AIRLINES FOR AUSTRALIA & NEW ZEALAND

AVIATION CUSTOMER RIGHTS CHARTER CONSULTATION

A4ANZ SUBMISSION

OVERVIEW

Airlines for Australia and New Zealand (A4ANZ) welcomes the opportunity to respond to the Aviation Customer Rights Charter Consultation Paper released by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department).

As the Department is aware, A4ANZ is an industry group representing airlines based in Australia and New Zealand, including international, domestic, regional, full service, and low-cost carriers. A4ANZ's members include Air New Zealand, Qantas, Virgin Australia, Regional Express (Rex), and Jetstar.

A4ANZ member airlines all have points of competitive difference in their offerings to passengers and have deep operational experience and expertise – to this end, A4ANZ members will also be making individual submissions in response to this consultation.

General Comments on Charter Consultation

A4ANZ and our members support the development of an Aviation Customer Rights Charter (the Charter) and recognise it as an important component of the Aviation Industry Ombuds Scheme. We welcome, in principle, the draft Charter and the articulation of current consumer rights under Australian Consumer Law and other relevant legislation.

However, while A4ANZ and our members have had productive conversations and engagement with the Interim Aviation Ombuds Scheme division at the Department, we are concerned by the imprecise language used in the draft and throughout the consultation paper. As such, our commentary in this submission relates to the proposed rights as written in the consultation paper.

A4ANZ notes that the current consultation on the Charter has been complicated by the piecemeal approach to the development of the Ombuds Scheme and supporting initiatives – including outstanding issues on scheme design and membership, the proposed "show cause" arrangement, the to-be-developed aviation-specific disability standards, and the integration of the Aircraft Noise Ombudsman (ANO) within the broader Ombuds Scheme.

A4ANZ welcomes the commitment that the final Charter will include guidance for industry and consumers, and would appreciate the opportunity to work with the Interim Aviation Ombuds Scheme division to develop both education for consumers and detailed guidance for industry.

A4ANZ and our members would also welcome further information on the proposed review of the Charter. The consultation document notes that "customer satisfaction surveys will be utilised to measure effectiveness, and a review of the Charter will be conducted every 3 years." We understand from conversations with the Interim Aviation Ombuds Scheme division that the intention is for an independent review – like the periodic reviews of the Telecommunications Industry Ombudsman – to be undertaken. However, in the absence of this detail being articulated in the consultation paper, A4ANZ wishes to emphasise that any review of the Charter must: be independent, involve more data points than customer satisfaction surveys, be conducted in consultation with industry, and seek to ensure that it is facilitating outcomes consistent with existing Australian Consumer Law.

Aviation Industry Ombuds Scheme Concerns

Additionally, while recognising that the design of the broader Ombuds Scheme is not within the remit of this consultation, A4ANZ and our members have significant concerns relating to the recent consultation on the Ombuds Scheme undertaken prior to the end of 2024 – specifically, the proposed exclusion of airports that handle less than one million passengers per year, government agencies, and travel agents from the Aviation Industry Ombuds Scheme.











In other jurisdictions where passenger rights legislation and regulations have been introduced, the requirements extend to flights from, and within, the jurisdiction with a view to ensuring that all passengers have equal access to the same rights, remedies, and complaint processes. To this end, we would urge the Department to consider how the Aviation Customer Rights Charter might apply equally to all participants within the aviation sector to provide equal rights and equal access to complaints handling and dispute resolution processes for all passengers, and prevent market distortion in the aviation sector.

PROPOSED RIGHT 1

A4ANZ and our members support the rights of passengers to be treated with dignity and respect, and are committed to ensuring safe, accessible, and inclusive air travel.

While the membership of the Ombuds Scheme – and the resulting parties to the Charter – is an important consideration for each of the proposed rights detailed in the consultation paper, it is Proposed Right 1, *"Aviation industry customers have the right to be treated with dignity and respect, in an accessible and inclusive environment"* which highlights the importance of the Ombuds Scheme and Charter covering all aviation sector participants – including all airlines, all airports that accept RPT services (regardless of passenger volumes), third party contractors, and government agencies (i.e. Australian Border Force). This will ensure that all consumers who access RPT flights will have equal rights and equal access to the complaints handling and dispute resolution processes within the Ombuds Scheme.

