

# AVIATION INDUSTRY OMBUDS SCHEME CONSULTATION

A4ANZ SUBMISSION

# OVERVIEW

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

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 understands that the Government's decision to establish an Aviation Industry Ombuds Scheme was informed by the views expressed by aviation customers, consumer advocates, the Australian Competition and Consumer Commission (ACCC), and aviation industry stakeholders.

The consultation paper notes that submissions received during the Aviation White Paper process outlined that consumers were dissatisfied with how Australian airlines and airports has responded to industry complaints – particularly during the reopening period following the COVID-19 pandemic.

It is important to note that recent data indicate that both on-time arrivals and on-time departures have improved following this period. However, we acknowledge that there are regrettably some persistent issues still causing disruptions for travellers – with a significant proportion of these falling outside of airlines' control due to extreme weather events or issues with air traffic control.<sup>i</sup>

As such, A4ANZ welcomes the Government expanding the scope of any consumer protection policies, such as the Ombuds Scheme, beyond airlines. Unfortunately, by excluding Airservices Australia from inclusion in the consumer-facing aspect of the Ombuds Scheme, the proposed approach still falls short of enabling shared accountability across the whole aviation ecosystem.

A4ANZ believes that ultimately all stakeholders in the aviation ecosystem – and especially travellers themselves – share a common goal to:

- Improve on-time-performance reducing delays and cancellations;
- Improve the customer experience on the occasions when things do go wrong; and
- Keep airfares affordable.

In designing the proposed Aviation Industry Ombuds Scheme, the Government must have regard to the complexity of the aviation sector, and critically, the International Civil Aviation Organisation's Core Principles on Consumer Protection, which state that national customer protection regimes should *reflect the principle of proportionality*.<sup>#</sup> That is to say that any Ombuds Scheme designed for the Australian aviation sector must be right sized for the problem the Government is trying to solve.

A4ANZ appreciates that the Government will be undertaking a number of subsequent consultations on specific elements of the proposed Ombuds Scheme. A4ANZ would also suggest that before the Aviation Industry Ombuds Scheme is implemented, the Government should undertake further work to fully understand both the legal complexities of such a Scheme and the expected net benefit.

In making this submission, A4ANZ has considered the experiences and independent reviews of existing industry ombuds schemes in Australia and other complaint handling schemes used by the aviation industry in other jurisdictions.

A4ANZ member airlines will also be making individual submissions in response to this consultation.











### DESIGNING AN AVIATION INDUSTRY OMBUDS SCHEME

#### **Objectives, Powers, and Functions of an Aviation Industry Ombuds Scheme**

#### Objectives

A4ANZ supports the Department consulting with industry to design an Aviation Industry Ombuds Scheme which meets the Benchmarks for Industry-Based Consumer Dispute Resolution<sup>iii</sup> as outlined by the Australian Treasury – ensuring that any Ombuds Scheme operates in a way that is accessible, independent, fair, accountable, efficient and effective.

A4ANZ expects that the objectives of the Ombuds Scheme will be set in out in enabling legislation and supports the potential objectives listed in the consultation paper, including:

- to provide an alternate dispute resolution service for aviation customers who have been unable to resolve their dispute directly with an airline or airport
- to receive, review, make decisions relating to, give directions relating to, and facilitate the resolution of complaints by aviation customers about airlines and airports
- to exercise such jurisdiction, powers and functions as may be conferred on the ombuds scheme by any legislation or instrument
- to act impartially, independently and effectively in acquitting its functions.

#### A Note on the Aircraft Noise Ombudsman

We understand – as announced in the Aviation White Paper – that the Government's intent is to create an independent Aircraft Noise Ombuds Scheme as part of the Aviation Industry Ombuds Scheme, and that there will be further consultations on this matter.

A4ANZ supports the existing Aircraft Noise Ombudsman (ANO) becoming independent of Airservices Australia, however, we are concerned that seeking to include the ANO within the broader Aviation Industry Ombuds Scheme may be overly complex and unwieldy. It is A4ANZ's view that the ANO and the proposed consumer rights-focused Ombuds Scheme require structurally different objectives, powers, functions, governance arrangements, funding arrangements, and complaint-handling mechanisms due to the inherently different nature of the complaints.

For example, as flight paths are developed by Airservices Australia – and therefore outside airlines' control – we would expect that the cost of the ANO would be funded, in total, by the Federal Government.

