



TC TRANSFORMATION

FEE MODERNIZATION

National Delegates
Conference
November 14 2018

RDIMS: 14565014



Transport
Canada

Transports
Canada

Canada

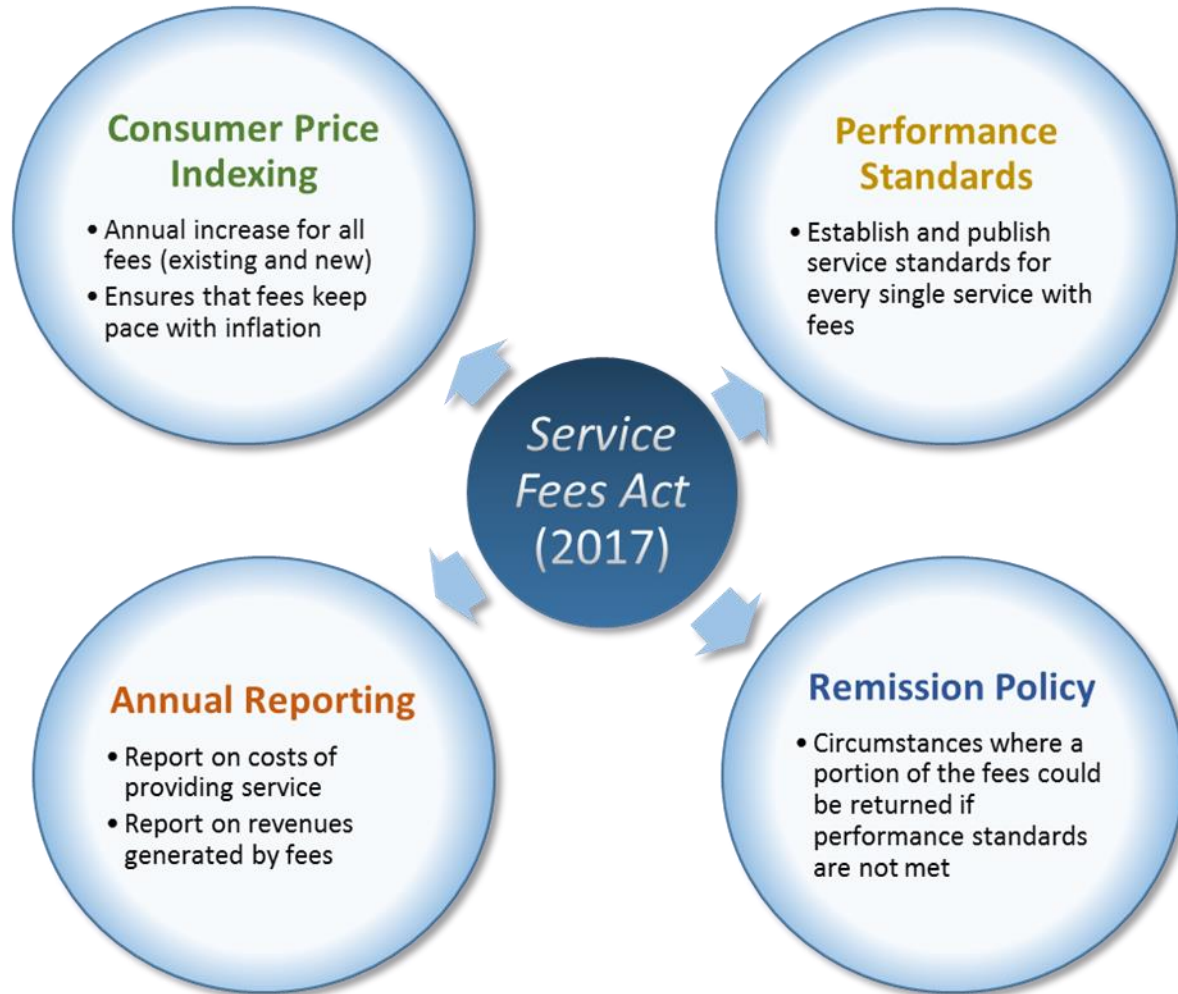


Agenda

Today we will discuss:

- *Service Fees Act*
- Fee Modernization for Aeronautical Product Approvals
- Engagement Process
- Considerations
- Time for Questions and Comments

