

Canada directs carriers to compensate passengers for flight disruptions

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Dhaka: Airlines operating in Canada will now be required to compensate passengers for flight disruptions, unless they can prove otherwise, under proposed rules unveiled by the country's Transport Minister recently.

Under rules similar to the European Union's EU261 policy, carriers landing and taking off in Canada must offer passengers cash compensation for flight cancellations and significant delays.

Payouts depend on the delay's length and the airline's size. Large carriers must pay passengers up to CAD 1000 (USD 734) in compensation for non-safety related disruptions.

However, airlines often try to evade paying compensation by arguing that disruption was out of their control as per reports. The new toughened regulations, including in the country's proposed budget legislation, would give airlines few get-out clauses.

Instead, compensation for inconvenienced travellers would be the default. The onus would be on the airline to prove that the cancellation or delay was caused by a limited number of reasons outside their control, such as a snowstorm, to avoid paying out.

“This means there will be no more loopholes where airlines can claim a disruption is caused by something outside of their control or a security reason when it is not,” Transport Minister Omar Alghabra said.

“It will no longer be the passenger who will have to prove that he or she is entitled to compensation. It will now be the airline that will need to prove that it does not have to pay for it,” the Minister added.

Airlines will also need to establish internal procedures for efficiently handling claims from travellers. For example, they could be charged a fee if they fail to resolve a passenger complaint and it is escalated to the Canadian Transportation Agency (CTA).

Some of the changes proposed by Canada would be introduced by the end of this summer, with the rest enforced from the end of the year, mentioned Alghabra.

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