A4ANZ looks forward to engaging with the Department in more detail to understand how the Government intends to transition the functions of the ANO, before commenting on the structure, design, and governance arrangements of a dual-purpose Ombuds Scheme.

#### **Powers and Functions**

The consultation paper outlines some of the broad powers and functions of the proposed Aviation Industry Ombuds Scheme, noting that the Scheme will:

- Deliver an external dispute resolution service in relation to airlines' and airports' conduct in a way that is accessible, independent, fair and accountable;
- Direct airlines and airports to provide specific remedies to customers;
- Issue public guidance on airlines' and airports' obligations to their customers, consistent with relevant legislation;
- Publish reports on airline and airport conduct, and make policy recommendations to the Australian Government; and
- Refer instances of systemic misconduct that may raise concerns under the Competition and Consumer Act 2010 to the ACCC for investigation and enforcement.



A4ANZ broadly supports the powers and functions outlined above, and notes that they correspond with best-practice guidance on modern ombuds schemes.<sup>iv</sup>

As per recommendations from the 2022 Independent Review of the Telecommunications Industry Ombudsman, A4ANZ would suggest that another role of the Ombuds Scheme should be expectation management.<sup>v</sup> Expectation management is deemed necessary as on occasions there may be a gap between the consumers expectations and what is possible within the bounds of an ombuds scheme.<sup>vi</sup>

The consultation paper also notes that the Ombuds Scheme will also have a role in educating customers about their consumer rights and informing them about the conduct and performance of airlines and airports. A4ANZ supports this role and recognises that to acquit this function the ombudsperson may require specific powers relating to the collection, analysis, and publication of data. However, as we note later in this submission – in designing these powers the Department must have regard to existing processes for the collection, analysis, and reporting of data relating to the performance of airlines, such as through the Bureau of Infrastructure and Transport Research Economics (BITRE) and the ACCC, to avoid duplication and increasing the reporting burden on airlines.

A4ANZ also questions the assertion that in order to administer a "show cause" arrangement, the ombudsperson may require powers to direct airlines to provide information to the Ombuds Scheme about the reasons for flight delays and cancellations – and this is examined in further detail below.

#### The Proposed Show Cause Arrangement

One of the final questions in the consultation paper asks stakeholders what specific powers the Ombuds Scheme should have to require airlines to provide information about delays and cancellations. However, we believe that this question should be considered in the context of the design of the broader powers of the Ombuds Scheme.

A4ANZ notes that the Department has committed to consult with industry on the arrangements for reporting flight delay and cancellation data through a separate process, which will include consideration of the costs and benefits of imposing reporting obligations on airlines. A4ANZ welcomes this commitment and approach.

In undertaking this consultation, it will be crucial for the Department to work with industry to understand the complexities of delays and cancellations – particularly in the context of networked airlines – and develop clear guidance around events and causes which are within and outside of airlines control. Looking internationally, the Canadian Transportation Agency (CTA) has developed guidance on this issue, categorising when a flight disruption is: within the airline's control; within the airline's control but required for safety; or outside the airline's control.<sup>vii</sup>

It is important to note that airlines already provide performance data to BITRE and the ACCC. Instead of developing new reporting practices – and duplicating existing processes, A4ANZ recommends that Department direct BITRE to work with airlines to standardise the reporting of performance data, including the classification of causes of delays and cancellations using IATA Delay Codes and existing BITRE definitions. The Aviation Industry Ombuds Scheme should then be empowered to access BITRE data through the establishment of MOUs. Powers to require airlines to provide information about delays and cancellations should only be in regard to a specific complaint or group of complaints.

#### **Governance Arrangements**

A4ANZ supports the Aviation Industry Ombuds Scheme being established as an independent body.

To meet the principle of independence necessary to abide by the Benchmarks for Industry-Based Consumer Dispute Resolution, the decision-making processes and the administration of the office must be independent from participating organisations.

A4ANZ notes that most other industry ombuds schemes in Australia have a governing board that contains a mix of board members including industry representatives, and consumer representatives.<sup>viii</sup>



In principle, A4ANZ supports the establishment of a Board, similar to other industry ombuds schemes in Australia, comprising an independent Chair, and representatives from both the aviation industry and consumer organisations. A4ANZ would encourage the Department to consider how industry is accurately and adequately represented on such a Board, given that there is a difference in issues faced by airlines and airports. The Board must also be right-sized for the scale of the Ombuds Scheme and the problem it is trying to solve.