A4ANZ has specific commentary on the following provisions:

For a person with disability, airlines and airports will comply with the Disability Discrimination Act 1992 and Disability Transport Standards across their aviation journey

A4ANZ's members support the rights of passengers with disability to safe and accessible air travel – especially the right to be treated with dignity and respect. We recognise the need for specific actions and commitments to remove barriers to safe, accessible air travel and have welcomed the ongoing reforms to the Disability Standards for Accessible Public Transport, and the announcement of the aviation-specific Transport Standards.

All A4ANZ members that operate within Australia have developed Disability Access Facilitation Plansⁱ, with airlines continuing to enhance consultation with disability organisations and advocates on these Plans and other accessibility policies.

A4ANZ and our members have also been working closely with the Department to provide input into the development of the aviation-specific Transport Standards to ensure that the standards that are eventually developed are effective, safe, and technically and operationally feasible. We look forward to participating in consultation on the aviation-specific Transport Standards in due course.

Information provided by airlines and airports must be available to passengers in a range of accessible formats, including languages other than English

Airlines in Australia already provide information in a variety of formats, however, we would welcome clear guidance on the Government's expectations, including the scope of information covered by this provision.

Airport and airline staff will be aware of how best to assist you if you have accessibility requirements or have medical issues requiring consideration, including implants and prostheses

A4ANZ members are committed to continuing to review and enhance training for frontline workers and education for employees about how best to assist passengers with accessibility requirements.

This provision must be expanded to include all staff involved in the passenger journey – most notably staff involved in security screening, who are neither employed directly by an airline or an airport, but rather a third-party contractor. This is explored further below.



Security screening at airports will be delivered with dignity, free from bias and in line with requirements set by the Department of Home Affairs

In submissions to the Aviation White Paper consultation process, organisations and advocates from the disability sector consistently noted the poor experience of passengers with accessibility requirements during security screening.

As such, further to our commentary above on the need to include all airlines and airports that operate RPT services, and to ensure that the outcome above is realised, we urge the Government to either include security screening providers as parties to the relevant sections of the Charter or work directly with security screening providers and Home Affairs to ensure that all screening staff are appropriately trained – in both acceptable methods of screening and necessary soft skills – to screen passengers with special circumstances with dignity and free from bias.

Furthermore, we encourage the Aviation Industry Ombudsperson – or Interim Aviation Ombuds Scheme division – to develop passenger education on passengers' rights relating to security screening at Australian airports, using Home Affairs' recently updated guidanceⁱⁱ on screening for people with special circumstances as a starting point.

Wayfinding will assist in the easy navigation of airports, through signage provided in multiple languages and formats, and buildings designed to assist those with accessibility needs

A4ANZ and our members support this provision, with improvements to, and the standardisation of, wayfinding at airports being suggested to the Department as a potential early win to improve the accessibility of the passenger journey.

This provision should be informed by the existing *Disability Standards for Accessible Public Transport* 2002, *Disability (Access to Premises – Building) Standards 2010*, and the to-be-developed aviation-specific Transport Standards.

PROPOSED RIGHT 2

A4ANZ and our member airlines support passengers' right to accurate, timely, and accessible information and customer service – with all A4ANZ members having clear, simple, and transparent terms and conditions available on their websites and detailed within their conditions of carriage.

A4ANZ has specific commentary on the following provision:

Information about delays, cancellations, and disruptions will be provided to customers promptly after it is known by the airline

A4ANZ and our members support this provision and A4ANZ member airlines have made significant investments to improve both the detail and timeliness of information provided to passengers over the past few years – these are detailed in individual member submissions.

However, there are two key factors which impact how and when information on delays and cancellations is provided to passengers; when the airline becomes aware of a delay or cancellation and whether the airline has correct passenger contact details or any passenger details at all.