Service Fees Act

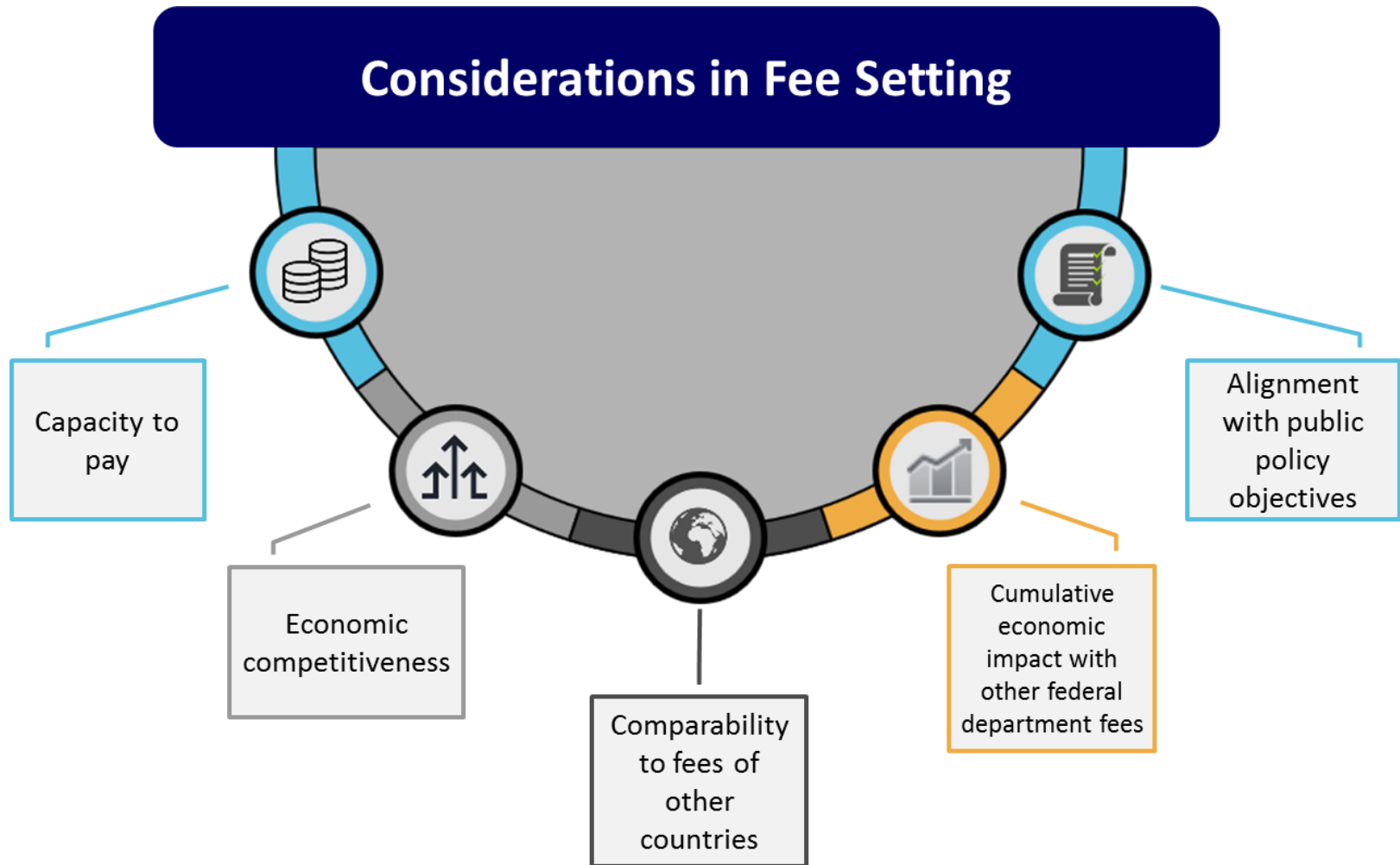




Current State for Aeronautical Product Approvals

- TC currently charges fees for aeronautical product approvals applying a mix of hourly fees for some services and fixed fees for others.
- The current hourly fee is \$40 per hour, while the fixed fees range from \$180 to \$2,455, depending on the service being provided. The fees have not changed in approximately 20 years and only cover a small fraction of the cost of providing these services.

