioned to deliver timely and effective results for Canadians.

Planning and financial management practices have matured, allowing for clearer prioritization and stronger stewardship of public resources. Investments in leadership, organizational culture, and employee development have strengthened accountability, collaboration, and continuous learning across the organization.

These efforts have produced meaningful results across all areas of the Agency's mandate.

Supporting an efficient national transportation system

The Agency improved its approach to rail performance monitoring by complementing formal regulatory tools with more collaborative and proactive engagement mechanisms. Rather than relying solely on adjudicative processes, we worked closely with shippers and railways to facilitate early identification of potential service and performance issues and to encourage practical solutions.

We also reviewed internal processes to identify opportunities for greater flexibility and reduced regulatory burden. For example, the Agency worked closely with Baffinland Iron Mines Corporation and Inuit representatives through the integrated federal consultation process to support the approval of the Steensby railway line project in Nunavut. Through early and sustained engagement, the Agency was able to issue its approval and associated conditions in record time, enabling the project to proceed efficiently while respecting statutory obligations.

Lessons learned from this project informed broader improvements to the Agency's railway construction approval process, including greater emphasis on early engagement and risk-based approaches tailored to project complexity leading to more timely decisions.

Protecting Air Passengers

Legislative amendments to the *Canada Transportation Act* in June 2023 significantly changed how the Agency processes air passenger complaints. In response, the Agency launched the redesigned Complaints Resolution Office (CRO) in only three months.

The CRO introduced a more straightforward, rapid, and cost-effective approach to complaint resolution. Since its implementation, the Agency has continued refining

processes and introducing operational improvements that have significantly increased productivity.

During its first two full fiscal years, the CRO resolved more than 30,000 complaints annually — approximately three times the volume resolved in the final full fiscal year preceding its creation, when 11,158 complaints were closed.

The Agency continues to explore new tools, strategies, and technologies — including artificial intelligence — to maximize resolution capacity and improve service delivery. An ambitious target has been established to resolve 45,000 complaints in the next fiscal year.

Advancing Accessibility

The Agency identified three priority accessibility objectives based on recurring systemic issues within the transportation network: reducing damage to mobility aids, improving accessibility training for transportation service provider employees, and promoting greater consistency in accessible air travel internationally.

Targeted initiatives were developed to focus efforts where the Agency could have the greatest impact. These included establishing the Canadian Mobility Aid Working Group and collaborating with accessibility experts and persons with disabilities to co-develop training programs for smaller transportation service providers.

The Agency also worked extensively with persons with disabilities, industries, and government and international organizations, to foster collaboration and shared solutions. The principle of “Nothing Without Us” remained central to these efforts. Meaningful engagement with persons with disabilities is essential to advancing accessibility. The Agency’s Accessibility Advisory Committee, which includes more than 40 representatives from both the disability community and the transportation industry played an important role in supporting and advancing the Agency’s accessibility initiatives. In January 2026, members of this Committee noted meaningful progress in several of these priority areas.

Internationally, the Agency also continued to play a leadership role at the International Civil Aviation Organization (ICAO) in advancing a comprehensive global strategy on aviation accessibility, which is expected to be formally adopted in winter 2026.

An organization ready for the future

Throughout this period, the Agency remained committed to fostering an inclusive, flexible, and supportive workplace — one that encourages professional development, values collaboration, and invests in leadership at all levels.

The Agency's achievements over the past five years reflect not only resilience, but also the dedication and professionalism of its employees and Members. This commitment has contributed to the Agency being recognized as one of the National Capital Region's Top Employers for three consecutive years since 2023.

This recognition reflects the culture that continues to develop across the organization: one grounded in collaboration, learning, accountability, and continuous improvement, while maintaining a strong focus on service excellence for Canadians.

The evolving role of regulators

I had the privilege of being a member, and later Chair, of the Organisation for Economic Co-operation and Development (OECD) Network of Economic Regulators during my mandate. This forum offers a valuable lens through which to observe how regulatory institutions are evolving across jurisdictions.

It is increasingly clear that the role of regulators is becoming more complex and more integrated within the broader policy landscape. Regulators are no longer solely technical experts operating within clearly defined sectoral boundaries. While technical expertise remains essential, it is now complemented by a growing responsibility to contribute to cross-cutting policy objectives, including economic resilience, system performance, innovation, and public trust.

As a result, regulators are working more horizontally across institutions, sectors, and policy domains. They are expected to collaborate more actively with governments, industry, and other stakeholders, and to engage more directly in shaping system-wide outcomes. In this context, regulators are becoming more visible in the public space and more accountable for how their decisions affect broader societal and economic objectives, beyond the narrow confines of their traditional mandates.

Looking Ahead

In the Government's Spring Economic Update released in April 2026, the Government announced its intention to introduce legislative changes aimed at eliminating the backlog of air passenger complaints through the use of a neutral third-party dispute resolution organization. The Government also announced proposed changes to strengthen enforcement powers by increasing the maximum administrative monetary penalty for violations of the APPR to $1 million.

In addition, the Government indicated its intention to transfer responsibility for making air passenger regulations from the Agency to the Minister and to reform the regulatory framework to provide greater clarity and faster compensation for passengers when travel disruptions occur.

The Agency will continue to work closely with the Government, including Transport Canada officials, by providing expertise and operational support in the development and implementation of any legislative or regulatory changes.

Looking ahead, the transportation sector will continue to evolve rapidly. Emerging technologies, including artificial intelligence, will reshape how organizations operate. Demographic shifts, including an aging population, will increase accessibility expectations and requirements. Global trade dynamics and supply chain pressures will continue to influence the transportation system in complex ways. Over the past five years, the Agency has demonstrated resilience, adaptability, and a strong commitment to serving Canadians. I am proud of the organization's progress and confident that it is well positioned to meet future challenges.

I am deeply grateful to the Agency's employees, the executive team, Liz Barker who has just retired as Vice-chair, and Members for their professionalism, dedication, and unwavering commitment throughout this period of transformation. Their expertise, adaptability, and thoughtful advice have been invaluable, and I have felt privileged to work alongside such exceptional colleagues. As I conclude my mandate, I leave knowing that the Agency is stronger, more agile, and better prepared for the future. I wish the organization continued success as it continues serving Canadians and advancing its important mandate.

The context of the Agency's work

Rail

The transportation sector plays a crucial role in maintaining the Canadian economy by supporting domestic and international trade. Throughout the past five years, the sector faced notable disruptions, developments, and changes, highlighting the importance of investments to strengthen the resilience. More specifically, the onset and consequences of the pandemic, along with changing environmental challenges and supply chain issues, resulted in significant disruptions.

The Canadian freight rail industry evolved and implemented strategies in an effort to mitigate any future impacts and rise of similar issues. Volumes rebounded in 2021 and 2022 as restrictions eased and economic activity resumed from a low of 324.7 million tonnes in 2020 to 365.2 million tonnes and 366.4 million tonnes in 2021 and 2022 respectively. In 2025, volumes totalled 376.6 million tonnes, a slight 0.2% decrease compared to 2024, marking the first year volumes decreased since 2021 on a year-over-year basis. Fueled by operational challenges and market pressures experienced during the pandemic, the increased shift from long-haul trucking to intermodal shipping for freight continued and accelerated, evidenced by the investments made in intermodal facilities such as the Canadian National Railway Company's (CN's) Milton Logistics Hub and the Port of Montreal's Contrecoeur terminal.

Acquisitions and mergers – both large and small – have been an ongoing trend for Canada's rail industry. CN acquired Iowa Northern Railway Company in 2023, which expanded CN's network by approximately 175 miles in northeast Iowa. Similarly, in 2023, Canadian Pacific Railway Limited acquired Kansas City Southern, becoming Canadian Pacific Kansas City Limited (CPKC), which added roughly 4,000 miles in the United States of America (U.S.) and Mexico to CPKC's network.

Labour Disputes and Workforce Availability

Labour disputes and crew availability in the transportation sector continued to be challenging – in the Canadian freight rail industry, more specifically, labour issues limited operational capacity and reliability. Although the railway companies have increased their hiring of operational staff, workforce adjustment has been occurring at the management and non-union levels. For instance, in 2024, there were six labour disputes involving railways, ports, or shippers that resulted in intervention by the federal government. As a result, the Standing Senate Committee on Transport and Communications launched a study to examine and report on maintenance of activities or essential services in the federally regulated rail and marine sectors in the case of labour disruptions, including examinations of the impact of labour disputes on Canadian consumers and Canada's supply chain.

Air

In the air sector, the COVID-19 pandemic resulted in numerous travel restrictions that led to air carriers and airports seeing significantly reduced passenger volumes. Total passenger volumes in Canada reached its lowest level of 46.2 million in 2021, but as travel restrictions began to ease in 2022, Canada saw nearly 119 million total passengers in 2022, marking an increase of 157%. Volumes have remained on an upward trajectory, and reached a significant milestone in 2025, with passenger volumes surpassing pre-pandemic levels for the first time.

In fiscal years 2020–21 and 2021–22, the Agency observed that flight disruptions were the primary issue affecting passengers, accounting for 58% of complaints submitted to the Agency. Of the flight disruption related complaints, 49% were related to reservations and 24% were related to ticketing, compared to approximately 10% in the preceding and subsequent years. This increase was largely driven by passengers seeking refunds and other remedies in response to widespread pandemic-related cancellations. In 2021–22, complaints related to baggage also rose, reflecting the resurgence in travel demand combined with ongoing understaffing across the air transport sector. Since then, flight disruptions have continued to be the primary issue reported by passengers.

In response to shifting passenger demand and travel preferences, air carriers were prompted to adjust their route offerings, resulting in cuts to regional services. Lower

passenger demand also contributed to the closure or consolidation of several ultra-low-cost carriers, including WestJet's acquisition of Sunwing Airlines and integration of Swoop in 2023, as well as the closures of Lynx Air and Canada Jetlines in 2024. At the same time, in 2023, both WestJet and Air Canada began streamlining their domestic networks; WestJet reduced services in Eastern Canada and Air Canada scaled back its presence in Western Canada. As a result, the competitive landscape for air travel has changed significantly, and led to the House of Commons' Standing Committee on Transport, Infrastructure and Communities (TRAN) launching studies and reporting on the state of airline competition in Canada, and on the *Competition Act* and air travel in northern, rural, and remote communities of Canada. The Competition Bureau also published a market study of competition in passenger travel service in Canada.