In some instances, such as when a booking is made through a third party, an airline may not have adequate or up-to-date contact details for a passenger. For example, as detailed in A4ANZ's submission to the original consultation on the design of the Aviation Industry Ombuds Scheme, two of the most common issues that arise with bookings made through travel agents are booking errors relating to passenger details and schedule changes not being communicated to passengers.^{III}

It will be important for the final Charter to reflect this complexity and appropriately attribute responsibility – especially as this may impact the eligibility of a complaint.

While A4ANZ understands that the membership of the Aviation Industry Ombuds Scheme has yet to be finalised, we note that the Department is not currently considering the inclusion of travel agents in the Scheme. Given that 90% of all corporate travel, and 70% of all international travel is booked



via a travel agent, ^{iv} this is disappointing as it will prevent consumers who book tickets through third parties – and who then experience issues as a result of errors made by these third parties, such as travel agents – from having equal access to recourse under the Charter or Ombuds Scheme and may lead to consumer frustration.

We would also welcome further clarity around what "promptly" means, and more detail on how this provision accords with the provision in Proposed Right 3 which states that *"if a flight is delayed, the airline should provide customers with regular updates on the status of the flight and the expected departure times"* to avoid duplication or different expectations and standards.

PROPOSED RIGHT 3

A4ANZ supports this right in principle, however we urge the Department to undertake further consultation with the airline industry to understand what is already offered to consumers, and the complexity presented by the ill-defined provisions within this right.

While we appreciate that it is likely that the Charter will eventually be a legislative instrument and therefore include definitions of terms used within the Charter – we encourage the Department to work with industry to develop these definitions now to avoid unintended consequences and ensure that practicalities can be worked through. For example, industry is anxious to understand what is meant by the following terms in this proposed right (non-exhaustive): *regular* updates, *assistance to re-book*, and *reasonable replacement* flight.

Additionally, before this proposed right can be actioned, and the provisions below realised, the Department must work with industry to understand reasons for delays and cancellations that are within an airlines control, and outside of an airlines control – with appropriate classification of attributable delays and cancellations.

A4ANZ and our members are keen to avoid situations which have arisen internationally – for example, in the US there have been significant issues defining what constitutes a significant delay and what factors are within the control of airlines^v and the Canadian Government has spent more than four years attempting to design a framework that does not just place the onus on airlines, recognising the impact of other participants in the ecosystem.^{vi, vii}

Individual airlines' conditions of carriage outline events or reasons for delays or cancellations that are within, and outside of, an airlines control – this should be reflected in the Charter to ensure that the Charter and the broader Ombuds Scheme have appropriate scope and accord with a viable and sustainable aviation industry.

A4ANZ also has specific commentary on the following provisions:

If a flight is delayed, the airline should provide customers with regular updates on the status of the flight and the expected departure times

As noted in our response to Proposed Right 2, A4ANZ members support this outcome, with airlines making significant investments to improve both the detail and timeliness of information provided to passengers over the past few years. We would welcome further clarity on how this provision interacts with the provisions detailed in Proposed Right 2.

If a flight is disrupted or delayed for more than 3 hours, for reasons within the airline's control, customers should, at no cost to the customer, receive:

- assistance to rebook with original or alternative airlines, without fees
- the option to cancel time-dependent flights with a full refund
- meals, meal vouchers/reimbursement or access to a lounge where food is available, where flights are delayed
- accommodation and transfers where a customer is required to remain in an away-fromhome port overnight



A4ANZ members have made their own submissions regarding the specific conditions outlined in this provision and how passengers are accommodated in the event of a delay.

A4ANZ notes that it would be useful to clarify the following: that this provision only applies where a delay or schedule change occurs on the day of travel rather than in advance; that *assistance to rebook* specifies that an airline will be responsible for rebooking the passenger; that "meals" is removed from the provision for practical purposes (noting that we support meal vouchers or reasonable reimbursement being provided to passengers), and that access to lounges is always subject to passengers' eligibility for lounge access and capacity constraints.