A4ANZ looks forward to providing further input on the composition of the Board once the design, functions, and coverage of the Ombuds Scheme are finalised.

#### Membership of the Ombuds Scheme

### Coverage of the Scheme

A4ANZ welcomes the Government's determination that both airlines and airports should be members of the Aviation Industry Ombuds Scheme – recognising the critical role that both airlines and airports play in the aviation ecosystem, and consumers' experiences of air travel. As such, A4ANZ believes that the proposed Ombuds Scheme should cover all airlines operating RPT services within, and to and from, Australia, and all airports within Australia that accept RPT services – regardless of passenger volumes. This will ensure that all consumers who access RPT flights will have equal access to the complaints handling and dispute resolution processes within the Ombuds Scheme.

A4ANZ notes that the consultation paper states that "*it may also be appropriate for air navigation service providers (including Airservices Australia and the Australian Defense Force) to be members of the ombuds scheme*" in relation to the transition of the functions of the Aviation Noise Ombudsman into the Aviation Industry Ombuds Scheme. While we note that the Government will be undertaking further consultation on the arrangements for this transition, the industry is perplexed that the Government is not considering including Airservices Australia as a member of the Aviation Industry Ombuds Scheme as it relates to consumer issues – especially given the proportion of delays and cancellations that have been attributable to Airservices Australia over the last few years. <sup>ix,x</sup>

#### Scheme Implementation

A4ANZ does not think that Government should adopt a phased approach to the implementation of the Ombuds Scheme for different categories of airlines and airports. A4ANZ believes that all policy considerations – including those pertaining to Australia's international obligations, in the application of the scheme to international airlines – should be resolved prior to the Scheme being applied to any participants.

Not only is this consistent with the implementation of international schemes, it will also facilitate a more-consistent and equitable customer experience.

However, before any Aviation Industry Ombuds Scheme is implemented, the Government must undertake further work to fully understand both the legal complexities of such a Scheme and the expected net benefit.

This is one of the key impact analysis questions in the *Australian Government Guide to Policy Impact Analysis*, which came into effect in March 2023 and is to be applied to, "Any policy proposal or action of government, with an expectation of compliance, that would result in a more than minor change in behaviour or impact for people, businesses, or community organisations."<sup>xi</sup>

A4ANZ is aware that the Department is planning to undertake, or currently undertaking, regulatory impact analysis on several policy initiatives announced in the Aviation White Paper, including the introduction of an enhanced version of the ACCC's monitoring of pricing and service quality at Australia's major airports, and the introduction of a regulated demand lever for Low Carbon Liquid Fuels. As such, we expect that similar regulatory impact analysis will be undertaken prior to the implementation of the proposed Aviation Industry Ombuds Scheme.



# Consideration of Travel Agents and Third Parties

While the issue of handling complaints when services have been purchased through a travel agent or third party are dealt with later in this submission, A4ANZ would urge the Government to reconsider the exclusion of travel agents from the proposed Ombuds Scheme.

In a submission to the Aviation Green Paper, the Australian Travel Industry Association (ATIA) stated that 90% of all corporate travel, and 70% of all international travel is booked via a travel agent.<sup>xii</sup> Additionally, as ATIA noted in a submission to the Australian Senate inquiry into the *Airline Passenger Protections (Pay on Delay) Bill 2024, "Travel professionals sold almost 23 million air tickets worth \$18.5 billion in 2023. This year, travel professionals have sold 13.8 million tickets worth \$10.7 billion so far (January to July).*<sup>xiii</sup> As the self-proclaimed "number one seller of air tickets to Australians" travel agents should not be exempt from the Aviation Industry Ombuds Scheme.

Common issues that arise with travel agent bookings, that can lead to customer disruption and complaints, include:

- Booking errors by a travel agent ie. incorrect name of guest, incorrect travel date, or accidental deletion and cancellation of flights, failure to cancel flights at the request of a customer, or failure to book an ancillary service the customer expects they've paid for (eg. baggage or assigned seating);
- Schedule changes not being communicated to customers, resulting in check-in issues at the airport or customers missing flights;
- Provision of incorrect information to customers regarding passport validity or visa entry requirements, resulting in customers being denied uplift; and
- When a customer is refunded through the original form of payment, or issued with a voucher and the travel agent does not return the funds or pass on the details of the voucher.