Labour Disputes and Workforce Availability

Following the substantial decrease in air travel as a result of the pandemic, air carrier and airport workers were significantly impacted, with lay-offs and furloughs occurring in both core operational and supporting roles. When air travel started to increase, the industry was met by labour shortages and labour disputes (as the industry adjusted to the new working environment and labour market). As a result, there have been significant disruptions throughout the past four years, including, most recently, 3,200 flights being cancelled in August 2025 due to an Air Canada flight attendants strike.

Accessible Transportation

Accessible travel in the rail and air sectors has become an increasingly prevalent challenge throughout the past five years as demographics continue to change. For instance, the percentage of persons with disabilities aged 15 or over in Canada increased from 22% in 2017 to 27% in 2022, while the percentage of the Canadian population aged 65 and over increased from 16.5% in 2016 to 19.5% in 2025. As these populations increase, railways and air carriers are taking steps to adapt the to the demographic shifts . For example, Via Rail Canada Inc.'s 2026–29 accessibility plan includes commitments to engage with passengers for feedback; provide barrier-free access across all stations, trains, and digital platforms; and create community partnerships to improve accessibility to its services. This plan was developed through consultations with the VIA Rail Universal Accessibility Advisory Committee and the Agency's Accessibility Advisory Committee member organizations.

Similarly, air carriers and airports are implementing additional accessibility training for their employees, with Air Canada and WestJet both publishing their accessibility plans after consultations with stakeholders. In addition, Air Canada and WestJet, along with a total of 27 Canadian airports[1] have joined, or are in the process of joining, the Hidden Disabilities Sunflower network, which allowed passengers to wear a sunflower lanyard to share that they have a hidden disability and may require additional assistance throughout the travel experience.

In 2024, the TRAN Committee concluded a study on accessible air transportation in Canada for persons with disabilities. It issued a report which analyzed issues such as barriers faced by people who travel with a mobility aid or with a visual impairment, accessibility procedures across Canadian airspace, and support offered by air carriers and airport operators. The report provided a number of recommendations to address the gaps in the rights of persons with disabilities with respect to air travel and to improve their travel experiences.

[1] 23 airports have joined, and four are in the process of joining

Five years in review:
An efficient transportation system for Canada

Rail



One of the Agency's primary responsibilities is to support an efficient transportation system for Canada where competition and market forces are the prime agents in providing viable and effective transportation services and that regulation may be used to achieve economic, safety, security, environmental or social outcomes that cannot be achieved by competition and market forces alone.

The Agency:

- Monitors freight rail performance in Canada;
- Determines interswitching rates and the Maximum Revenue Entitlement (MRE) for the movement of Western grain;
- Determines railway costs, approves rail line construction, oversees the discontinuance of service, establishes the net salvage value of railway lines;
- Issues certificates of fitness for federal railway companies and enforces compliance with minimum insurance requirements; and
- Resolves disputes between railway companies and shippers over rates or levels of service, and between railway companies and individuals or communities affected by rail noise and vibration or relating to railway crossings.

Program Evolution (Past Five Years)

Over the past five years, the Agency applied the principle of proportionality to rail related activities – this involved adjusting its resources based on the complexity and risks of its activities. By doing so, resources and expertise were applied where it is most needed and will have the greatest impact. Additionally, this principle has also allowed a more flexible outcome-based approach where the requirements and therefore burden

on industry can be tailored to the specific project. Significantly, the Agency is transforming the way it reviews railway construction applications – applying a spectrum approach based on complexity and risk, and updating guidance to support applicants and Indigenous communities. This will deliver faster, clearer, and more predictable process, and reduce regulatory burden and red tape. The changes place emphasis on risk-based assessment—focusing regulatory effort on material impacts and issues that matter most—while maintaining rigorous, transparent, and defensible outcomes.

Within the past five years, the Agency has also placed significant emphasis on building relationships with the industry at all levels of the organization. In addition, these interactions are essential for Agency analysts to maintain their knowledge and expertise in the sector.

Monitoring freight rail service performance

In order for the Agency to evaluate the overall health of the transportation system, broadly assess service timeliness, and identify evolving service disruptions, it proactively monitors rail performance and service issues through various data provided by railway companies and shippers.

The Agency has continued to iterate and improve on this approach by leveraging its ability to engage with the industry – expanding its outreach related to system monitoring by holding regular, informal meetings with key rail stakeholders, including CN, CPKC, and shipper associations, to identify and address rail service issues that may not be apparent from the monitored data.

The rail monitoring program is now in its third year of operations, which includes analysis of the performance of the sector based upon a set of standardized performance metrics. This ensures that all stakeholders have the same performance information and serves as a base for facilitating the informal resolution of issues amongst the various parties.

This multifaceted approach has enhanced information-sharing, improved response times to disruptions, and facilitated timely analyses of the rail system, contributing to faster recovery when issues arise.

Implementing legislative requirements for Western grain movement and interswitching

The Agency continues to be seized with issues concerning the transportation of Western grain to market. The Act has legislated annual requirements for the Agency to make determinations that support this activity.

The MRE determination is a form of economic regulation that allows CN and CPKC to set their own service rates, provided that total revenues collected from shipments of Western grain remain below a yearly ceiling established by the Agency. This past year's determination (R-2025-214) found that CN's revenues were below its maximum grain revenue entitlement, while CPKC's revenues exceeded its respective entitlement for the 2024–25 crop year. Regulations require any revenue collected above the entitlement, plus a 5% penalty, to be paid to the Western Grains Research Foundation. Accordingly, CPKC was required to pay penalties totaling $2,793,262.

> See Table 1: Maximum revenue entitlements for additional details from the MRE determination.

The Agency also determines the Volume-Related Composite Price Index (VRCPI) each crop year. The VRCPI is an inflation factor applied during MRE and other rail-related determinations, reflecting a composite of forecasted prices for railway labour, fuel, materials, and capital purchases and involves reviewing and verifying data supplied by railway companies. In 2025, the VRCPI determination (R-2025-76) identified increases of 1.72% for CN and 3.11% for CPKC over the previous crop year, primarily due to updates from forecasted 2024 price changes to actual price changes and incorporating revised forecasts for 2025.

On July 10, 2025, the Agency launched consultations to review the forecasting models used in determining the VRCPI. The Agency sought input from industry stakeholders regarding the effectiveness of the current models and whether or not they have suggestions for improvement. A VRCPI paper was prepared that describes the current models for the labour, fuel and material components of the VRCPI and posed specific questions of interest. The consultative process concluded on October 31, 2025. Potential changes to the forecasting models would likely be implemented in 2026–27.

Interswitching is the mandatory transfer of traffic between two railway companies under regulated rates, in order to increase the options available to a shipper that would normally only have access to one railway. This transfer is typically required within 30 kilometres of an interchange.

The Act requires the Agency to review its *Railway Interswitching Regulations* every five years. As part of this cycle, the Agency launched consultations to review the regulations in November 2024. The review focused on issues that had emerged through ongoing analysis and discussions with shippers, railways, and other rail experts since the previous five-year review which concluded in 2020. As part of the 2025 review, the Agency prepared a consultation paper that focused on the following key issues:

- Eligible traffic; and
- Factors in setting the interswitching rate.

In Determination R-2026-41, the Agency found that all traffic is eligible for regulated interswitching with the exception of traffic loaded or unloaded at specified sidings or traffic that are handled by certain railway companies.

In addition to the five-year review, the Agency is required to set interswitching rates on an annual basis. On October 9, 2025, the Federal Court of Appeal (FCA) issued a decision (*Canadian National Railway v Canadian Transportation Agency*, 2025 FCA 184) allowing the CN's appeal of the 2024 rates determination (R-2023-237). The FCA set aside this determination and sent the matter back to the Agency for redetermination.

As a result, the Agency is conducting a public consultation process and inviting interested stakeholders to provide submissions on which commercial market factors should be considered in determining regulated interswitching rates as well as the weight that should be given to them.

Stakeholder feedback from this consultation will help the Agency decide how to incorporate the court's interpretation when it redetermines the rates for 2024, 2025, and 2026, as well as all future rate determinations.

Approving railway construction applications

Under section 98 of the Act, railways must seek the Agency's approval to construct federally-regulated railway lines. The approval considers both the requirements for railway operations and services, as well as the interests of the localities affected by the railway line. Applications are also reviewed to evaluate land use compatibility, noise and vibration concerns, environmental impacts, community consultation efforts, and other factors relevant to the line's proposed location.

Currently, the Agency applies a uniform approval process to all the railway construction applications it receives. In the coming year, the Agency will be implementing a new approval process that takes a spectrum approach to applications based on their level of complexity and potential risks and impacts. It would include accelerated service standards for applications: 30 days (low complexity), 60 days (medium complexity), and 85 days (high complexity). This approach would help ensure that time and resources are allocated appropriately by the applicant, localities, as well as the Agency, relative to the risks and impacts of the project.

To implement these changes, the Agency is revising its *Guide on How to Apply for Approval to Construct a Railway Line*, and aiming to publish the updated guidance in 2026.

To support Indigenous consultations, a new guide has been drafted related to the Crown's Duty to Consult. The guide will clarify expectations and requirements so that they are better understood by applicants and Indigenous communities. The Agency is currently engaging Indigenous groups to gather their feedback to improve the guide and will also consult railway companies in the near future.

Lac-Mégantic Rail Bypass Project

On September 19, 2025, CPKC filed its final application to the Agency for the proposed railway bypass. The project seeks to construct a 12.5 km long railway line to move railway operations outside of downtown Lac-Mégantic. The Agency held a public comment period from November 12, 2025, to January 30, 2026, and received over 120 submissions. The Agency expects to issue its determination in 2026–27. It will authorize the construction of the bypass if it determines that the location of the line is reasonable,

based on, the requirements for railway services and operations, and the interests of the localities affected by the railway line.

Improving assessments certificates of fitness and compliance monitoring requirements

The Agency issues a Certificate of Fitness (CoF) to a company proposing to construct or operate a railway under federal jurisdiction once the company has demonstrated that it holds the required third-party liability insurance. This insurance must cover the risks outlined in the Act and regulations. For freight rail operations, the minimum coverage is determined based on reported traffic volumes of crude oil and dangerous goods. For passenger rail, the company must secure adequate insurance specific to its operations.

The Agency monitors compliance by engaging with CoF holders, issuing notices to industry outlining Agency standards and expectations, and conducting annual reviews of the third-party liability insurance requirements set out in the Act.

