

17 October 2024

Adelaide Airport Limited submission to the Aviation Industry Ombuds Scheme Consultation

Uploaded via website <https://www.infrastructure.gov.au/have-your-say/establishing-aviation-industry-ombuds-scheme>

Dear Assistant Secretary,

Thank you for the opportunity to provide feedback on the Aviation Industry Ombuds Scheme (**Scheme**) Consultation Paper.

This submission is provided on behalf of both Adelaide Airport Limited and Parafield Airport Limited ("**together AAL**") as operators of Adelaide and Parafield Airports. In principle AAL is supportive of:

- improving customer experience and trust in the aviation industry,
- simplifying complaints handling processes to deliver more transparency for the community and the sector,
- an independent Scheme with a clearly defined focus and remit to resolve complaints in a timely manner,
- working alongside the aviation industry and government agencies to ensure customer experience meets and, where possible, exceeds expectations.

AAL is a privately owned company supported by five long-term institutional shareholders. Our shareholders are five large superannuation funds who have held ownership since privatisation. These funds manage the retirement savings of many Australian families, making them indirect investors in our airports; and our performance as a business directly impacts the lives of many Australians. We have been the custodian of the long-term leases of Adelaide and Parafield Airports from the Commonwealth Government since May 1998. Adelaide Airport is the aviation gateway to South Australia. We are the 5<sup>th</sup> largest airport in Australia and in the last financial year we saw record passenger numbers, surpassing the previous records set pre covid. Parafield Airport is South Australia's principal general aviation airport and is one of the largest pilot training airports in the southern hemisphere.

## OVERVIEW

The consultation paper seeks comments on five key areas and our submission will briefly address each one of these individually.

Overall, we look forward to this scheme helping improve outcomes for customers and ensuring trust in the aviation industry. This will be best achieved through collaboration between all key players, with a customer centric approach that focuses on industry wide improvements. We recognise there will be times where financial compensation will be appropriate; however this should not be the primary focus in isolation. The scheme should focus on resolving individual complaints and at the same time making improvements that resolve any systemic issues. AAL are committed to continuous improvement, and we believe this is best achieved through listening to our customers and working with all our stakeholders to deliver the best outcomes reasonably possible.

The Scheme must also consider the safety and security obligations that apply to Airports, and adverse impacts on customers resulting from the implementation of these obligations should be exempt from any claims.

We ask that when drafting the legislation, consideration be given to a regular and mandated review of the Scheme to ensure the performance objectives are being met and that the remit of the Ombudsperson is appropriate.



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As this current consultation pre-empts the drafting of any legislation and further details of the scheme, AAL's comments are general in nature, and we will consider further details as they are released and look forward to contributing to future consultation processes.

## **DISCUSSION**

### **1. Design of the Aviation Industry Ombuds Scheme**

AAL are supportive of a clear and transparent complaints handling process where the community can access advice and seek determinations regarding their experiences, and where industry can be supported to improve their practices to prevent issues reoccurring. It is important that industry, the public and government all have confidence in the Scheme and the integrity is maintained through the determination process. As noted in the White Paper, there are challenges with the current Airline Consumer Advocate and perceived lack of independence of the office given the funding and governance of the scheme. It is important a new industry Ombuds Scheme does not repeat similar mistakes and has a structure which safeguards this independence. It is also imperative the Scheme consider the role government agencies can play in delays and cancellations of services, and this is reflected in any membership arrangements. Airports are also required to adhere to strict safety and security requirements, and any delays or adverse customer experiences caused by the implementation of these requirements must be exempt from the Scheme to avoid any unintended consequences. Safety and security must be maintained.

Given the proposed powers of the Scheme, proper consideration should be given to the independence of any appointments, along with support for those appointments to properly understand the complexities of the aviation industry.

The objectives of the Scheme must also be clear so there is no misalignment between the expectations of stakeholders and the powers of the Ombudsperson. Any avenues for appeal should be made clear at the outset and whether the determination will be made publicly available. It is important to consider if it is appropriate to make any other details public, and the timing of the release of such information (for example, is it during the investigation phase or following the completion of any appeals process).

Membership of the Scheme should not be limited to airports and airlines but should be broad enough to encompass other key stakeholders responsible for adversely influencing customer experience especially through causing delays which should include Government agencies.

### **2. Complaint handling**

Along with considering individual complaints and determining the most appropriate course of action, the Ombudsperson should look for areas where there are consistent, common concerns and seek to bring together relevant parties to address the cause of the issues. This dual focus will be integral to improving the outcomes for everyone.

The Scheme should have a clearly defined scope which does not cross over unnecessary with other already established regulatory bodies. However, in considering this, it is important to acknowledge specific expertise and that incorporating existing schemes into the Scheme may not be the most appropriate course of action. Increasing the scope of the Scheme could result in a remit which is too broad to be effectively managed.

AAL is supportive, in principle, of the complaint resolution process as set out in the discussion paper.

### **3. Guidance and reporting**

Publications produced by the Scheme should be done in line with the remit of the Scheme and seek to avoid general commentary on issues outside of this focus. Members of the Scheme should have the opportunity to view and have input into publications before they are made available publicly.

When establishing the Aviation Customer Rights Charter, consultation should occur throughout the process with industry and relevant stakeholders. The Charter should also be reviewed within a reasonable timeframe once established to determine if the intent of the Charter is being achieved and make any necessary adjustments.

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#### **4. Show cause arrangement**

AAL is supportive of the Scheme being able to access the data it reasonably needs to make determinations within the scope of the Scheme. We will provide further comment once more details pertaining to this arrangement are available.

#### **5. Scheme compliance**

We refer you to the comments above about membership of the Scheme being broader than the suggested airports and airlines. AAL supports the Government's intention to bring about meaningful change in the aviation industry, and this will not be possible without the inclusion of all relevant agencies.

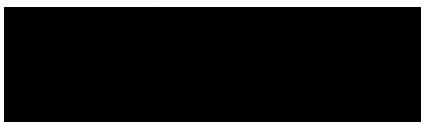
Regarding possible appropriate compliance and enforcement arrangements, we ask that consideration be given to non-financial remedies which will improve customer experience overall and address any system wide problems at their core. This could include setting up cross industry working groups to address an issue or consolidating complaints and feedback with similar themes so the industry can seek to address these collectively. The emphasis should be on supporting the industry in improving service delivery in tandem with seeking to remedy issues of individual complaints.

#### **CONCLUSION**

Thank you once again for the opportunity to contribute to the establishment of the Aviation Ombuds Scheme. AAL are committed to continuing to improve the experience of our customers. We understand the important role airports play in our community and our responsibility to continue to connect and shape South Australia. We look forward to continuing to work together on this and other related initiatives.

Yours sincerely

**ADELAIDE AND PARAFIELD AIRPORTS**



Alicia Bickmore  
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