If customers have had to book a new flight with another airline due to their original airline not having a reasonable replacement flight, then the original airline will refund the cost of the original flight

For both this provision and the two below, A4ANZ urges the Department to carefully revisit the drafting to ensure that it is explicitly stated that these provisions – like the accommodations outlined in dot points above – are only applicable when an extended delay or cancellation is for <u>reasons</u> within an airlines control. A4ANZ directs the Department to individual airlines' conditions of carriage for a starting point on events or reasons for delays or cancellations that are within, and outside of, an airlines control.

Customers should receive a refund for a cancelled flight within 14 days of the cancellation being notified, regardless of the fare type, where an alternative flight has not been agreed. The refund should be to the full amount paid by the customer, including baggage charges, pre-purchased meals, extra leg room fees and any payment fees and charges

As set out in our commentary on the provision above, this provision should only be applicable for extended delays and cancellations <u>for reasons within an airlines control</u>. A4ANZ also urges for an additional clarification, which notes that this provision applies only if a passenger has not accepted alternative arrangements.

We understand from our previous discussions with the Interim Aviation Ombuds Scheme division that the Department has already been alerted to the impracticality of the stating that a customers should receive a refund within 14 days of the cancellation being notified. This is due to a number of factors, all outside of an airlines control; first, as noted earlier in this submission, a significant proportion of bookings are made through travel agents – this means that a travel agent needs to action the request for a refund and then remit the funds back to the passenger – and finally, different financial institutions and payment methods have different processing times.

To set expectations for both airlines and passengers, A4ANZ urges the Department to define and include a scope for refunds within the Charter.

The default position of airlines will be the provision of a refund in the original form of payment (including cash, credit or flyer reward points), with a travel voucher only being issued if the customer chooses that option

As per our commentary on the two provisions above, this provision should only be applicable for extended delays and cancellations <u>for reasons within an airlines control</u>. A4ANZ would also urge for an addition clarification, which notes that this provision applies only if a passenger has not accepted alternative arrangements.

PROPOSED RIGHT 4

A4ANZ members recognise that lost, damaged, or delayed baggage can be frustrating for passengers, and support the Charter articulating the existing rights and remedies available to passengers under the Montreal Convention, the Civil Aviation (Carriers' Liability) Act 1959 (CACL Act), and Australian Consumer Law.



As noted in A4ANZ's submission to the initial consultation on the design of the Aviation Industry Ombuds Scheme, industry is of the firm belief that any remedies provided for damage and delays to baggage should be in line with existing law and align with international standards.

Pleasingly, rates of mishandled baggage are trending down. Recent data indicate that the most common reason for delayed baggage is transfer mishandling, which accounts for 46% of all delayed baggage.^{viii} This again emphasises the need to include all airlines within the Ombuds Scheme and Charter, as the last operating carrier is responsible for baggage, and the incidence of mishandled baggage on international services can be up to five times higher than on domestic services.^{ix}

For international services – the Ombuds Scheme and Charter should apply the principles and limits under the Montreal Convention to align with international obligations. For domestic services, the CACL Act or Australian Consumer Law, as applicable, and carrier terms and conditions (which comply with existing rights under consumer law), should be applied.

A4ANZ and our member airlines would welcome clarity and guidance around the underlined terminology used below – noting that definitions relating to lost baggage already exist.^x

- If luggage is <u>temporarily lost</u> by an airline, customers should be reimbursed for the necessary purchase of appropriate clothing and toiletries where this occurs away from the customer's home port
- If luggage is damaged in the course of carriage, the airline will finalise a claim for damages in a <u>timely manner</u>

PROPOSED RIGHT 5

A4ANZ and our member airlines support aviation industry customers' right to the protection of their personal information – and as such, support the outcomes being sought under this proposed right. We also support improving passengers' awareness of their rights under existing legislation.

