



A non-profit, volunteer organisation, advocating to advance the interests of consumers in Queensland

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SUBMISSION ON AVIATION CUSTOMER RIGHTS CHARTER – CONSULTATION PAPER, DECEMBER 2024

BACKGROUND

The Queensland Consumers' Association (QCA) is a non-profit organisation established over 40 years ago and which exists to advance the interests of Queensland consumers. QCA's members work in a voluntary capacity and specialise in particular policy areas. QCA is a member of the Consumers' Federation of Australia, the peak body for Australian consumer groups, and works closely with many other consumer and community groups.

QCA is very interested in and has been involved with aviation issues for many years. For example, QCA has made written submissions on the White Paper Terms of Reference, the Green Paper, and the Ombuds Scheme. QCA has also participated in face to face and online meetings on the Green Paper, the Aviation Industry Ombuds Scheme Discussion Paper and the Aviation Customer Rights Charter Discussion Paper.

Therefore, QCA welcomes the opportunity to make this submission on the Aviation Customer Rights Charter Discussion Paper.

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GENERAL COMMENTS

We welcome the proposal to have an Aviation Customer Rights Charter. However, we have concerns about the adequacy, scope, etc. of several of the Rights. We also consider that other important aspects of the Charter (including its scope and relationship to the Aviation Industry Ombuds Scheme) need to be addressed, as well as the collection and reporting of data on all types of aviation consumer complaints.

The Rights

We recognise that that the proposed six Rights are very relevant to consumers. However, we have major concerns about the scope and wording of several. These concerns are provided later in this submission.

Relationship to Aviation Industry Ombuds Scheme (AIOS)

The Paper refer to roles for proposed AIOS in relation to the Charter, for example that

- *The AIOS will have the power to issue determinations to resolve complaints and will be supported by a new regulatory function.*
- *In the event that an airport or airline does not comply with the AIOS, then the Ombudsperson will be able to refer matters to appropriate regulators for further action.*
- *The final Charter will be released by the Aviation Industry Ombudsperson and will include guidance for industry and consumers.*

Our interpretation of this is that the AIOS will not be the regulator for the Charter. If this is correct, we strongly support such an approach because, as indicated in our submission on the AIOS Discussion Paper, we strongly **recommend** that the AIOS only have a dispute resolution role. Other roles, especially regulatory, will reduce the effectiveness of the dispute resolution role.

We are unaware of any other Australian ombudsman scheme that has regulatory roles and note and support, the statements on this issue in the Australian and New Zealand Ombudsman Association (ANZOA) submission on the AIOS Discussion Paper.

Charter's Legal Status

Although not mentioned in the Discussion Paper, we understand that the Charter will be incorporated into a Legislative Instrument. We **recommend** this approach and emphasise the need to clearly indicate in it how the Charter will be administered and compliance will be monitored and enforced, and to provide for penalties for non-compliance.

We **recommend** that the final Charter **NOT** be released by the Aviation Industry Ombudsperson.

We see advantages in the Department of Infrastructure being responsible for administering the Charter.

We **recommend** that wherever possible the Charter set more clear precise, minimum, measureable, mandatory performance standards and not use imprecise terms such as “reasonable”, “promptly”, or “in a timely manner”, and that more requirements be mandatory.

Scope

This is not addressed in the Paper. We **recommend** that the Charter apply to: airports and airlines above a minimum size; domestic flights and flights to other countries; and relevant aspects of airline loyalty programs (such as the use of points to pay for tickets and crediting of points etc. for completed flights). As indicated in our submission on the Green Paper, airline loyalty programs are very important for, and used by, many consumers when choosing flights and can be a significant source of customer dissatisfaction and complaints.

Complaints data

We **recommend** that, as are some other industries, the aviation industry be required to collect and report to the regulator, data on all types customer complaints received. This information is needed to obtain a comprehensive picture of customer issues because complaints made to the AIOS or about non-compliance with the Charter will represent only a proportion of total consumer complaints. If unable to be included in the Charter legislation, this requirement should be provided in other legislation.

Further development and consultation

Further work on the development of the Charter should draw on effective aviation consumer protection and empowerment measures adopted in other countries, as well as practices in other Australian industries including those with ombudsman schemes, for example telecommunications, finance, and energy and water.

Although our submission covers only some issues, we are happy to discuss additional issues or to provide further clarification. We also see merit in the future consultation process including stakeholder workshops on specific issues that require more detailed consideration.

SPECIFIC COMMENTS

Proposed Right 1: Aviation industry customers have the right to be treated with dignity and respect, in an accessible and inclusive environment

Recommendation

To avoid confusion with the Aviation Customer Rights Charter, airlines and airports should be required to have Customer Service Statements, not Charters.

Proposed Right 2: Aviation industry customers have the right to accurate, timely and accessible information and customer service

Recommendations

- The Right should clearly indicate that the information to be provided to customers includes **any changes to flight times** (including those made well before the travel date) as well as delays and cancellations.
- The Right should include the provision of key information when **booking a flight and the actual booking arrangements**. Regarding the latter:
 - As in the USA, airlines should be required to **allow customers to cancel or change a booking free of charges within 24 hours of a booking made seven days or more prior to the flight's scheduled departure time**.
 - **Airlines should not be allowed to charge customers for using the call centre to make a booking if they can not to make the booking themselves online due to a reason within the airline's control** (for example because of the booking system's design or temporary unavailability).
- The Right should also clearly indicate that the information to be provided to customers includes **information about the airport/airline's complaints handling process**.
- It should be **mandatory** for a call centre to include the capability for a customer call-back option or voice mail.

Proposed Right 3: Aviation industry customers have the right to prompt and fair remedies and support during and after cancellations, delays and disruptions

Recommendations

- The scope of this Right should be increased to include: **changes to flight times and when customers are bumped /denied boarding (due to more passengers being booked than seats are available)** and where necessary additional requirements should be added to cater for such events.
- "Delay" should be defined to include **when passengers are kept in an aircraft at the boarding gate or on the runway for more than a specified maximum time** and where necessary additional requirements should be added to cater for such events.
- Greater clarity is needed about how customers will be treated, and who by, when cancellations, delays and disruptions are caused by **airports**.
- The requirements listed under the second dot point should apply to **cancelled flights** as well as to those disrupted or delayed.
- The requirements for flights disrupted or delayed for reasons within the airline's control should apply if the disruption or delay is for more than 2 hours, not 3 hours.

- If a flight is disrupted or delayed for more than 2 hours, for reasons within the airline's control, the option to cancel time-dependent flights with a full refund should be free of any administration or other fees and regardless of the fare type.
- Mandatory minimum amounts should be specified for payment to customers for meals, accommodation etc. when flights are delayed or disrupted.
- Mandatory minimum compensation amounts should be required to be paid to customers affected by defined events such as cancellation and delay.

Proposed Right 6: Aviation industry customers have the right to provide feedback, make complaints and exercise their rights without retribution

Recommendation

Airlines or airports be required to acknowledged receipt of feedback and/or complaints the within 2 business days after receipt and to provide a response to all complaints within 30 days of receipt.