In 2021, the Agency initiated, and consulted extensively on, a process to enhance its assessments with respect to adequacy of third-party liability insurance coverage. In 2025, the Agency fully implemented the enhanced process, which is data-driven and risk-based.

Approval of Baffinland Steensby Railway

Baffinland Iron Mines Corporation (Baffinland), which operates the Mary River open-pit iron ore mine in Nunavut's Qikiqtani Region, is a major contributor to the territory's economy through jobs, business opportunities, and Gross Domestic Product growth. To support expansion, Baffinland proposed a 149-kilometre railway linking the mine to a new port at Steensby Inlet on Baffin Island. It applied to the Agency for a CoF and also for approval to construct the railway line.

The Agency engaged early with Baffinland Iron Mines Corporation to support the completion of its application for approval of the Steensby railway line in Nunavut and worked extensively with Inuit representatives through the integrated federal consultation process coordinated by the Northern Project Management Office. Baffinland completed its section 98 approval process in 2025, and the Agency issued a

CoF on December 4, 2025, confirming adequate liability insurance, and received conditional approval on the Steensby Railway project on December 22, 2025.

Rail Disputes

Rail disputes by the Agency are complex undertakings that require significant technical, economic, or mediation expertise. In 2025–26, the Agency resolved 21 rail disputes. Of these, the Agency resolved six through mediation and 15 through adjudication. The Agency also addressed 122 enquiries via its Rail Helpline.

See Complaints and disputes about rail transportation, for more information on the types of complaints the Agency handles.

See Table 4: Rail and marine dispute resolution and Statistics 2025–26 for the Agency's detailed dispute resolution and other statistics.

Key Court Decisions

Rail Infrastructure – Cost Apportionment

In the case of *CN v. Sarnia* (Decision 10-R-25), released March 25, 2025, CN filed an application with the Agency against the City of Sarnia seeking an order on cost apportionment related to installing and maintaining additional culverts on the Strathroy Subdivision to increase drainage capacity. Under the Act and the *Railway Safety Act*, the Agency may apportion liability for the construction, alteration, operational or maintenance costs of a utility crossing. The Agency determined that sewers and drains can be considered utility lines. As utility crossings fall within the definition of utility lines, the Agency apportioned the cost of the work equally between CN and Sarnia.

Reasonable Tariff

In the case of *Canada Malting v. Canadian Pacific Railway Company* (32-R-2023), released March 21, 2023, the Canada Malting Co. Limited filed an application against the Canadian Pacific Railway Company (as CPKC was then known) regarding the reasonableness of charges and associated terms and conditions in CPKC's Supplemental Services Tariff 2. Ultimately, the Agency found that it was unreasonable for railway

tariffs to include demurrage charges for car wait times that are not caused by the railway's customer.

Level of Service

In the case of *Alberta Pacific Forest Industries Inc. (Al-Pac) v. CN* (CONF-R-12-2023; CONF-R-23-2025), released November 9, 2023 and June 20, 2025, respectively, the Al-Pac filed a complaint against CN regarding the expenses incurred as a result of CN's failure to meet its level of service obligations**.**

The Agency found that CN breached its level of service obligations by failing to supply adequate cars for pulp traffic and ordered CN to supply a set number of cars, provided that the circumstances do not change fundamentally. Since the Agency found that CN failed to provide adequate and suitable accommodation for pulp traffic to these shippers, the Agency ordered CN to pay a little over $4 million in compensation to Al-Pac to cover the expenses incurred. This order has been upheld by the FCA, but CN has been granted leave to appeal to the Supreme Court of Canada.

Air



With respect to the efficiency of air transportation, the Agency is responsible for:

- Issuing licences and charter permits to Canadian and foreign air carriers offering services to the public;
- Enforcing all applicable licensing requirements;
- Applying Canadian ownership and financial fitness requirements all domestic air carriers;
- Participating in the negotiation and implementation of international air transport agreements as part of the Government of Canada negotiating team; and,
- Ensuring air carriers have tariffs (the contract between an air carrier and its passengers that covers the rights and obligations of both) applicable to their air services that are consistent with the Act.

Air Licensing

Within the past year, the Agency launched an initiative to modernize its air licensing application and processing services. More specifically, all license-related activities are scheduled to be fully digitalized, with the goal of establishing a secure, single-window eServices portal, that will deliver a range of benefits. These benefits include increased efficiency through automation, reduced operating costs, centralized access to information, strengthened data integrity and security, and an enhanced experience for both industry stakeholders and government users. The Agency will be implementing the initiative in phases, with full completion anticipated within the next two years.

In 2025–26, the Agency approved 95 air licence applications, including 33 foreign carrier licence applications. There were also 1,232 permits issued for passenger resaleable, passenger non-resaleable, and cargo charters, as well as 3,930 charter flight notifications processed.

See Table 2: Air licensing activities and Statistics 2025–26 for the Agency's detailed dispute resolution and other statistics.

Air tariff-related requirements

Every air carrier that sells transportation to, from and within Canada must publish a "tariff". The tariff sets out all the terms and conditions that are applicable to the transportation. It includes "tolls", which are the fares, rates or charges the carrier applies for transporting passengers or goods, including for any incidental services, and any rules which directly affect how a toll is to be applied.

For domestic services, air carriers must publish their tariffs, including their tolls, on their website. For international services, while not required to publish their tariffs on their website, air carriers must file their tariffs with the Agency, unless an applicable Air Transportation Agreement between Canada and another country says otherwise.

Air carriers must also keep records of every published tariff for up to three years after a tariff has ceased to have effect. This allows people to review and to obtain copies or excerpts of past tariffs.

International Air Transportation Association tariff filing and publication exemption request

In October 2023, the International Air Transport Association (IATA) filed an application with the Agency seeking to permanently exempt its member air carriers from three requirements:

- Setting out their prices in their domestic and international tariffs;
- Filing their international prices with the Agency; and
- Publishing their domestic prices as set out in their tariffs on their websites.

The Agency sought public comments on this application to assess its merits.

In February 2026, the Agency issued Order A-2026-31 – which now applies to all air carriers moving forward. The Order denied IATA's request to remove the requirement to include their prices in their tariffs, recognizing that this obligation is important for consumers and for the Agency to exercise its authorities. The Agency determined that maintaining prices within tariffs ensures transparency, provides evidence if disputes arise, and preserves the Agency's authority over prices.

However, the Agency approved IATA's other requests. Air carriers will no longer need to file international prices with the Agency or publish domestic tariff prices on their websites. These changes would reduce regulatory burden, support real-time pricing, and better align with modern air transport practices, while still protecting consumers' access to pricing information and maintaining regulatory oversight.

International cooperation

The Agency participates in the negotiation and implementation of international air transport agreements. In 2025–26, Agency staff participated in negotiations resulting in new or expanded air transport agreements with Albania, Ghana, Saudi Arabia and the United Arab Emirates. Work also continued on ratifying previously negotiated agreements with Argentina, Belize, Curaçao, Malaysia, Nigeria and Thailand.

The Agency supports the work of the Canadian mission to the International Civil Aviation Organization (ICAO). In its role as Canada's representative to the ICAO Facilitation Panel, the Agency, through Canada's National Facilitation Committee, coordinates Canadian positions on matters related to Annex 9 (Facilitation) to the Chicago Convention, and provides subject matter expertise, as required.

Marine

Coasting Trade



Under the *Coasting Trade Act*, only Canadian-registered ships can provide marine carriage of goods or passengers between points in Canada, unless no Canadian ships are available and suitable for the task in question. The Agency plays a role in the coasting trade licensing process by determining whether suitable Canadian ships are available when someone applies to use foreign ships for domestic commercial marine activities. The Agency provides this determination to the Minister of Public Safety and Emergency Preparedness for further action. Using a foreign ship is only allowed if the Minister issues a coasting trade licence.

Program Evolution (Past Five Years)

Over the past five years, the Agency has significantly improved its coasting trade program, with a focus on reducing turnaround times and enhancing transparency for stakeholders. Key achievements include:

- Enhanced objection process to improve the quality and timeliness of responses for contested applications;
- Streamlined procedures for tanker applications, resulting in greater efficiency;
- Strengthened adjudication practices by adopting best practices from the Council of Canadian Administrative Tribunals; and
- Improved coordination and collaboration with applicants, supporting complete and accurate submissions.

In addition, the Agency recently updated its coasting trade service standards to further accelerate processing times and promote transparency by clearly defining service expectations. As of January 6, 2026, the Agency is required to provide a final decision more quickly – up to 54% faster than under the previous standard, depending on the application type.

In 2025–26, the Agency processed 84 coasting trade applications, marking a 13.5% increase from the previous year. Of the contested applications, two were withdrawn by the applicants, and one was denied by the Agency.

See Table 3: Marine Coasting Trade Applications and Table 4: Rail and marine dispute resolution. See Statistics 2025–26 for the Agency's licencing and other statistics.

Consumer protection for air passengers

The Agency's Work



One of the Agency's core responsibilities is to provide consumer protection for air passengers. In its role as a regulator, the Agency develops and applies ground rules that establish the rights and responsibilities of transportation service providers and users; and as a tribunal, that the framework works to provide dispute resolution services and access to justice – a key component of this responsibility is the implementation of the *Air Passenger Protection Regulations* (APPR).

Program Evolution (Past Five Years)

Over the past five years, the Agency's approach to air consumer protection has evolved significantly.

As the number of air passenger complaints increased, the Agency created new processes designed to handle high-volume demand, rather than relying on older systems originally built for rail disputes (which generally come in lower volumes, but are higher in complexity). A key part of this change has been the increased integration of data science, automation and artificial intelligence (AI) tools. The CRO represents a major milestone in positioning the Agency to better manage sustained complaint volumes while continuing to improve service to air passengers.

Air Passenger Protection Regulations

The APPR, which came into force in 2019, provides a comprehensive set of passenger rights. This includes air carrier's minimum requirements and obligation toward passengers when a flight disruption occurs.

The COVID-19 pandemic that began only three months after the APPR came into force revealed a gap in the regulations: there was no requirement for air carriers to refund

tickets when flights are cancelled, or where there is a lengthy delay, for reasons outside air carrier control and where it is not possible for the air carrier to complete the passenger's itinerary within a reasonable time. Accordingly, amendments made in 2022 clarified compensation entitlements, refined regulatory language related to cancellations and refunds, and specified that certain return-to-origin arrangements must be provided free of charge. These changes came at a time when complaint volumes remained high, reflecting ongoing challenges in the sector.

