

Aviation Customer Rights Charter

Submission to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts March 2025

Introduction

Australian Chamber – Tourism (the Chamber) welcomes the opportunity to comment on the draft Aviation Customer Rights Charter (the Charter).

A strong, competitive domestic aviation sector is critical to the success of Australia's visitor economy, as it continues to recover from pandemic restrictions and into the future. Accordingly, the Chamber and its members have been actively involved in the Aviation White Paper process, including the consultation and design elements of the broader commitment to the Aviation Industry Ombuds Scheme (the Ombuds Scheme) that have followed its release, which is welcomed as a mechanism to boost passenger confidence in aviation services.

As the sector undergoes transformation – including through fluctuation of the domestic carrier market and as measures from the Aviation White Paper process are implemented – it will be important to maintain consumer confidence and reliability to grow goodwill within the community.

It is recognised that some of the proposed rights outlined in the Charter already exist to some degree in the Australian Consumer Law (ACL), with this Charter consolidating relevant rights for travellers so they can observe and understand them more clearly, and for parties to the Charter to understand their obligations. However, there are concerns that some of the rights contained within the draft Charter may exceed what is reasonable or what currently exists for travellers and may result in additional compliance mechanisms for Charter parties to navigate.

A clear, well-defined Charter is necessary to avoid unrealistic expectations and unnecessary compliance burdens applied to those it covers. Further, it is critical that the Charter recognises the role of government agencies, such as the Australian Border Force (ABF) and Airservices Australia in aviation operations, particularly in areas like security screening, border processing, and air traffic management. Delays in these areas should not be misattributed to airports or airlines. The Charter should integrate with existing legal frameworks such as the ACL, Disability Discrimination Act, and Privacy Act, rather than introducing redundant or conflicting regulations, indeed as should the broader Ombuds Scheme.

This submission addresses these issues and outlines the suggested approach which, in our view, will best facilitate a strengthened aviation industry that customers can depend on.

Eligibility

The Charter should apply to all airlines which are enabled to transport consumers, or to new entrants who seek to carry consumers who purchase air travel tickets, recognising that most issues raised by travellers are associated with the obligations of airlines in the travel journey. This is the same position the Chamber put forward regarding the membership of the Ombuds Scheme.

Airport eligibility should be based on passenger movements – for example, one million a year. Regardless of the figure, it is important that there is a threshold point to ensure that smaller regional and rural airports are not burdened with obligations under the Charter beyond their control. Many of these airports already operate at a loss, and additional regulatory burdens could divert critical resources from infrastructure upgrades and essential services.

Consistent with our position put forward for the Ombuds Scheme consultation, third parties, such as travel agents, should be excluded from the Charter and the Ombuds Scheme. It is important to recognise that travel agents, for example, are intermediaries between the traveller and the airline in the booking process – airlines set fare terms and conditions, and consumer funds are held by airlines, not travel agents.

Where consumers may have concerns around service levels of travel agents, there are already effective avenues for recourse. In addition, airlines have their own commercial agreements with agents which detail procedures and service level standards that agents must abide by, including recourse by airlines in the event of a breach.

Where a consumer has sought to use the services of a third party such as a travel agent, it is important that the same service levels from airlines apply so as not to disadvantage the customer. This is particularly the case for Proposed Right 2 and Proposed Right 3.

Responsibilities

Ensuring that the Charter has well-defined responsibilities for each of the parties will be key to its success. Making these obligations or rights too vague or unassigned to a party to the Charter (i.e. airlines or airports) will require additional resources to understand and ultimately for any action to occur.

This clarity will be important for each of the Ombudsperson, applicable regulators, and customers to identify the appropriate party to raise a concern under the Charter, and subsequently pursue further action if needed.

A tool to assist in this task could be a publicly available (and visible) flow chart or matrix which breaks down these responsibilities and should accompany any outline of the steps involved in raising any concerns under the Charter and through the Ombuds Scheme more broadly.

This should be accompanied by clear and concise educative materials for passengers. This will support travellers to understanding their own rights and responsibilities – as well as the parties to the Charter – and ensure that complaints are appropriately direction should further action be needed.

It is also important to recognise that complaints directed at airports remain significantly lower than those directed at airlines. Many consumer grievances, such as flight delays, cancellations, and baggage issues, fall under airline responsibility, yet airports often receive misdirected complaints simply because they are more visible at the terminal. A clear delineation of responsibilities will help resolve this confusion and ensure that passengers know where to direct their concerns.

Concerns with specific proposed rights

Proposed Right 2 – information and customer service

This would provide for aviation industry customers to have the right to accurate, timely and accessible information and customer service. The Chamber supports the right in principle but seeks to highlight some key member concerns about its application practically.

If a booking agent is calling an airline on behalf of the customer, the same service levels should apply so as not to disadvantage the customer. This includes the requirement to ensure hold times are not excessive.

Further, it is acknowledged that there are communication issues between airlines and airports, and that consumers can confuse the responsibilities of each of these parties. This confusion can also occur beyond consumers – some issues can be misattributed to proposed parties to the Charter which is not aided by poor communication between the airlines and airports themselves. This can be exasperated in more regional areas, for example, with fewer staff to accommodate and appropriately direct customer concerns.

Ultimately, to be successful, clear boundaries and responsibilities must be outlined to ensure that communications with and from the appropriate parties are carried out, including to third parties where a consumer has chosen to use them.

Proposed Right 3 – prompt and fair remedies

This would provide for aviation industry customers to have the right to prompt and fair remedies and support during and after cancellations, delays and disruptions.

Whilst this proposed right is supported in principle, it is important to recognise the multiple factors which can lead to a flight delay, and these reasons are not all attributable to a singular party. Further, these can be easily misattributed or difficult to resolve in the first instance due to various contractual elements, for example regarding

baggage system issues. Accordingly, it will be important for clear and well-defined responsibilities to be attached to the Charter, and the Ombuds Scheme more broadly. This will support the application of this right in practice as well as alleviate issues that currently exist regarding the attribution of responsibilities.

Where a customer has booked through an agent, it is appropriate that requirements remain between the airline and the consumer. This is because the terms and conditions of a fare are set by the airlines, and the consumer funds are held by the airline, not the travel agent. In addition, the Chamber understands that commercial agreements between airlines and travel agents, as well as Refund Policies of the airlines, rightly contain the obligations of agents in relation to the processing of refunds, including recourse by airlines in the unlikely scenario that these are not provided in accordance with the required timeframe.

Next steps

Recognising the volume of consumer rights that already exist through legislative and industry schemes, it will be important that redundant duplications or contradictions are not embedded into the Charter. Avoiding overlap will be crucial to ensuring that instances of double jeopardy do not occur, and that complaints are raised with the relevant body and processed promptly. This will also have to take into account ongoing changes to existing protections, including but not limited to changes to the Privacy Act.

Should you require any additional information or clarification of any points contained within, please contact John Hart, Executive Chair, Australian Chamber – Tourism at

About the Australian Chamber of Commerce and Industry

Australian Chamber – Tourism (the Chamber) is a peak body representing Australian organisations engaged in the visitor economy. It brings together key participants in the tourism and travel sector to advocate better policies, including tax, regulation, tourism marketing, research, labour supply, visas and infrastructure. The Chamber is a part of the Australian Chamber of Commerce and Industry (ACCI), Australia's largest and most representative business network.

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