To exclude travel agents from the Ombuds Scheme would result in a significant number of consumers without recourse.

### **Funding Arrangements**

A4ANZ understands that the Government intends to undertake a detailed consultation with industry participants on specific funding arrangements in 2025. Without an understanding of the total cost of the proposed scheme and the membership of the Ombuds Scheme being confirmed, it is challenging to have a position on funding, even at a high level.

In principle, A4ANZ broadly supports an incentive-based funding arrangement which combines annual membership fees, and charges based on complaints volume and complaint escalation rates – similar to other industry ombuds schemes in Australia such as the Australian Financial Complaints Authority (AFCA) and the Telecommunications Industry Ombudsman (TIO).

However, regardless of the funding mechanism, any sort of scheme design – including the operating budget of the proposed Ombuds Scheme – must be right sized for the problem the Government is trying to solve.

For example, the TIO handled over 169,000 contacts in FY24, with 56,700 complaints being referred to members.<sup>xiv</sup> Operating at a cost of approximately \$30 million, 1577 telecommunications companies participate in, and fund the Ombudsman.<sup>xv</sup> There is an order of magnitude of difference between the contacts received by the ACCC regarding airlines and complaints lodged through the Airline Customer Advocate versus those received by the TIO – similarly the number of companies participating in the TIO dwarfs the number of airlines and airports operating RPT services in Australia.

The Government may also wish to consider the model used by the Canadian Transportation Agency. The Canadian Government is currently consulting on a proposal for fees associated with air travel complaints. The CTA is seeking to recover 60% of the costs associated with processing eligible complaints, from industry participants.<sup>xvi</sup>



A4ANZ considers that the costs to establish the Aviation Industry Ombuds Scheme – including costs incurred in administering the Interim Ombuds Scheme – should be borne by the Federal Government.

A4ANZ looks forward to providing further input into the detailed consultation on specific funding arrangements in 2025.

### COMPLAINT HANDLING

#### **Eligibility of Complaints & Complainants**

### Complaint Eligibility

As a starting point for determining complaint eligibility, A4ANZ would suggest that the existing eligibility criteria of, and scope of services covered by, the Airline Customer Advocate, provides a replicable framework for the Ombuds Scheme as it relates to airline services. These parameters would need to be expanded to include services offered by airports, and as required, travel agents.

For example, a complaint to the Aviation Industry Ombuds Scheme may be eligible if:

- The complaint is about a participating members' service, and
- The customer has already tried to resolve the complaint directly with the participating member twice by following the complaint processes set out by the member. Ie. following the complaint process set out by an airline's customer or guest charter, and seeking a response from the airline within the timeframes specified in the airline's customer or guest charter or as otherwise communicated.
  - Allowing provision for two attempts to resolve a complaint directly with a member, before a complaint is eligible to be considered under the Ombuds Scheme, is important because it allows for the member (ie. an airline or an airport) to gather necessary information that may not be provided in the original complaint, and allows for members to escalate the complaint as required through their internal customer service processes.
  - A4ANZ would also propose that, in alignment with international aviation schemes, a complaint should be made directly to the airline or airport in writing, with the airline or airport having eight weeks to respond, before it is eligible to be considered by the Ombuds Scheme.<sup>xvii</sup>

For airlines, we would suggest that the following categories of complaint are eligible under an Ombuds Scheme:

- flight delays or cancellations
- requests for refunds
- telephone or internet reservations
- services at the airport (eg. security screening)
- mishandled baggage
- fees and charges (eg. incorrect charges or paid ancillary services)
- frequent flyer program terms and conditions (as they relate to flights)
- discrimination and services for customers with specific needs

The latest report from the Airline Customer Advocate indicates that in 2023, more than 73% of all complaints were about refunds requests or flight delays and cancellations.<sup>xviii</sup>

Under any proposed Ombuds Scheme, complaints regarding bodily injury or death must be excluded, as these are covered under the Montreal Convention and provisions within the *Civil Aviation (Carriers' Liability) Act 1959.* 



Additionally, complaints relating to breaches of privacy should not be eligible to be considered under the Ombuds Scheme and should instead be reported to the Office of the Australian Information Commissioner. 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 Office of the Australian Information Commissioner if the issue is not resolved to the complainant's satisfaction by the airline directly. A4ANZ believes that the Office of the Australian Information Commissioner is best placed to handle unresolved complaints regarding privacy and personal data.