In June 2023, amendments to the Act modified the APPR's legislative framework to clarify, simplify and strengthen Canada's air passenger protection regime. Regulatory amendments are needed to reflect the legislative changes and address other implementation issues. In December 2024, proposed amendments to the APPR were pre-published in the *Canada Gazette, Part I* for public comment. During the 75-day consultation period, which ended on March 6, 2025, the Agency received over 90 submissions from air carriers, consumer organizations, passenger advocates, academics, and the general public.

Following this report's period of coverage, which ended March 31, 2026, the Minister of Transport announced the Government's intention to introduce legislative changes aimed at eliminating the backlog of air passenger complaints through the use of a neutral third-party dispute resolution organization, to increase the maximum administrative monetary penalty for violations of the APPR to $1 million, to transfer responsibility for making air passenger regulations from the Agency to the Minister and to reform the regulatory framework to provide greater clarity and faster compensation for passengers when travel disruptions occur.

Cost recovery

As part of the amendments to the Act that occurred in 2023, there was a new requirement for the Agency to establish fees or charges to recover costs for processing eligible air travel complaints from air carriers. Since it was also required to consult with any potentially interested parties before establishing the fees or charges, the Agency published a fee proposal from September 18 to November 4, 2024. It sought feedback from the public, consumer organizations, industry stakeholders, and academics on a fee of $790 for each eligible processed and closed air travel complaint. The Agency received a total of 83 written submissions: 30 from members of the public; 46 from air carriers

and other industry representatives; six from consumer advocacy organizations; and one from a territorial government.

Air Passenger Complaints Resolution

Shortly after the APPR came into force in December 2019, global air travel collapsed due to the COVID-19 pandemic, and air passenger complaint volumes surged.

Up until 2016, the Agency received roughly 850 air passenger complaints per year. This steadily grew over the following three years, culminating in a significant increase after the coming into force of the APPR, where in 2019–20, the number of cases received reached almost 20,000. Over the last fiscal three years, more than 40,000 complaints were received per year, a trend that is continuing. In January and March of 2026, the Agency received the highest ever monthly complaint volumes at 5,685 and 5,682, respectively.

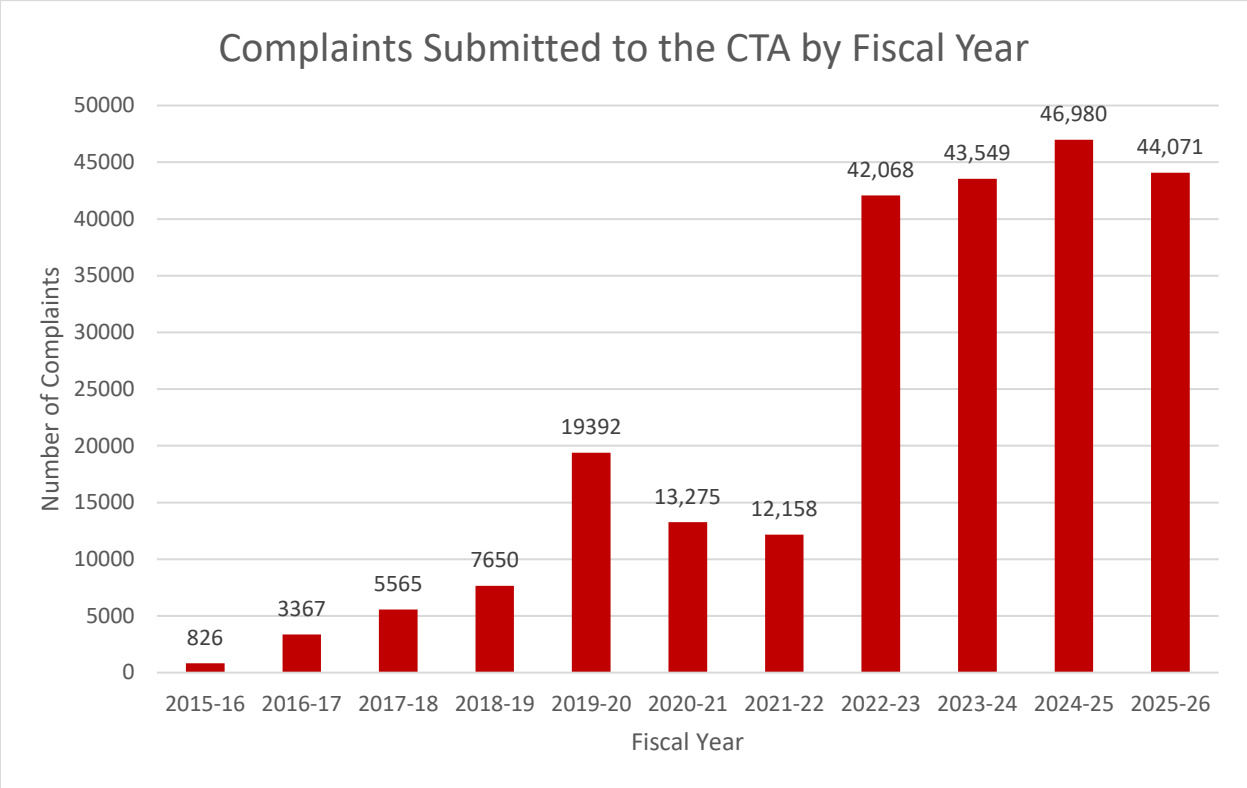


Figure 1: The annual number of complaints received by the Agency over the last eleven years.

Record number of closures

Parliament made changes to the Act in June 2023, modifying how air passenger complaints were processed. As a result, and in only three months the Agency launched the completely redesigned Complaints Resolution Office (CRO), a more straightforward, rapid, and cost-effective system. The model incorporates early eligibility screening, standardized workflows, and enhanced automation to support more timely resolution while maintaining procedural fairness.

The impact of this new model became evident shortly after its launch. In 2023–24, in its initial six months of operation, the CRO closed 10,829 complaints as systems, staffing, and processes were ramped up. In 2024–25, its first full fiscal year, the CRO closed over 33,600 complaints—the highest annual total at the time and a 201% increase over 2022–23 under the previous model.

In 2025–26, the CRO continued to invest heavily in new tools and systems while maintaining a comparable throughput, closing 32,363 complaints. These results reflect the combined impact of the redesigned process, expanded decision-making capacity, and continued optimization of digital tools.

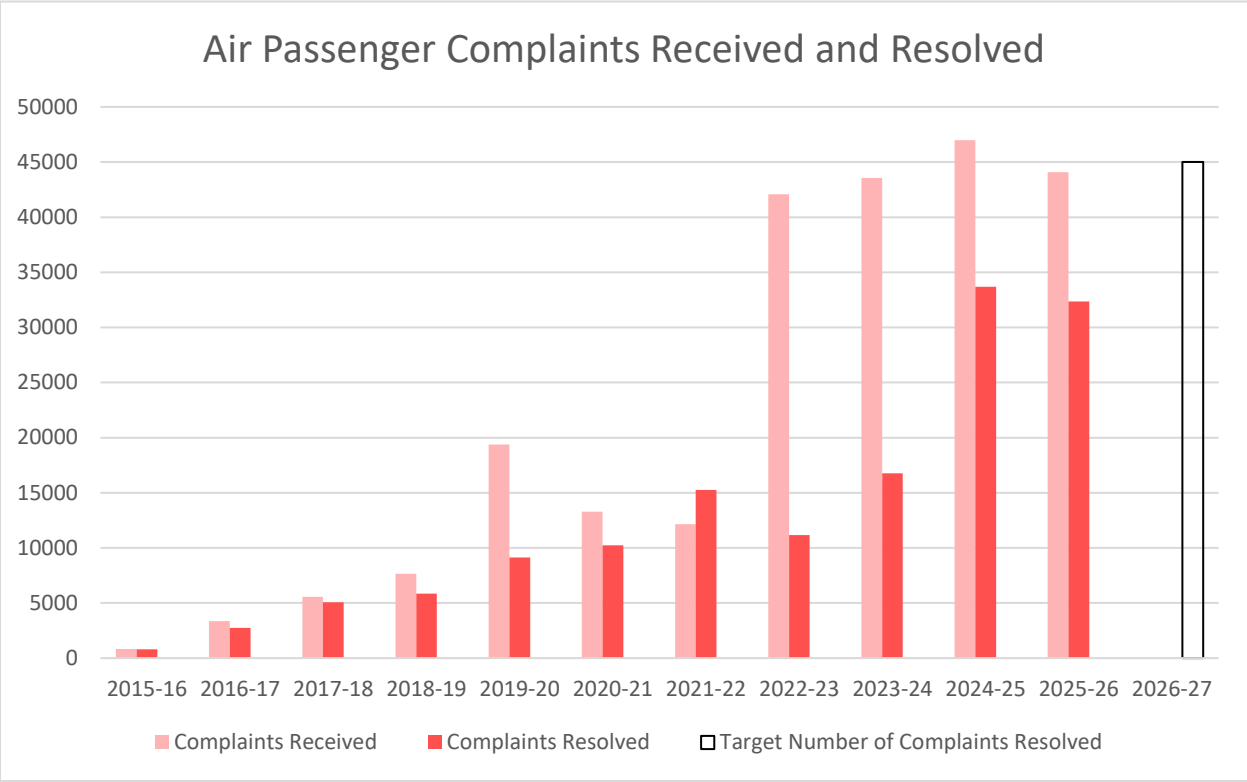


Figure 2: The annual number of complaints processed by the Agency prior to, and after the creation of the CRO.

As a result of the incoming volumes, the backlog has now reached 95,829 complaints. As there are many variables, it is difficult to provide an accurate estimate of the exact impact this has on Canadians. While the number of incoming complaints is not within the Agency's control, it has been working to maximize the use of its available resources and increase its processing capacity.

Leveraging modern tools and improved data analytics

In recognizing the current challenges, and those that lie ahead, the Agency has made efforts to strengthen its operational performance through automation, structured workflows, and improved data analytics. In 2025–26, the Agency began the responsible introduction of a suite of tools leveraging AI.

Leveraging AI in the CRO represents a potential processing capacity multiplier that aligns the Agency with the new Government of Canada directives to integrate AI into existing workflows to support resolution officers in their analysis of lengthy cases – and to equip them with contending with a complex regulatory and legislative framework underpinning the APPR. By incorporating technology into existing processes, the CRO is targeting 45,000 complaint closures in the 2026–27 fiscal year.

