

Australian Travel Industry Association – Bilateral Air Service Agreements

Answers to Questions on Notice

Question

Mr Long: Can I just add one thing: we operate a consumer complaint hotline within the association. It's chaired by the previous CEO of the ACCC. It has co-representation by the Consumers' Federation of Australia and CHOICE, and industry representation. What I can say is: since reopening, Flight Centre's complaints have been proportionate to its turnover within the membership. It's no higher and no less. There may have been some challenges in that time. Again, it's a rigorous process; we invest heavily in that; that's why we've got senior people like the ex-CEO of the ACCC overseeing those process. As to the current operation of the market, from what we're finding, I can say now that the level of those complaints are back to being proportionate to the size of the business—

Senator SHELDON: Can you take on notice to give us the results from the different companies as to which that body has found results, for all the various travel agencies, and what the percentage of complaints are?

Answer

ATIA administers the Australian Travel Accreditation Scheme (ATAS), which is the largest and most representative accreditation scheme for travel businesses, including travel agents, tour operators, wholesalers and consolidators, in Australia. In the calendar year to date, ATAS has received 528 complaints. Of these, 40 (i.e. 7.5%) were not members in which case they are referred to the Consumer Affairs Department as well as back to the business. Ninety per cent were successfully resolved between the business and the customer, typically with the support of our Compliance team.

We can confirm that the number of complaints received by Flight Centre is consistent with the other businesses in their relevant category of membership. The most common issues still being managed relate to airline management of COVID-pandemic affected bookings and converting unused credits held by airlines that were issued during the COVID pandemic to refunds.

Due to the commercial and market sensitive information, we are unable to provide a further breakdown of travel businesses, however we every month we do provide an update on the number of complaints received, theme of issues and consumer funds returned, as well as a full breakdown of matters referred to the ATAS Complaint Appeal Committee (ACAC). This is an independent review body specifically established under ATAS to review and determine customer complaints and allegations of non-compliance with the ATAS Charter and Code. The monthly breakdown is available here: <https://afta.com.au/ATAS-Accreditation/Scheme-Governance/ATAS-Complaint-Appeal-Committee-ACAC#64298-2023-monthly-reporting>

The ACAC can issue binding decisions, including sanctions against a Participant. In situations where both parties cannot come to an agreement the ACAC plays a vital role in addressing the ATAS participant's compliance with the ATAS Code of Conduct and ensuring a fair outcome for all parties. Findings are publicly available here: <https://afta.com.au/ATAS-Accreditation/Scheme-Governance/ATAS-Complaint-Appeal-Committee-ACAC#64224-decisions-relating-to-consumer-complaints>. As a result of mediation, \$133,032 has been returned to consumers in the year to date.