However, in accordance with A4ANZ's submission to the original consultation on the design of the Ombuds Scheme, we do not believe that complaints relating to breaches of privacy should be eligible to be considered under the Ombuds Scheme and should instead be referred to the Office of the Australian Information Commissioner (OAIC). Submissions to the initial consultation on the design of the Ombuds Scheme show that this view is shared by individual airlines, airports, and other aviation industry bodies.

Airlines in Australia currently invite customers to contact them if they have a complaint or think privacy laws have been breached, and direct customers to the OAIC if the issue is not finalised to the complainant's satisfaction by the airline directly.

A4ANZ believes that the Office of the Australian Information Commissioner is best placed to handle complaints regarding privacy and personal data, and that any moves to duplicate this function within the Charter or the Aviation Industry Ombuds Scheme more broadly would be ill-advised.

PROPOSED RIGHT 6

A4ANZ supports customers' right to provide feedback and make complaints – and while we do not believe the provision to exercise these rights without retribution needs to be articulated, we recognise that this is wording is consistent with the Commonwealth Ombudsman's Better Practice Complaint Handling Guide.^{xi}

A4ANZ member airlines have made significant investment in, and improvements to, their internal complaint handling processes, with some of these detailed in individual member submissions.

A4ANZ has specific commentary on the following provisions:

A family member, carer, advocate or legal representative will be able to support and/or represent a customer



As stated in our submission to the original consultation on the design of the Aviation Industry Ombuds Scheme, A4ANZ believes that a person should be eligible to lodge a complaint to the Ombuds Scheme if the person experienced an issue or situation covered by the Ombuds Scheme, with a family member or carer able to lodge a complaint on behalf of another person who is unable to make the complaint on their own behalf, provided they have that person's authority.

However, A4ANZ does not believe that this provision should be extended to include legal representatives – except in limited and specific circumstances – nor should it cover advocates or representatives from for-profit firms or claim agencies. A4ANZ takes this position with a view to preventing the advent of "claim farms" that are prevalent in Europe.

Information will be supplied by the airline or airport on how to provide feedback or make a complaint, and how the complaint will be escalated if you are not happy with the response, including how to contact the Aviation Industry Ombudsperson

A4ANZ supports this provision, and notes that A4ANZ members all provide information on how to provide feedback or make a complaint within their Guest or Customer Charters, or other information to passengers available on their websites.

Additionally, A4ANZ members who have previously participated in the Airline Customer Advocate (ACA) have provided information on how to make a complaint to the ACA if customers remain unsatisfied by the outcome of the airline's internal complaint resolution process.

Airlines would welcome clear guidance on minimum standards for how and when this information is supplied to passengers – we would suggest that this information is made available on airline and airport websites.

All feedback and/or complaints will be acknowledged by, and responded to, by the airline or airport in a reasonable timeframe (with a target of 24 hours to acknowledge and 30 days to resolve)

A4ANZ and our members seek clarity on this provision, including on:

- whether an auto-response including an auto-response which acknowledges the complaint and assigns a case number – is acceptable for initial acknowledgement within 24 hours. If this is not acceptable, we would seek for this timeframe to be extended in line with other ombuds schemes, noting that the TIO provides for two business days to acknowledge a complaint^{xii}, the Australian Standard Guidelines for complaint management in organisations allow for three days^{xiii}, and guidance from the Commonwealth's own Ombudsman provides for three business days.^{xiv}
- whether the 30-day timeline to finalise a complaint means 30 business days or 30 calendar days.

We are also anxious to understand how the 30-day period was decided on, as across submissions to the Ombuds Scheme from A4ANZ, airlines, the AAA, and airports there was agreement that eight weeks was the appropriate amount of time to allow for a complaint to be finalised. While most complaints would be finalised well within this timeframe, an eight-week period allows for an airline or an airport to gather necessary information that may not be provided in the original complaint, and allows for the complaint to be escalated as required through internal customer service processes.