Air travel complaints processing statistics can be found in the following tables:

- Table 5: New complaints, backlog and processed
- Table 6: Number of complaints per 100 flights operated by Canadian air carriers
- Table 7: Number of complaints per 100 flights operated by foreign air carriers
- Table 8: Complaints summary by air carrier

Air Passenger Protection Website

In January 2026, the Agency launched a newly enhanced Air Passenger Protection website to better serve passengers and improve access to important information about air travel rights and entitlements. The redesign involved user testing by a broad range of internal and external stakeholders, including persons with disabilities, to ensure the site

is fully inclusive, accessible, and responsive to diverse user needs. The new platform is more user-friendly and modern, featuring clearer navigation and improved content organization to help passengers quickly find the information they need.

Accessible transportation for Canadians

The Agency's Work



Another core Agency responsibility is protecting the fundamental right of persons with disabilities to accessible transportation services. The Agency fulfills this responsibility by developing, implementing, and enforcing regulations, as well as resolving disputes between Persons with Disabilities and transportation service providers.

The *Accessible Transportation for Persons with Disabilities Regulations* (ATPDR) were developed pursuant to the *Accessible Canada Act* and came into force between 2020 and 2022. The ATPDR establish clear, consistent accessibility requirements for all types of federally regulated transportation, covering requirements related to communications, services, equipment and infrastructure, and the provision of training to transportation sector employees.

The *Accessible Transportation Planning and Reporting Requirements* (ATPRR) were created pursuant to the *Accessible Canada Act* and came into force in 2021. The *Accessible Canada Act* requires Transportation Service Providers (TSPs) operating in the national transportation network to develop accessibility plans, feedback process, and progress reports, and the ATPRR detail how TSPs should implement these requirements.

Program Evolution (Past Five Years)

Over the past five years, the Agency has taken concrete steps to better identify and focus on the matters that involve substantive accessibility issues. In doing so, resources have been focused where they have the most important impact. The Agency's work on accessible transportation has also benefited from stronger internal collaboration, including improved alignment of policy and enforcement efforts. This has enabled a more coordinated and effective approach to addressing accessibility issues.

In parallel, a strong emphasis has been placed on improving clarity and transparency. The Agency has been more explicit in setting expectations and explaining its processes, resulting in more constructive, honest, and open dialogue with industry and with persons with disabilities about challenges and barriers. We have deepened engagement with stakeholders through regular consultation, including through the Accessibility Advisory Committee (AAC), using it as a key forum to inform the Agency's work, grounding it in lived experience. We have also expanded on this practice by creating task specific working groups constantly keeping in mind the principle "nothing about us, without us". This emphasis on meaningful engagement has also enabled significant progress on the international stage, where the Agency's active participation with the ICAO has allowed it to contribute greatly to advance global efforts on accessible transportation.

Accessibility Initiatives

Mobility Aids

The Agency established the Canadian Mobility Aid Working Group for sharing best practices and exploring new approaches to improving the safe carriage of mobility aids during air travel. The Working Group includes representatives from the disability community and members of the air industry, including airports and air carriers.

Through the exchange of expertise, the review of common issues, and open dialogue among participants, the group is identifying opportunities to enhance the handling and transportation of mobility aids.

To advance this work, the group developed two targeted surveys: one for air carriers and one for mobility aid repair contractors. These surveys gather information on repair frequency and volume, common types of damage, challenges encountered during the repair process, and associated costs. The findings will help inform industry practices and support evidence-based policy development.

Job aids for mobility handlers

The National Research Council Canada (NRC), in partnership with the Agency, Transport Canada, and Algonquin College's Human-Centred Design Lab, has developed job aids for

mobility aid handlers, consisting of visual aids to help handlers quickly recall their training during operations.

Two NRC deliverables, one on job aids and the other on providing stickers to use on wheelchairs, were completed in February 2025. Prior to this, they were successfully tested with an air carrier and wheelchair users.

The research report on the job aids can be found on the Agency website, while the downloadable stickers would be available next year.

Train the Trainers

In February 2025, the Agency, in collaboration with Transport Canada, and disability advocacy groups, launched a two-year initiative to improve the accessibility of the transportation network by providing Small Transportation Service Providers (STSPs) the tools to deliver effective accessibility training to their employees.

This engages accessibility experts and persons with disabilities to co-develop and deliver training to STSP trainers, covering key topics such as accessibility principles, services, effective communication, and handling of mobility aids.

International cooperation

At the international level, the Agency continued to advance accessible air travel through its engagement with the ICAO. Last year, the Agency took part in a range of ICAO activities, including meetings of the General Assembly and the Facilitation Panel, as well as accessibility-focused panels. Through these activities, the Agency supported initiatives that position accessibility as a fundamental part of air travel and encouraged collaboration among Member States to address barriers experienced by travelers with disabilities.

The Agency also played an important leadership role in ICAO's work to develop an international accessibility strategy, which would strengthen consistency and coordination across the global aviation network.

Report by the Office of the Auditor General

The Agency has implemented all the recommendations from the Office of the Auditor General's (OAG) performance audit on accessibility in 2023. Specifically, the Agency has taken decisive steps to enhance its capacity to identify accessibility barriers and enforce their removal using additional oversight approaches and sources of data.

In 2024, the Agency launched a pilot project that involved shadowing persons with disabilities during their travel to gain a deeper understanding of the unique challenges they face. The pilot project focused on travellers who rely on mobility aids when they travel by air. The Agency evaluated lessons learned during the pilot, and in 2025–26, implemented the shadowing exercise as an ongoing activity inclusive of all disabilities and transportation modes. Lessons learned from the pilot are being used to shape the ongoing program.

Through these shadowing activities, designated enforcement officers build on their individual and collective knowledge. Accompanying and observing persons with disabilities helps officers to better understand their lived experience, the services available to them, and their unique needs and challenges. Over the past year, inspections have focused on individuals with vision impairments and have identified a need for improved communication, accessibility education, and training by transportation service providers.

The Agency will continue to apply lessons learned to inform its accessibility oversight program, with the objective of supporting the identification and removal of barriers across all transportation modes.

Complaints related to Accessible Transportation

Under part V of the Act, the Agency is mandated to eliminate undue barriers to the mobility of persons with disabilities in the federal transportation network to ensure that persons with disabilities have equal access to transportation services. One of the ways the Agency eliminates barriers is by resolving complaints on a case-by-case basis, and if, at the end of the process, the Agency finds that an undue barrier exists, it has the power to order the transportation service provider to take corrective measures to eliminate it. The Agency can also direct that any expenses incurred by a person with a disability arising out of the undue barrier be reimbursed. Finally, the Agency may also award

compensation if it finds that there was an undue barrier to the mobility of a person with disability, including for individual pain and suffering.

In 2025–26, the Agency received 665 accessibility complaints, a 54% increase from the previous year. The primary issues brought forward in complaints relate to mobility aids and assistance provided, with the secondary issues being training and communications.

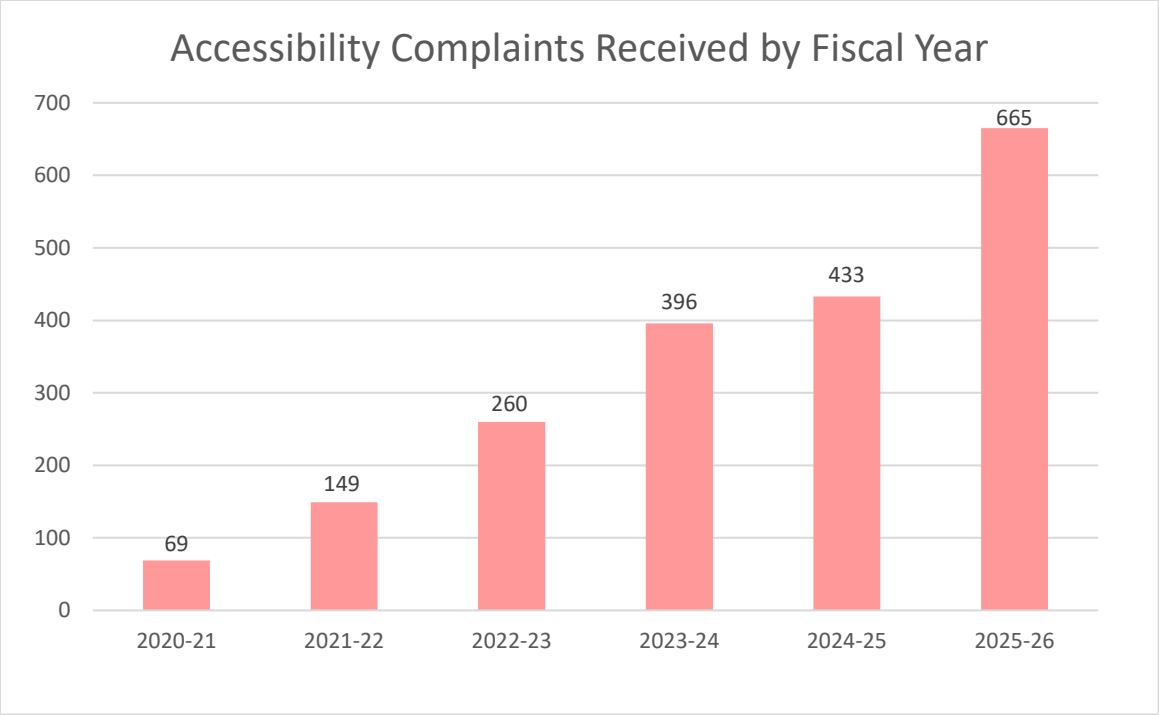


Figure 3: The annual number of accessibility complaints received by the Agency.

In 2025–26, the Agency resolved a total of 631 accessibility complaints, a nearly 20% increase from the previous fiscal year. This is due in part to efforts to streamline the complaints process, including: developing a mediation triage process, conducting a cooperative completeness review, and posting updated guidance to the Agency's website. The Agency has implemented a plan to improve our processing efficiency and overall capacity and based on this plan we believe our capacity will be able to keep up with current demand. Ultimately, 96% of the 2025–26 complaints were resolved through mediation, and the remainder, through adjudication.

In support of the ATPDR, the Agency offers a confidential toll-free accessible transportation complaints help line. Callers can ask questions related to accessible

transportation and can also file a transportation-related accessibility complaint. In 2025–26, the Agency received 258 calls, with 10% leading to complaints filed.

