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COMMENTS ON THE PROPOSED AVIATION INDUSTRY OMBUDS SCHEME IN AUSTRALIA

The Association of Asia Pacific Airlines (AAPA) welcomes the opportunity to provide comments to the initiative to establish an aviation-specific ombuds scheme in Australia. AAPA appreciates the efforts taken by the Australian government to improve the quality of aviation services in Australia through engagements with the wider aviation community. With regard to the proposed ombuds scheme, we wish to submit our comments on the following areas for your consideration.

Objectives

AAPA welcomes the efforts to establish a comprehensive and accessible redress scheme for all aviation consumers in order to improve service delivery and complaints management in the aviation sector. We are of the view that for the scheme to be effective and achieve the stated objectives, its framework should address the causes rather than the symptoms of the issues it aims to resolve. We also believe that such a scheme would be most effective when done in close consultation with all stakeholders, including airlines, airports, and regulators.

Review Process

We believe that it is best practice that the ombuds scheme should have an internal quality control assurance mechanism in place. As the ombuds scheme is intended to be a dispute resolution body of last resort, we urge that robust internal quality control processes be established to consider complaints made about the services rendered, and any factual errors or failure to consider certain evidence that may have impacted on the decision making.

Scheme Funding

In funding the scheme, we believe there is a need to balance both the equitable distribution of costs to industry participants as well as ensuring the scheme's accessibility to all. In principle, industry participants that generate a larger volume of cases to be administered should bear a proportionate share of the costs. We look forward to submitting further comments once more specific proposals are available on this subject.

Complaint Handling

We support the proposal for the complainant to be required to contact the airline or airport to seek to resolve the complaint directly in the first instance before the involvement of the ombuds scheme.

Additionally, airlines have no control over the services provided or sold by third party providers or agents. In that regard, airlines should not be made to bear the burden of compensation for any service lapses by third party providers or agents, as these transactions are solely between the consumer and third party providers or agents themselves. We recommend that the ombuds scheme considers alternative resolution processes for such cases, without the involvement of the airlines. The costs generated by such cases should also be borne proportionately by such third party entities.

Scheme Compliance

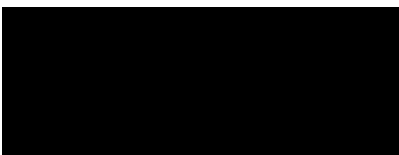
We support a single ombuds scheme and we agree that both domestic and international airlines operating to, from, and within Australia, as well as airports in Australia should be allowed to participate in the scheme, subject to policy considerations related to Australia's obligations under international treaties and obligations. This would facilitate a more effective implementation of the scheme by having all stakeholders engaged; in addition to reducing the overall costs for all involved parties.

General Comments

AAPA believes that good policymaking should strike a balance between safeguarding passenger rights whilst allowing airlines to practice the commercial freedom to offer consumers choices at competitive prices. We sincerely hope that the Government would take into consideration our comments on the proposed ombuds scheme, and we look forward to further dialogue to further our common objectives of providing safe, efficient air transportation for the travelling public.

Thank you.

Yours sincerely,



Beatrice Lim

Director – Industry and Regulatory Affairs