### Complainant Eligibility

A4ANZ notes that the Aviation Customer Rights Charter will largely address matters covered by consumer guarantees under Australian Consumer Law (ACL). As such, A4ANZ believes that only consumers – as defined in the ACL, as a person who acquires a service for an amount that does not exceed \$100,000 and is of a kind acquired for personal, domestic, or household use or consumption – should be eligible to make complaints to the Aviation Industry Ombuds Scheme. This is consistent with international aviation dispute resolution schemes.

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.

A person may also be eligible 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 this provision should not include Travel Agents being eligible to make a complaint on behalf of the customer, nor should it cover representatives from claim agencies.

The consultation paper acknowledges that in most instances, business customers and not-for-profit organisations (NFPs) are not covered by consumer guarantees under the ACL, and that if complainant eligibility is limited to consumers, businesses and NFPs would be ineligible under the Aviation Industry Ombuds Scheme.

A4ANZ supports limiting complainant eligibility to consumers.

While we note that the other industry ombuds schemes, such as the TIO and AFCA, cover small businesses and NFPs, the nature of services offered by airlines and airports differs to those offered in the telecommunication and financial service industries. These services covered by other industry schemes are delivered on an ongoing basis to the business or NFP, while aviation services are perishable and delivered directly to a passenger or consumer. An Aviation Industry Ombuds Scheme should reflect this important difference.

### Time Limit

A4ANZ and our member airlines agree that a time limit of 12 months of the event or circumstance occurring should apply for making a complaint to the Ombuds Scheme.

We would contend that 12 months is an appropriate amount of time, given that aviation services are perishable. As noted above, there is a significant difference between the nature of services offered by the aviation sector and services covered by other industry ombuds schemes – such as telecommunication or financial services – which are delivered on an ongoing basis, and this should be reflected in the time limit on complaints for an Aviation Industry Ombuds Scheme.

### Considerations for Services Purchased Through a Travel Agent or Third Party

As noted above, A4ANZ believes that travel agents should be included in the Ombuds Scheme, due to the volume and value of airfares they sell.

In the event that travel agents are excluded from the Ombuds Scheme, any complaints resulting from errors made by the travel agent should not be considered eligible under the Ombuds Scheme.

### Potential Overlapping Schemes or Processes

There are a variety of existing complaint schemes and tribunals which may have the potential to overlap with the Aviation Industry Ombuds Scheme – including the Office of the Australian



Information Commissioner for complaints relating to privacy, the Australian Human Rights Commission for complaints relating to accessibility and disability discrimination, and local State and Territory small claims courts and tribunals.

A person should not be eligible to use the services of the Ombuds Scheme if a claim in relation to the same matter has already been filed with a court or tribunal, or lodged with another Government ombuds scheme or regulator. Similarly, it will also be important to exclude any complaints where a customer has previously made a complaint to a Scheme member directly or to the Interim Ombuds Scheme, and this complaint has been resolved.

A4ANZ notes that the Government plans to consider how to manage the potential overlap of the Aviation Industry Ombuds Scheme and the Australian Human Rights Commission regarding complaints about the new aviation-specific disability standards in a future consultation.

### **Complaint Resolution Process**

A4ANZ notes the three-stage complaint resolution process proposed by the Department in the consultation paper. A4ANZ broadly supports this process, and offers the following comments on each of the stages – noting that A4ANZ member airlines may have specific recommendations on the proposed process:

### *Stage 1 – Attempt to resolves the complaint directly between the consumer and the scheme member*

A4ANZ supports this process, and as noted above, suggests that scheme members should have eight weeks to first attempt to resolve the complaint from when it is provided, directly to the business, in writing – before the complaint is eligible to be considered by the Aviation industry Ombud Scheme.

### Stage 2 – Referral of the complaint to the Ombuds Scheme

In the event that a complaint received by the Ombuds Scheme meets the eligibility criteria of the Scheme – and is not frivolous or vexatious (including multiple complaints by a single complainant) – A4ANZ supports the proposal to refer the complaint back to the scheme member for resolution in the first instance. As the Department may be aware, a similar process happens under the TIO, and 86% of complaints are resolved at this stage.

A4ANZ believes that it is important for the ombudsperson to confirm the eligibility of the complaint and assess that there is sufficient information for the scheme member to attempt to resolve it before referring a complaint to a member. This has been an important learning from the Canadian Transportation Agency's Air Travel Complaints Resolution Process. In this process, the complaint is assessed for eligibility only after it has been referred to the airline to review and resolve.

By assessing for eligibility and sufficient information prior to referring a complaint back to a member, the Ombuds Scheme ensures that the process is efficient for all parties – meeting one of the key Treasury Benchmarks for Industry-Based Consumer Dispute Resolution.

#### Stage 3 – Case management and binding decisions

A4ANZ supports the actions outlined in this stage, and notes that they are consistent with other industry ombuds schemes in Australia and other dispute resolution processes used in other jurisdictions.

#### **Limits for Financial Redress**

Maximum monetary amounts should be in line with existing law and align with international standards.

For international services – the Ombuds Scheme should apply the principles and limits under the Montreal Convention, incorporated into Australian law under the *Civil Aviation (Carriers' Liability) Act 1959* (CACL Act). 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.



As noted earlier in this submission, claims regarding bodily injury or death must be excluded from the Ombuds Scheme, as these are covered under the Montreal Convention and provisions within the CACL Act.

# GUIDANCE AND REPORTING

#### **Aviation Customer Rights Charter**

A4ANZ acknowledges that the consultation paper is not seeking stakeholder views on the content of the Aviation Customer Rights Charter, however, in anticipation of the development of, and consultation on, a draft Charter, we note that A4ANZ supports the Charter reflecting and clarifying current consumer rights under the ACL and other relevant legislation, and that it should not seek to replace nor expand these.

A4ANZ looks forward to contributing to the consultation to develop a draft Aviation Customer Rights Charter.

#### **Regular Publications**

#### Guidance Materials

A4ANZ notes the proposal for the Aviation Industry Ombuds Scheme to issue public guidance on airlines' and airports' obligations to their customers, consistent with relevant legislation.

A4ANZ supports this proposition as consumers do not always find it easy to access information about their rights when travelling. This situation is not unique to Australia. In recognition of this, ICAO has set Core Principles on Consumer Protection, which advise all member states that: <sup>xix</sup>

"Efforts should be made to increase awareness of passengers to help them make informed choices. Air passengers should benefit from:

- Accessible information on their rights;
- Clear guidance on legal or other protection applicable in their specific situation, including assistance expected, for example, in case of service disruption;
- Consumer education about passengers' consumer rights and the available avenues for recourse in cases of disputes."

#### Annual Reports

A4ANZ supports the Aviation Industry Ombuds Scheme publishing annual reports to ensure accountability and transparency. Like annual reports produced by other industry ombuds schemes in Australia, and other complaint-handling schemes internationally, we would expect that the Aviation Industry Ombuds Scheme's annual reports would include data and analysis related to complaint volumes, escalation and resolution rates, and complaint processing times – as well as analysis of any trends or systemic issues observed by the Ombuds Scheme.

A4ANZ would encourage the Department to carefully consider the parameters of reporting requirements for the Ombuds Scheme to ensure that any reporting does not duplicate the data and analysis current being produced by the ACCC as part of their quarterly Airline Monitoring Reports.

In producing these annual reports, the Ombuds Scheme must also have regard to procedural fairness.

#### **Ensuring Procedural Fairness**

A4ANZ welcomes the Government's acknowledgement that, consistent with the common law legal principle of procedural fairness, members of the Ombuds Scheme are provided with a reasonable opportunity to respond to any information that may adversely impact them, before the information is published.

A4ANZ contends that members of the Ombuds Scheme are provided with at least two weeks to directly address or respond to any data or information, before the information is published.



### SCHEME COMPLIANCE

A4ANZ would expect that any enforcement arrangements for the Aviation Industry Ombuds Scheme would be in line with other industry ombuds schemes in Australia.

In accordance with the Australian Treasury's Benchmarks for Industry-Based Consumer Dispute Resolution, particularly the principles of effectiveness and accountability, A4ANZ would also recommend that the Ombuds Scheme be subject to performance metrics to encourage efficiency and periodic independent reviews of its performance.

### CONCLUDING COMMENTS

A4ANZ thanks the Department for the opportunity to provide feedback on the initial design of the proposed Aviation Industry Ombuds Scheme, and looks forward to continuing to participate in further consultations on discrete elements of the Ombuds Scheme.