Further, when looking internationally at complaint handling schemes used by the aviation industry in other jurisdictions, a timeframe longer than 30 days is standard: the UK allows for eight weeks for the airline to finalise a complaint^{xv}, and both the US and EU allow airlines 60 days to address and finalise complaints.^{xvi,xvii}

We urge the Department to review the proposed timeframes – for both acknowledgement and finalisation – to accord more closely with established best practice, not only from existing Australian



ombuds schemes, but also dispute resolution frameworks used in aviation internationally, to ensure alignment and where possible, a consistent passenger experience.

CONCLUDING COMMENTS

A4ANZ thanks the Department for the opportunity to provide feedback on the Aviation Customer Rights Charter both through written feedback and roundtable consultation sessions, and looks forward to continuing to participate in further consultations on the next iteration of the Charter and on discrete elements of the Aviation Industry Ombuds Scheme.

A4ANZ would welcome the opportunity to discuss this submission with the Department.

 ^{vi} Standing Committee on Transport, Infrastructure and Communities (Canada). Committee Report – Strengthening Air Passenger Rights in Canada. At: <u>https://www.ourcommons.ca/DocumentViewer/en/44-1/TRAN/report-10</u>
 ^{vii} Canadian Government. 2023. Government Responses to Committee Recommendations. At:

https://www.ourcommons.ca/content/Committee/441/TRAN/GovResponse/RP12567147/441_TRAN_Rpt10_GR/Departm

entOfTransport-Report10-Answer-e.pdf

viii SITA. 2024. The Global Baggage Report – SITA Baggage IT Insights 2024. At: <u>https://www.sita.aero/resources/surveys-reports/sita-baggage-it-insights-2024/</u>

^{ix} Ibid.

https://www.iata.org/contentassets/fb1137ff561a4819a2d38f3db7308758/mc99-full-text.pdf

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<sup>xi</sup> Commonwealth Ombudsman. 2023. Better Practice Complaint Handling Guide. At:
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https://www.ombudsman.gov.au/ data/assets/pdf_file/0025/290365/Better-Practice-Complaint-Handling-Guide-
February-2023.pdf
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xii Telecommunications Industry Ombudsman. 2024. Complaints – What to expect. At:

https://www.tio.com.au/complaints/what-expect

xiii Australian Standard 10002:2022 Guidelines for complaint management in organizations (ISO 10002:2018, NEQ).

xiv Commonwealth Ombudsman.

^{xv} Aviation ADR. 2024. What to do before you come to us. At: <u>https://www.aviationadr.org.uk/what-to-do-before-you-come-to-us/</u>

^{xvi} US Department of Transportation. 2024. File a Consumer Complaint. At:

https://www.transportation.gov/airconsumer/file-consumer-complaint

^{xvii} Your Europe. 2024. Air Passenger Rights: Claim your rights – Complain to an airline. At:

https://europa.eu/youreurope/citizens/travel/passenger-rights/air/index_en.htm#next-steps



ⁱ Australian Government. 2025. Disability Access Facilitation Plans. At: <u>https://www.infrastructure.gov.au/infrastructure-transport-vehicles/aviation/aviation-access-forum-aaf/dafp</u>

ⁱⁱ Department of Home Affairs. 2025. TravelSECURE – People with special circumstances. At:

https://www.homeaffairs.gov.au/about-us/what-we-do/travelsecure/people-with-special-circumstances # A4ANZ. 2024. Submission to Aviation Industry Ombuds Scheme Consultation. At:

https://www.infrastructure.gov.au/sites/default/files/documents/aios_airlines-for-australia-new-zealand.pdf ^{iv} Australian Travel Industry Association. 2023. Submission to the Aviation Green Paper. At:

https://www.infrastructure.gov.au/sites/default/files/documents/agp2023-submission-c211-australian-travel-industry-association.pdf

^v Airlines for America (A4A). 2023. *A4A Statement on the Biden Administration's Proposal for Cash Compensation for Delayed or Cancelled Flights*. At: <u>https://www.airlines.org/a4a-statement-on-the-biden-administrations-proposal-for-cash-compensation-for-delayed-or-cancelled-flights/</u>

^x The Montreal Convention 1999 (MC99). At: