



Canadian
Transportation
Agency

Office
des transports
du Canada



Canada

➔ In December 2012, the Government of Canada announced amendments to the *Air Transportation Regulations*.

These rules help consumers easily determine the total price of advertised air services, and encourage fair competition among advertisers of air services.

➔ Requirements for air price advertising

The regulations apply to any person who advertises air prices for travel within or originating in Canada.

Under the all-inclusive pricing rules, air fare advertising directed at the public must include:

- ➔ The **total price**, inclusive of all taxes, fees and charges which a consumer must pay in order to obtain the air service.
- ➔ A basic **description of the air service offered**, including:
 - the points of origin and destination,
 - whether the service is one-way or round trip, and
 - limitations with respect to booking or travel availability periods.
- ➔ Access to a **breakdown of the taxes, fees and charges** and any optional services offered for a fee or charge.

➔ What types of advertising are covered?

Advertising is considered to be a communication of the air price to the public, for travel within, or originating in Canada, and through either interactive or non-interactive media. The difference between the two usually lies in the fact that the interactive media is dynamic and the users' interaction influences the output.

Interactive media include online booking systems and telephone-based services such as call centres and service desks.

Non-interactive media may include:

- print: newspapers, magazines, billboards, flyers and pamphlets
- broadcast: television and radio
- social media: tweets, certain Facebook posts and YouTube videos

➔ Flexibility based on media format

Due to the limitations of various media format requirements, some flexibility in the rules is warranted. In certain cases, the required breakdown of information may be provided at another location.

[Example] In the case of an announcement of a total all-inclusive price in a brief radio advertisement, an advertiser would be in compliance if the ad included mention of a location where a breakdown of the taxes, fees and charges could be obtained (such as a website or toll-free telephone number).

➔ Which air services are excluded?

The regulations apply only to air price advertising for travel within Canada or originating in Canada that is directed toward the public. They **do not apply** to:

- air cargo services
- charter services negotiated with a private business or fares available through corporate

travel offices (and not available to the general public) or obtained through a global distribution service

- package travel services
- services originating outside Canada
- loyalty reward programs

Air services excluded from the application of the *Canada Transportation Act* and the *Air Transportation Regulations* are also excluded from these regulations.

[Example] Compliant non-interactive media advertisement

- Booking period — Book by April 25, 2012
- Origin-Destination — Toronto to Calgary
- Type of travel — One-way
- Travel period — MAY 1, 2012 - AUG 31, 2012

- Total price payable to obtain ticket — \$253
- Third-party charges — Includes \$61.65 Taxes, Fees and Charges
- Contact info so consumers can get breakdown of taxes, fees and charges and optional incidental services as ad does not disclose this required information. — For further details contact: 1-800-555-5555

About the Canadian Transportation Agency

The Canadian Transportation Agency is an independent, quasi-judicial tribunal and economic regulator of the Government of Canada. It makes decisions and determinations on a wide range of matters involving air, rail and marine modes of transportation under the authority of Parliament, as set out in the *Canada Transportation Act* and other legislation.

The Agency's compliance role

The Agency expects air price advertisers to comply with the regulations as soon as possible. The Agency seeks to ensure compliance primarily through educational outreach and guidance on the regulations. More extensive and detailed information to further guide advertisers in understanding the all-inclusive air price advertising requirements is available at:

www.cta.gc.ca/eng/airservicesadvertising

The Agency monitors advertisements in different media. In cases of non-compliance, the Agency can use enforcement mechanisms, including monetary penalties which can reach up to \$5,000 per violation by an individual, and up to \$25,000 per violation by a corporation.

Questions, inquiries and comments:

Telephone: 1-888-222-2592
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Website: www.cta.gc.ca