A4ANZ would be pleased to discuss any part of this submission with the Department.

- <sup>ii</sup> ICAO. 2023. Economic Development ICAO Core Principles on Consumer Protection. At:
- https://www.icao.int/sustainability/Documents/ConsumerProtection/CorePrinciplesBrochure.pdf
- <sup>III</sup> Australian Government. 2015. Benchmarks for Industry-based Customer Dispute Resolution. At:
- https://treasury.gov.au/sites/default/files/2019-03/benchmarks ind cust dispute reso.pdf

<sup>x</sup> Airservices Australia, Oct 2023. Australian Aviation Network Overview.

association.pdf

xviii Airline Customer Advocate. 2024. Annual Report 2023. At:

https://www.airlinecustomeradvocate.com.au/ lib/Docs/AnnualReport/Annual Report 2023.pdf

https://www.icao.int/sustainability/Documents/ConsumerProtection/CorePrinciplesBrochure.pdf



<sup>&</sup>lt;sup>i</sup> Airservices Australia, Oct 2023. Australian Aviation Network Overview

<sup>&</sup>lt;sup>iv</sup> Hodges, C. 2018. The Private Sector Ombudsman – Chapter 4. Research Handbook on the Ombudsman. At: <u>https://doi.org/10.4337/9781786431257.00012</u>

<sup>&</sup>lt;sup>v</sup> McBurnie, G & Williams, J. 2022. Five-Year Independent Review of the Telecommunications Industry Ombudsman. Consumer Dispute Resolution Centre – Queen Margaret University. p18.

<sup>&</sup>lt;sup>vi</sup> Gilad, S. 2008. Accountability of Expectations Management: The Role of the Ombudsman in Financial Regulation. Law & policy Vol. 30 No. 2

<sup>&</sup>lt;sup>vii</sup> Canadian Transport Agency. 2024. Types and Categories of Flight Disruption: A Guide. At: <u>https://otc-cta.gc.ca/eng/publication/types-and-categories-flight-disruption-a-guide</u>

<sup>&</sup>lt;sup>viii</sup> McBurnie, G & Williams, J. 2022. Five-Year Independent Review of the Telecommunications Industry Ombudsman. Consumer Dispute Resolution Centre – Queen Margaret University. p88.

<sup>&</sup>lt;sup>ix</sup> Thore, A. 2023. Air Traffic Control Not Delivering Good Service, Admits CEO. Australian Aviation [04/08/2023]. At: <u>https://australianaviation.com.au/2023/08/air-traffic-control-not-delivering-good-service-admits-ceo/</u>

<sup>&</sup>lt;sup>xi</sup> Australian Government. 2023. Office of Impact Analysis – Key changes to the Australian Government Policy Impact Analysis framework <u>https://oia.pmc.gov.au/resources/guidance-impact-analysis/australian-government-guide-policy-impact-analysis</u>

<sup>&</sup>lt;sup>xii</sup> Australian Travel Industry Association. 2023. Submission to the Aviation Green Paper. At: <u>https://www.infrastructure.gov.au/sites/default/files/documents/agp2023-submission-c211-australian-travel-industry-</u>

x<sup>iii</sup> Australian Travel Industry Association. 2024. Submission to the RRAT Inquiry into the Airline Passenger Protections (Pay on Delay) Bill 2024. At: <u>https://www.aph.gov.au/DocumentStore.ashx?id=fd518b30-08ab-4016-835e-</u>0cf05b1d5413&subId=763174

xiv Telecommunications Industry Ombudsman. 2024. Annual Report 2023-24. At:

https://www.tio.com.au/sites/default/files/2024-09/TIO%20Annual%20Report 2023-2024.pdf

<sup>&</sup>lt;sup>xv</sup> Telecommunications Industry Ombudsman. 2023. About TIO. At: <u>https://www.tio.com.au/about-tio</u>

<sup>&</sup>lt;sup>xvi</sup> Canadian Transportation Agency. 2024. Consultation: Air Travel Complaints Fee Proposal. At: <u>https://otc-</u>cta.gc.ca/eng/publication/consultation-air-travel-complaints-fee-proposal

<sup>&</sup>lt;sup>xvii</sup> 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>

xix ICAO. 2023. Economic Development - ICAO Core Principles on Consumer Protection. At: