

Hidden ticket fees in spotlight again

Fuel Surcharge

Scott Deveau, Financial Post

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Transport Minister Lawrence Cannon is expected to appear before a parliamentary committee next week to explain why the federal government has not enacted a law, which was passed by Parliament last summer, that would force airlines to include all fees, taxes, and charges in the advertised price of a ticket.

The issue of hidden fees has been thrust to the forefront once again after Canadian carriers began charging new fuel surcharges on North American routes last month -- which range from \$20 to \$45 -- that are currently not being included in the advertised price of a ticket.

In fact, Air Canada quietly increased the surcharge last weekend without notice before just as quietly reverting to its original fee structure on Monday.

Under federal law, airlines are not required to advertise the all-in price of ticket, but a series of amendments to the Canadian Transportation Act, which received royal assent last June, promises to change that.

The amendments -- part of Bill C-11-- would force airlines to include "all fees, charges, and taxes" in the advertised price of a ticket. However, when the amendments were passed, no start date was affixed, allowing the federal government, which regulates the advertisements for airlines, time to co-ordinate their efforts with the provinces, which regulate advertisements for travel agents, and the industry.

"Here we are a year later and it doesn't appear like they've done anything," said Liberal Transport critic Joe Volpe, in an interview.

Mr. Volpe had asked Mr. Cannon to explain what progress had been made on those consultations, as reported last month by the Financial Post.

However, after failing to receive an answer, he submitted a motion, which was approved yesterday, to have the Minister, or a member of his staff, appear next Tuesday before the standing committee on transport, infrastructure and communities to give an update on those consultations.

"It's getting worse. The financial and economic circumstances of both the industry and the travelling public are changing by the day, which is all the more reason why you should have a better understanding of what you're paying for," Mr. Volpe said. "I want to see a plan."

Mr. Cannon would not say whether he would appear before the committee next week or send his response in a letter. However, he did concede that he has failed to attain a consensus on how to handle air-fare advertising after initial talks with the industry's stakeholders.

"No other country has done this and there is no consensus amongst provinces. We are continuing our discussions."

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