Considerations in Fee Setting



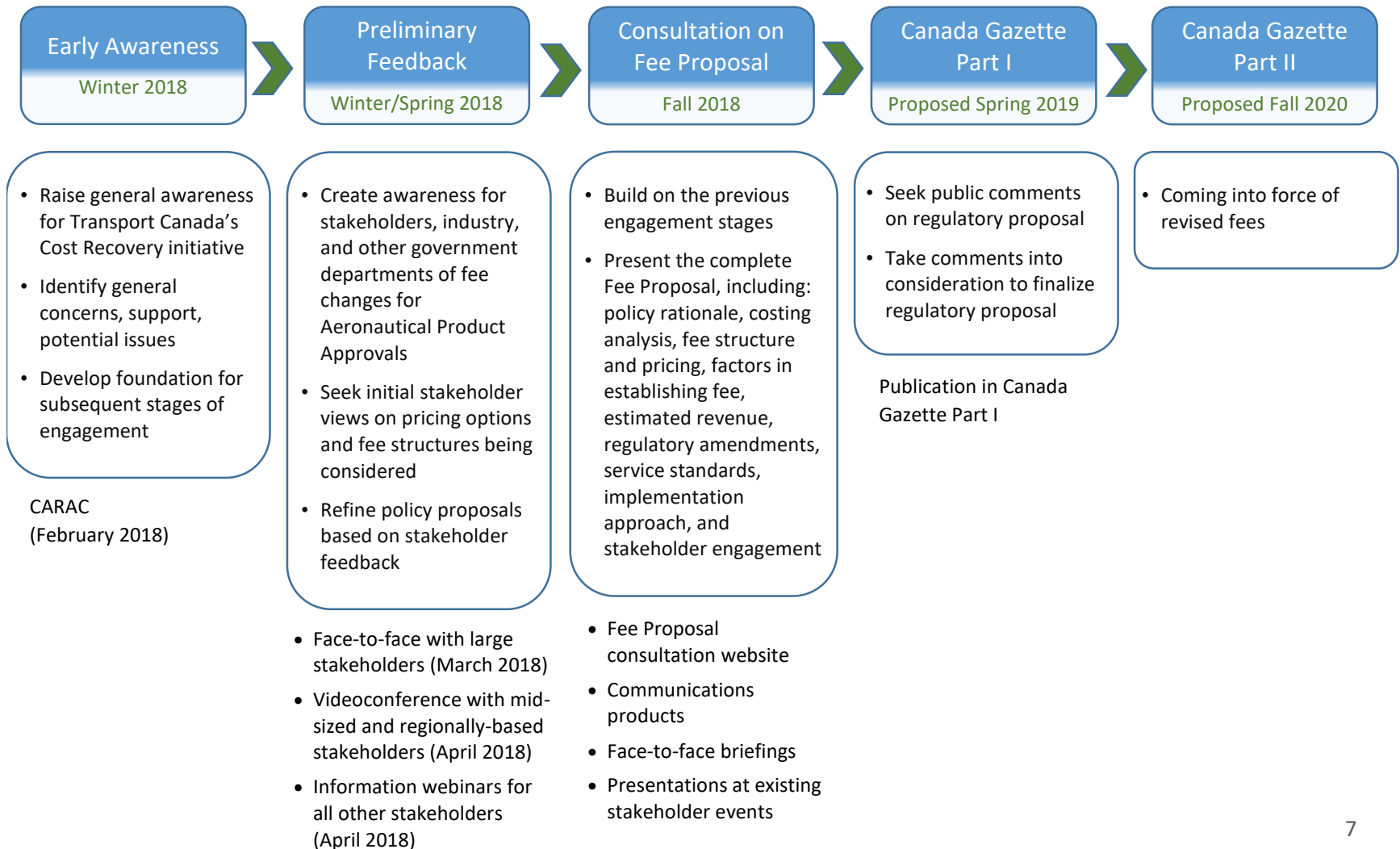


Fee Modernization for Aeronautical Product Approvals

- Proposing changes to CAR 104, Schedule V which include:
 - changing fees to better reflect the cost of providing services to approve aeronautical product designs;
 - removing the hard caps on hourly fees;
 - converting fixed fees to hybrid fees; and
 - introducing a range of new fees related to product certification.

Engagement Process

CAR 104 Schedule V (Aeronautical Product Approvals)





Addressing Concerns

- **We need your written feedback!** What considerations would help support your business transition to the new fee structure?
- Looking for input on how to address some concerns specifically around predictability and cost certainty
- Other matters under consideration:
 - Delaying the coming into force of the hourly portion of hybrid fees;
 - Making some of the proposed hybrid fees fixed fees again;
 - Introducing a lower threshold – if a project took an insignificant number of TC hours there would only be a nominal fee.



Questions or Comments?

We want to hear from you

Contact: CARRAC@tc.gc.ca.