Key Accessibility Decisions

Emotional Support Animals

In 2023, the Agency issued a decision clarifying that transportation carriers are only required to accommodate, with conditions, dogs as emotional support animals (ESAs), since requiring carriers to accept species of ESAs other than dogs would cause them undue hardship. Questions related to ESAs and service dogs were before the Agency for several years, and this decision provided important clarity on the rights and responsibilities of persons with disabilities.

The Rose Decision

In 2025, the FCA affirmed a 2023 Agency decision ordering Air Canada to take a range of measures to accommodate passengers travelling with a power wheelchair that cannot fit through the cargo door of an assigned aircraft. The Agency also ordered Air Canada to take into account accessibility for passengers with larger power wheelchairs in its accessibility plan under the *Accessible Canada Act*.

Compliance Monitoring and Enforcement

The Agency's Work



The Agency regulates over 1,500 service providers in the air, rail, marine and interprovincial bus sectors. Using a variety of tools, the Agency supports and verifies the regulated parties' compliance with applicable acts, regulations, orders, and authorizations. It serves the public interest by resolving non-compliance through a graduated approach, using informal and formal enforcement measures.

Program Evolution (Past Five Years)

In 2023, the Agency developed a modern Compliance and Enforcement Policy which supports each of the Agency's three core areas of responsibility and is a results-based, data-driven, and risk-informed approach to compliance assurance. This policy describes, at a high level, how the Agency organizes itself and delivers critical compliance and enforcement activities to best serve the public interest. Per the policy, a graduated enforcement approach is applied to situations of potential non-compliance, using informal tools (such as cautionary notices) as well as formal ones (such as Notices of Violations (NOVs) with an Administrative Monetary Penalty (AMP)). A Designated Enforcement Officer (DEO) may apply formal measures immediately should the circumstances warrant.

Supported by supplemental funding, over the past three years, the Agency has increased its capacity to conduct inspections by expanding staff levels, including additional DEOs.

In addition, the Agency has rapidly advanced its use of data analytics and machine learning to drive smarter, faster decision-making. It has developed dynamic dashboards with real-time insights that directly shape work plans and sharpen the focus of inspections, enabling the prioritization of high-risk areas with greater precision. This targeted approach has led to measurable improvements in compliance outcomes and more efficient use of resources.

The Agency's compliance and enforcement statistics are in Table 11: Compliance and verification activities and Table 12: Enforcement actions taken. The website provides further updated information on our compliance monitoring and enforcement work.

See Statistics 2025–26 for the Agency's detailed dispute resolution, enforcement and other statistics.

Railway requirements under the *Canada Transportation Act*

Over the past year, the Agency carried out activities to verify federally regulated railway companies' compliance with requirements under the Act related to railway line discontinuance.

Activities included verifying that any three-year discontinuance plans and progress reports are publicly accessible. This supports the Agency's oversight role by promoting transparency for shippers, municipalities, and other interested parties that may be affected by decisions to discontinue the operation of railway lines. This work is ongoing, with additional verification and follow-up activities continuing into the next fiscal year.

Air Passenger Protection

Over the past year, the Agency has prioritized compliance and enforcement activities related to four key areas of concern to air travellers:

- Carriers communicating critical information to passengers when flights are delayed or cancelled;
- Passengers receiving the refunds to which they are entitled;
- Carriers responding to passenger requests for compensation within the required timelines; and
- Passengers being provided alternate travel arrangements and assistance when flights are delayed or cancelled.

In 2025–26, as a result of integrating data science and AI , the Agency enhanced its ability to identify potential areas of non-compliance and emerging issues by analyzing data from multiple sources. These included complaints, flight information, and mainstream and social media. These insights helped DEOs to verify air carriers'

compliance verification with their obligations to passengers during flight disruptions and also supported inspections.

Accessible Transportation for Canadians

Over the past year, the Agency has prioritized compliance and enforcement activities related to four specific areas of concern to persons with disabilities:

- Personnel training for the assistance of persons with disabilities;
- Assistance to persons with disabilities;
- Handling of mobility aids; and
- Communication of information to persons with disabilities.

In advancing these accessibility priorities, the Agency conducted onsite inspections at airports related to the ATPDR, including monitoring compliance with respect to providing assistance. The Agency also conducted inspections to verify that third-party contractors received the training required to comply with regulatory requirements. Further to this, a pilot project was launched in 2024, which involved shadowing persons with disabilities who rely on mobility aids during their travels by air to gain a deeper understanding of the unique challenges they face. Beginning this fiscal year, the shadowing exercise will be implemented as an ongoing activity, with the objective of covering all disabilities and transportation modes.

Accessible Transportation Planning and Reporting Regulations

The Agency's ATPRR compliance verification process is both innovative and resource-efficient, involving service providers self-reporting their compliance through accessibility plans and progress reports. Follow-up activities are conducted after providers release their progress reports to assess whether previously identified deficiencies have been addressed.

Subsequent follow-up to address these deficiencies resulted in a compliance rate of 95% for these service providers. This high compliance rate reflects the effectiveness of the Agency's approach to ATPRR compliance verifications.

To ensure a consistent government approach to compliance monitoring and enforcement of the regulatory requirements under the *Accessible Canada Act*, the Agency participates in an interdepartmental steering committee with the Canadian Human Rights Commission, Canadian Radio-television and Telecommunications Commission, and Employment and Social Development Canada.

See Table 9: Accessibility Disputes and Table 10: Reporting to Parliament (amendments to subsection 42(2) of the *Canada Transportation Act*) requirements

Where we are going

Strategic priorities

To deliver on its core mandates, the Agency is guided by strategic priorities for 2025–26 and beyond, which include:

- **Resolve the Backlog**: Develop and implement the new APPR and accelerate the timely resolution and elimination of the backlog of air travel complaints.
- **Improve Accessibility in the Transportation System**: Leverage all of the Agency's tools to enhance accessibility within the transportation system.
- **Enhance Stakeholder Engagement**: Engage with participants of the transportation system to advance the Agency's mandate.
- **Cultivate a Culture of Continuous Improvement**: Develop an organizational culture of continuous improvement, innovation, and data based decision making to drive the best results for Canadians.
- **Build a Diverse and Resilient Organization**: Focus on creating an organization that is diverse, inclusive, accessible, resilient, and that fosters a sense of belonging.

Risks and risk mitigation

Financial resilience: Given the unpredictability of workload (e.g. number of complaints) and as a result of ongoing budgetary pressures and a high proportion of the Agency's budget being temporary, there is a risk that sufficient funding sources may not be available to deliver on a timely manner activities and services. To mitigate this risk, the Agency continually reviews and streamlines its business processes and procedures, while also adopting new technologies and tools to enhance efficiency.

Change management: The Agency is managing change driven by legal and policy shifts, coupled with the rapid emergence of transformative technologies. This dynamic environment challenges the Agency's ability to adapt its processes, systems, and workforce. To mitigate the risks associated with the high rate of change and maintain agility, the Agency is reassessing its investment plans for technology and systems, as well as its strategies for employee development and training, with a view to further investing in and strengthening these areas. Additionally, the Agency is optimizing stakeholder engagement and external communications products.

Maintaining expertise: Sustaining a sufficient level of specialized technical professionals across critical transportation domains and accessibility may pose future challenges to the Agency's ability to deliver on some of its key areas of responsibility. To mitigate these risks, the Agency is developing a reliable talent pipeline, promoting knowledge sharing and development, and proactively planning for future workforce needs. At the same time, structured knowledge transfer and cross-training reduce reliance on individual employees, while strategic workforce planning helps anticipate skill gaps early so staffing risks can be addressed before they become critical.

Digital and technology: The Agency continues to manage several technology-related risks. Going into 2026–27, cybersecurity remains a priority, with challenges in retaining specialized resources and adapting to evolving threats. To mitigate these risks, the Agency is building partnerships and investing in modern, automated security solutions to strengthen resilience. Budget constraints and shifts in government policy may influence procurement processes and lead to delays; the Agency will focus on strengthening change management with Shared Services Canada to maintain continuity. The Agency is also addressing end-of-life technologies, such as unsupported website and intranet technologies, by prioritizing modernization and onboarding Canada.ca. Rapid AI adoption and data governance requirements are introducing privacy and compliance complexities, which are, and will be, managed through policy development, mandatory training, and process reviews. Finally, enterprise software delivery faces capacity challenges and varying readiness across business units. The Agency will continue to use its Digital Strategy to better align priorities and resources.

Assessment of the Act

Under subsection 42(2) of the *Canada Transportation Act* (the Act), the Agency must assess the operation of the Act and any difficulties it has observed in the administration of the Act in its Annual Report.

In its latest assessment, the Agency has identified possible legislative amendments that would enable it to carry out its mandate more efficiently and effectively in service of Canadians.

Public Servants to Issue Routine, Non-discretionary Regulatory Authorizations

The powers of the Agency over routine air licensing matters are similar to some of the powers of the Minister of Transport under the *Aeronautics Act* and the *Canadian Aviation Regulations*. At Transport Canada, some of these powers—such as issuing a Canadian Aviation Document—are delegated to staff, while at the Agency, this is not possible.

For example, at present only Governor-in-Council appointed Agency Members have the power to approve air charter permits, even though these are no longer subject to strict requirements and conditions under the *Air Transportation Regulations*.

Amending the Act to allow public servants to issue certain regulatory authorizations that have become routine and involve limited or no exercise of discretion would result in decreased costs and increased efficiency for the Agency.

Modernizing the Agency's Enforcement Tools

Under part VI of the Act, the Agency has a variety of tools at its disposal to support and verify the compliance of regulated parties with the requirements of applicable acts, regulations, orders and authorizations.

Amendments to the Act made in recent years have given the Agency modern compliance monitoring and enforcement powers to enforce certain specific legal requirements. However, its powers to ensure compliance of regulated parties with

other legal requirements have remained unchanged since their introduction in the Act in 1996.

Part VI of the Act could be amended to provide the Agency with a single set of comprehensive and modern tools applicable to all legal requirements, including by:

- Expanding the Agency's ability to enter compliance agreements; and
- Establishing uniform investigative powers, including rights of entry.

This modernization of Part VI of the Act would enable the Agency to adopt a uniform approach to enforcement across the various areas of its mandate. It would also ensure that the Agency continues to have all the tools necessary to achieve the objectives of its compliance monitoring and enforcement program, which is to encourage or compel compliance and to deter potential future non-compliance, by undertaking an incremental range of compliance assurance activities.

Currently, AMP-triggering contraventions are designated partly in the Act and partly in the *Designated Provisions Regulations*. To promote greater uniformity and administrative efficiency, the Act could also be amended so that all AMP-triggering contraventions are designated in the Act, thereby eliminating the need for the *Designated Provisions Regulations*.

Accessible Transportation

To support its accessibility mandate as it relates to removing undue barriers in Canada's transportation system, the Agency has the authority to investigate issues related to the mobility of persons with disabilities on its own initiative, with the approval of the Minister of Transport. However, if the Agency finds issues through such an investigation, it is not able to order remedies or issue orders to address them. This limitation stands in contrast to the authority the Agency has for its own motion inquiries into whether a railway company is fulfilling its service obligations. The Act could be amended to also provide the Agency with remedial powers in the accessibility area, to ensure investigation findings can be used to eliminate relevant barriers.

In addition, the Act does not impose any time limits for filing an accessibility complaint. It could be amended to introduce a limitation period after which a matter may no longer be brought to the Agency for adjudication. Such a time limit would encourage applicants

to make claims in a timely fashion, promote greater accuracy and certainty in the adjudication of claims, and enhance fairness for parties.

Air Carrier Data

Currently, the Agency does not have the authority to require complaints-related data from transportation service providers. Improved access to data on the air travel experience of persons with disabilities and on accessibility complaints, as well as data on broader air passenger (APPR-related) complaints, would provide the Agency with an enhanced understanding of how well passenger rights are being upheld. Better insight would allow the Agency to better identify challenges, and accordingly, any further policy changes required to address such issues. Additionally, it would enable a more comprehensive evaluation of accessibility-related incidents and complaints to better understand the barriers faced by passengers with disabilities – an official recommendation provided by the Office of the Auditor General during their 2023 audit of the ATPDR.

To note, the United States' Office of Aviation Consumer Protection requires complaints received and performance related data , as well as accessible transportation data, to be provided to the Department of Transportation by domestic and foreign air carriers.

The Agency will work in collaboration with Transport Canada to obtain enhanced access to key data and metrics.

Appeals of Agency Decisions

As a result of the Supreme Court of Canada's decision in the 2019 Vavilov case, Agency decisions are now reviewed on a standard of correctness by the FCA rather than by reasonableness. As such, deference is no longer owed to the Agency despite its longstanding specialized expertise in federal transportation matters. This decision 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 longstanding expertise in areas under its mandate.

Further, the Agency's participation in appeals of its decisions to the FCA has been questioned in recent proceedings. Subsection 41(4) of the Act gives the Agency 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.

Statutory Immunity for Members

The Act does not currently provide statutory immunity for members. As a result, if named in a civil proceeding for actions or decisions taken in their official capacity, members of the Agency do not have the same level of protection as members of other federal and provincial tribunals. Amending the Act to provide this immunity for members will protect the ability of these decision makers to fulfill their functions impartially and without the threat of time-consuming litigation.

Appendices

Appendix 1: Our organization

Our legislation and mandates

The *Canada Transportation Act* includes the National Transportation Policy, which 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. These rules can be binding regulations, guidelines, or codes of practice.

The Agency is a tribunal that hears and resolves disputes like a court. The Agency resolves disputes between transportation service providers and their clients or relevant stakeholders, using various tools from facilitation and mediation to arbitration and adjudication. The Agency also maintains a Complaints Resolution Office for the resolution of air travel complaints.

Our responsibilities 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 provide consumer protection for air passengers; and
- To protect the human right of persons with disabilities to an accessible transportation network.

Our Members

The Agency's full-time Members are appointed by the Governor in Council. Their responsibilities include:

- Rendering decisions and orders related to formal complaints or applications,
- Approving applications for licences,
- Making regulations,
- Authorizing the construction of railways,
- Addressing other issues affecting Canada's national transportation system.

Our People

The Agency now employs approximately 400 people with diverse backgrounds and skill sets. Our workforce includes economists, engineers, lawyers, financial analysts, communications specialists, complaint resolution officers, mediators, case managers, licensing and enforcement officers, and other key support staff.

In 2026, for the third consecutive year, the Agency was recognized as one of the Top Employers in the National Capital Region. The Agency’s efforts to improve employee work-life balance by offering time off for family appointments and maternity and parental leave top-ups, and its commitment to providing tools for employee success through training program offerings and subsidies for professional accreditations, were among the reasons for our selection. This distinction reflects our ongoing commitment to fostering a positive and inclusive work environment, offering competitive benefits, supporting professional development, and promoting a strong workplace culture.

Appendix 2: Agency Statistics

See Statistics 2025–26 for the Agency's detailed dispute resolution and other statistics.

Table 1: Maximum revenue entitlements

Company	Entitlement	Grain revenue	Amount above ($)
CN	$1,460,518,246	$1,454,604,793	-$5,913,453
CPKC	$1,064,278,437	$1,066,938,687	$2,660,250

Table 2: Air licensing activities

Activity	Number
New licences – Canadian	62
New licences – Foreign	33
Suspensions	209
Reinstatements	123
Cancellations	93

Table 3: Marine Coasting Trade Applications

Application Status	Number
Applications Contested	2

Application Status	Number
Applications Approved	81
Application Denied	1
Applications Withdrawn	2

Table 4: Rail and marine dispute resolution

Resolution method	Rail complaints closed	Marine complaints closed
Facilitation	0	0
Mediation	6	0
Adjudication	15	1
Arbitration	0	0

Table 5: New complaints, backlog, and processed

Complaints	2025–26	2024–25	2023–24	2022–23	2021–22
Complaints received	44,071	46,980	43,549	42,068	12,158
Backlog at year-end	95,829	84,398	71,109	44,319	13,409
Total processed under pre-CRO (to September 29, 2023)	-	-	5,930	11,158	15,264

Complaints	2025–26	2024–25	2023–24	2022–23	2021–22
Total processed by CRO[2] (from September 30, 2023)	32,379	33,691	10,829	-	-

[2]*Total closed complaints include 5,065 complaints that were closed after an extensive process that ended in the cases being deemed abandoned.*

Table 6: Number of complaints per 100 flights operated by Canadian air carriers

Air carrier	Average (April 1, 2025 – March 31, 2026)
Air Canada	5.1
Air Transat	4.7
Flair Airlines	9.4
Porter Airlines	2.1
WestJet	4.9

Table 7: Number of complaints per 100 flights operated by foreign air carriers

Air carrier	Average (April 1, 2025 – March 31, 2026)
Aer Lingus Limited	2.3
Aerovias de Mexico S.A. de C.V.	3.4
Aerovias del Continente Americano S.A.	4.9
Air China Limited	5.0
Air India Limited	35.5

Air carrier	Average (April 1, 2025 – March 31, 2026)
Air New Zealand Limited	2.7
Air Pacific Limited	4.4
ALIA - The Royal Jordanian Airline plc (Royal Jordanian)	4.2
American Airlines, Inc.	2.3
Arajet, S.A.	25.6
Austrian Airlines AG	5.7
Biman Bangladesh Airlines Limited	4.2
British Airways Plc	2.2
Caribbean Airlines Limited	1.3
Cathay Pacific Airways Limited	5.4
China Airlines Limited	1.8
China Eastern Airlines Corporation Limited	1.7
China Southern Airlines Company Limited	3.2
Compagnie Nationale Royal Air Maroc	23.
Compañia Panameña de Aviacion, S.A.	3.1
Condor Flugdienst GmbH	4.3

Air carrier	Average (April 1, 2025 – March 31, 2026)
Delta Air Lines, Inc.	1.0
Deutsche Lufthansa Aktiengesellschaft (Lufthansa German Airlines)	8.2
Edelweiss Air AG	1.1
EgyptAir	35.3
Emirates	9.2
EPE SPA Air Algérie	16.6
Ethiopian Airlines Group	7.7
Etihad Airways P.J.S.C.	20.7
Eva Airways Corporation	1.6
French Bee	7.0
Hong Kong Airlines Limited	3.2
Icelandair ehf	1.4
Italia Trasporto Aereo S.p.A.	7.8
JetBlue Airways Corporation	1.9
Koninklijke Luchtvaart Maatschappij, N.V. (K.L.M. Royal Dutch Airlines)	6.5
Korean Air Lines Co. Ltd.	1.3

Air carrier	Average (April 1, 2025 – March 31, 2026)
Pakistan International Airlines Corporation	15.9
Philippine Airlines, Inc.	3.6
Polskie Linie Lotnicze LOT SA (LOT Polish Airlines SA)	7.8
Qatar Airways Limited	1.9
Qatar Airways Group (Q.C.S.C.)	27.7
Sata Internacional - Serviços e Transportes Aéreos, S.A.	4.0
Saudi Arabian Airlines Corporation	20.8
Scandinavian Airlines System (SAS)	1.2
Sichuan Airlines Co., Ltd	2.4
Société Air France	9.5
Société Tunisienne de l'Air	40.2
Swiss International Air Lines Ltd.	4.5
Transportes Aéreos Portugueses, S.A.	3.1
Türk Hava Yollari Anonim Ortakligi (Turkish Airlines Inc.)	20.5
T’way Air Co., Ltd.	1.4

Air carrier	Average (April 1, 2025 – March 31, 2026)
United Airlines, Inc.	1.8
Virgin Atlantic Airways Limited	2.7
Xiamen Airlines Co., Ltd.	3.8
ZIPAIR Tokyo Inc.	3.7

Table 8: Complaints Summary by Air Carrier

Excludes abandoned and cases processed as withdrawn or refusal to deal by the Agency

Air carrier	Nationality	Carried Over from FY 2024–25	Complaints Received	Total Processed
Air Canada	Canada	30,571	19,708	10,586
WestJet	Canada	22,485	10,547	8,213
Flair Airlines Ltd.	Canada	7,985	2,539	2,807
Sunwing Airlines Inc.	Canada	4,770	1,154	2,507
1263343 Alberta Inc.	Canada	1,809	3	1,812
Swoop Inc.	Canada	1,419	4	1,343
Air Transat A.T. Inc.	Canada	1,878	1,224	643
Porter Airlines Inc.	Canada	1,708	1,808	581

Air carrier	Nationality	Carried Over from FY 2024–25	Complaints Received	Total Processed
American Airlines, Inc.	United States of America	1,408	745	444
United Airlines, Inc.	United States of America	1,136	873	327
Deutsche Lufthansa Aktiengesellschaft (Lufthansa German Airlines)	Germany	856	263	314
Delta Air Lines, Inc.	United States of America	684	348	225
Société Air France	France	824	402	199
Air India Limited	India	615	555	196
Compagnie Nationale Royal Air Maroc	Morocco	561	328	180
Qatar Airways Group (Q.C.S.C.)	Qatar	477	304	169
Türk Hava Yollari Anonim Ortakligi (Turkish Airlines Inc.)	Turkey	463	257	156
Koninklijke Luchtvaart Maatschappij, N.V.				

Air carrier	Nationality	Carried Over from FY 2024–25	Complaints Received	Total Processed
(K.L.M. Royal Dutch Airlines)	Netherlands	427	235	127
British Airways Plc	United Kingdom	246	73	103
AEROVIAS DE MEXICO S.A. DE C.V.	Mexico	197	89	90
EGYPTAIR	Egypt	235	213	83
Etihad Airways P.J.S.C.	United Arab Emirates	221	151	79
Transportes Aéreos Portugueses, S.A.	Portugal	120	46	72
Canada Jetlines Operations Ltd.	Canada	66	-	66
Cathay Pacific Airways Limited	Hong Kong	126	170	56
Société Tunisienne de l'Air	Tunisia	122	123	51
Canadian North Inc.	Canada	117	39	46
Philippine Airlines, Inc.	Philippines	125	38	46
Aerovias del Continente Americano S.A.	Colombia	144	132	43

Air carrier	Nationality	Carried Over from FY 2024–25	Complaints Received	Total Processed
Condor Flugdienst GmbH	Germany	115	41	39
EPE SPA Air Algérie	Algeria	127	112	39
Emirates	United Arab Emirates	151	134	37
Swiss International Air Lines Ltd.	Switzerland	112	46	34
Eva Airways Corporation	Taiwan	68	23	33
Pakistan International Airlines Corporation	Pakistan	51	62	30
Compañia Panameña de Aviacion, S.A.	Panama	52	45	26
Ethiopian Airlines Group	Ethiopia	84	56	25
Polskie Linie Lotnicze LOT SA (LOT Polish Airlines SA)	Poland	126	82	24
Icelandair ehf	Iceland	40	23	23
JetBlue Airways Corporation	United States of America	47	17	23

Air carrier	Nationality	Carried Over from FY 2024–25	Complaints Received	Total Processed
Arajet, S.A.	Dominican Republic	90	139	22
Pascan Aviation Inc.	Canada	38	16	21
Austrian Airlines AG	Austria			19
Sata Internacional - Serviços e Transportes Aéreos, S.A.	Portugal	86	35	19
Caribbean Airlines Limited	Trinidad and Tobago	29	22	18
Aer Lingus Limited	Ireland	52	17	17
AIR LIAISON INC.	Canada	65	85	17
PAL Airlines Ltd.	Canada	55	42	17
Private Stock Company "Ukraine International Airlines"	Ukraine	15	1	16
Saudi Arabian Airlines Corporation	Saudi Arabia	82	87	15
Korean Air Lines Co. Ltd.	Republic of Korea	31	24	14

Air carrier	Nationality	Carried Over from FY 2024–25	Complaints Received	Total Processed
Alaska Airlines, Inc.	United States of America	34	21	13
Perimeter Aviation LP, représentée par son commandité/as represented by its general partner, Perimeter Aviation GP Inc.	Canada	21	6	13
All Nippon Airways Co., Ltd.	Japan	24	7	12
Air New Zealand Limited	New Zealand	39	19	11
Air North Charter & Training Ltd.	Canada	17	13	11
Air Pacific Limited	Fiji	24	11	11
ALIA - The Royal Jordanian Airline plc (Royal Jordanian)	Jordan	37	21	11
Brussels Airlines NV/SA	Belgium	39	25	11
EW Discover GmbH	Germany	31	10	10
LATAM Airlines Group S.A.	Chile	52	24	9

Air carrier	Nationality	Carried Over from FY 2024–25	Complaints Received	Total Processed
Pacific Coastal Airlines Limited	Canada	31	30	9
Qantas Airways Limited	Australia	17	7	9
Biman Bangladesh Airlines Limited	Bangladesh	15	11	8
Fly Play hf.	Iceland	13	6	8
Singapore Airlines Limited	Singapore	17	4	8
Air China Limited	China	14	27	6
Alitalia Compagnia Aerea Italiana S.p.A.	Italy	5	1	6
China Southern Airlines Company Limited	China	2	17	6
Nihon Koku Kabushiki Gaisha (Japan Airlines Co., Ltd.)	Japan	15	7	6
Thai Airways International Public Company Limited	Thailand	9	5	6
Central Mountain Air Ltd.	Canada	27	17	5

Air carrier	Nationality	Carried Over from FY 2024–25	Complaints Received	Total Processed
Italia Trasporto Aereo S.p.A.	Italy	24	28	5
Oman Air S.A.O.C.	Oman	7	-	5
SriLankan Airlines Limited	Sri Lanka	15	-	5
Air Creebec Inc.	Canada	3	6	4
China Airlines Limited	Taiwan	24	13	4
China Eastern Airlines Corporation Limited	China	8	9	4
Corsair	France	23	-	4
ZIPAIR Tokyo Inc.	Japan	27	21	4
Calm Air International LP, représentée par son commandité/as represented by its general partner, Calm Air GP Inc.	Canada	5	4	3
Cascadia Airways Inc.	Canada	3	-	3
Finnair OYJ	Finland	5	1	3
Kenya Airways PLC	Kenya	32	9	3

Air carrier	Nationality	Carried Over from FY 2024–25	Complaints Received	Total Processed
Malaysian Airline System Berhad	Malaysia	3	-	3
No carrier identified	N/A	15	5	3
Scandinavian Airlines System (SAS)	Sweden	14	7	3
Virgin Australia International Airlines Pty Ltd	Australia	3	2	3
Xiamen Airlines Co., Ltd.	China	4	8	3
Aegean Airlines S.A.	Greece	7	3	2
Air Inuit Ltée / Air Inuit Ltd.	Canada	6	8	2
AKCIONARSKO DRUSTVO ZA VAZDUSNI SAOBRACAJ AIR SERBIA BEOGRAD (Joint Stock Company for Air Traffic Air SERBIA Beograd)	Serbia	4	3	2
Asiana Airlines, Inc.	Republic of Korea	14	-	2
El Al Israel Airlines Ltd.	Israel	4	2	2

Air carrier	Nationality	Carried Over from FY 2024–25	Complaints Received	Total Processed
Gulf Air	United Arab Emirates	4	3	2
Iberia, Lineas Aeras de Espana, S.A. Operadora	Spain	10	3	2
Kuwait Airways	Kuwait	2	2	2
Neos S.p.A.	Italy	10	20	2
Sun Country, Inc.	United States of America	2	-	2
ABC Aerolineas, S.A. de C.V.	Mexico	1	-	1
ABC Aerolineas, S.A. de C.V.	Mexico	1	-	1
Air Greenland A/S	Greenland	1	6	1
Air Mauritius Limited	Mauritius	2	2	1
Easyjet UK Limited	United Kingdom	6	1	1
French Bee	France	-	12	1
Hainan Airlines Holding Co., Ltd.	China	2	1	1
Harbour Air Ltd.	Canada	4	2	1

Air carrier	Nationality	Carried Over from FY 2024–25	Complaints Received	Total Processed
Les Investissements Nolinor Inc.	Canada	1	-	1
South African Airways SOC Limited	South Africa	1	-	1
Taca International Airlines, S.A.	El Salvador	10	8	1
TONG CONG TY HANG KHONG VIET NAM-CTCP / VIETNAM AIRLINES JSC	Vietnam	1	2	1
Virgin Atlantic Airways Limited	United Kingdom	1	16	1
Wasaya Airways Limited Partnership, by its General Partner Wasaya General Partner Limited	Canada	3	1	1
AEROFLOT - RUSSIAN AIRLINES	Russia	1	-	-
AEROLINEAS ARGENTINAS SOCIEDAD ANONIMA	Argentina	2	-	-
Air Tahiti Nui	French Polynesia	2	5	-

Air carrier	Nationality	Carried Over from FY 2024–25	Complaints Received	Total Processed
Avianca Costa Rica S.A.	Costa Rica	-	3	-
Bermudair Limited	Bermuda	-	5	-
Compania Nationala de Transporturi Aeriene Romane "TAROM" S.A.	Romania	1	-	-
Edelweiss Air AG	Switzerland	3	5	-
flydubai dba Dubai Aviation Corporation	United Arab Emirates	3	2	-
Frontier Airlines, Inc.	United States of America	1	1	-
Hong Kong Airlines Limited	Hong Kong	1	21	-
INTERGLOBE AVIATION LIMITED	India	-	1	-
Jazz Aviation LP, as represented by its general partner, Aviation General Partner Inc. / Jazz Aviation S.E.C., représentée par son commandité, Commandité Aviation Inc.	Canada	5	-	-

Air carrier	Nationality	Carried Over from FY 2024–25	Complaints Received	Total Processed
LATAM Airlines Peru S.A.	Peru	7	4	-
Middle East Airlines Airliban S.A.L.	Lebanon	3	2	-
SIA, "SmartLynx Airlines"	Latvia	-	1	-
Sichuan Airlines Co., Ltd.	China	-	5	-
Silver Airways LLC	United States of America	1	-	-
Sri Lankan Airlines	Sri Lanka	-	4	-
TRANSAVIA AIRLINES C.V.	Netherlands	-	2	-
T'way Air Co., Ltd.	Republic of Korea	-	3	-
Total		**84,224**	**44,071**	**32,379**

Table 9: Accessibility disputes

Resolution method	Number closed
Facilitation	0
Mediation	630

Resolution method	Number closed
Adjudication	40

Table 10: Reporting to Parliament (amendments to subsection 42(2) of the *Canada Transportation Act*) requirements

Enforcement actions	Number in 2025–26
Number of inspections conducted to verify compliance and non-compliance	340
Number of orders made under Section 181.2	0
Number of orders, in writing, made under Section 26, 60 to 62	0
Number of Notices of Violation issued under Section 180	4
Number of inquiries made under any of Sections 172, 172.1 and 172.3	29

Table 11: Compliance and verification activities

Activity	Number
Inspections	480
Investigations	76
Total	**556**

Table 12: Enforcement actions taken

Activity	Number
1. Notices of violations issued with Administrative Monetary Penalty	37
2. Notices of violations issued with a warning	0
Total number of violations found in 1 and 2 above	426
3. Cautionary notices issued	113
Total number of potential violations found in 3 above	313
Total amount of Administrative Monetary Penalties issued	$1,429,350