

31 October 2025

Aviation Industry Ombuds Scheme Division  
Department of Infrastructure and Transport  
GPO Box 594  
CANBERRA  
ACT 2601

**By email:** aviationconsumer@infrastructure.gov.au

### **Submission on Aviation Consumer Protection Consultation Paper – Subordinate Legislation**

Air New Zealand welcomes the opportunity to submit on the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (the **Department**) consultation on the proposed aviation consumer protection framework.

This submission focuses on our responses to the questions posed in respect of the subordinate legislation and follows our submission of 5 October 2025 in respect of the questions relating to the primary legislation.

Air New Zealand supports the intent of the proposed Aviation Customer Rights Charter (**Charter**) and recognises its potential to provide greater transparency and confidence for consumers when travelling by air. Getting the Charter right is critical: it must balance consumer protection with the operational realities of a complex, safety-critical, and internationally interconnected industry.

A well-designed Charter can enhance trust and consistency across the sector; however, if drafted without regard to practical implementation or alignment with established international frameworks, it risks creating confusion, inconsistency, and unintended cost impacts. Experience from Europe's EC261 regime demonstrates how well-intentioned measures can give rise to costly "cottage industries" of claims management and litigation, diverting resources away from genuine service improvements. Any additional costs imposed by the framework will inevitably flow through the wider aviation system and ultimately to consumers.

Air New Zealand therefore welcomes the opportunity to work with the Department to ensure the Charter is fair, workable, and fit for purpose and to contribute to the discussion. Our responses to specific questions are set out in **Attachment A**.

Please contact [REDACTED] if you have any questions relating to this submission. We welcome further engagement.

Nga mihi nui



Chief Customer and Digital Officer  
**Air New Zealand**

## ATTACHMENT A

**Question 4: Do the proposed Charter standards cover the core elements of the aviation consumer experience relating to the delivery of airline services, airport services and airport accessibility services? Are there any missing elements?**

At a high level, Air New Zealand supports the six core elements of the aviation consumer experience outlined in the Charter.

However, as currently drafted, the Charter risks creating an imbalance in accountability by placing the greatest share of obligations on airlines, while other parties that materially influence the consumer journey are not held to equivalent standards.

The aviation ecosystem is inherently complex and interconnected. Airlines operate within a global network involving travel agents, airports, government agencies, and other carriers—all of which play a significant role in shaping the customer experience. Despite this, the Charter places disproportionate responsibility on airlines for outcomes that are often dependent on others.

Agency and ticketing arrangements globally illustrate this challenge. Flights are sold through corporate travel managers, consolidators, wholesalers, metasearch platforms, and online travel agents, resulting in fragmented itineraries and incomplete or delayed transmission of customer information. Airlines have limited control over how these intermediaries operate, yet are often held accountable for their errors or omissions. The Charter should recognise these structural limitations and ensure accountability rests with the party best placed to meet each obligation.

Similarly, the Charter should explicitly acknowledge situations that fall outside airline control. Delays caused by aviation security screening, customs and border processing, air traffic control, or airport infrastructure can significantly affect consumers, yet are not expressly recognised as such. Addressing these omissions would promote fairness and alignment with international practice.

While Air New Zealand provides detailed feedback below on the reasonableness of the proposed standards and minimum levels of assistance, it is critical that these overarching principles remain front and centre in refining the Charter—ensuring that accountability follows control and that obligations are fair, proportionate, and practical.

Air New Zealand therefore recommends that the Charter standards be refined to:

1. **Bring travel agents and intermediaries into scope**, or provide exemptions to airlines where customer data cannot reasonably be obtained or transmitted;
2. **Clarify that airlines should not be held responsible for failures of government-mandated or third-party functions**, including aviation security, border processing, and air traffic control, which sit wholly outside airline control;
3. **Align with international frameworks** to avoid jurisdictional overlap and duplication, particularly with regimes such as EU 261, US DOT, Canada's APPR, and the Montreal Convention; and

4. **Reflect the interconnected nature of aviation**, distinguishing between the responsibilities of the ticketing and operating carrier to ensure obligations are practical and consistent across multi-carrier journeys.

**Question 5: Do the proposed Charter standards reflect reasonable standards? Are there any operational or technical considerations that would affect the ability of airlines or airports to meet the proposed standards?**

Air New Zealand’s feedback focuses on three key areas:

1. What constitutes a reasonable and proportionate standard and the need to distinguish clearly between what is within or outside an airline’s control;
2. The practical and technical implications of implementing new or amended standards; and
3. The risk of unintended consequences if accountability is not proportionate or clearly defined.

While we provide detailed feedback below on specific standards and definitions, we consider these overarching principles essential to ensuring the Charter remains both fair for industry and effective in protecting consumers.

### **1. Establishing Reasonable and Proportionate Standards**

To be workable, the Charter must focus on outcomes that are within an airline’s control. As currently drafted, several proposed standards risk imposing obligations for circumstances beyond airline influence. Fixed delay thresholds may also be arbitrary and not reflect operational realities — for instance, a flight departing two hours late may recover time in flight and arrive on schedule. The Charter should therefore emphasise reasonableness and proportionality rather than rigid cut-offs.

Specific recommendations:

- a. Replace the term “unreasonable delay” with “significant delay”, which more accurately reflects the intent without implying fault.
- b. Include pandemics and epidemics within the definition of exceptional circumstances outside an airline’s control.
- c. Define “tarmac delay” clearly and align with international standards. The timing trigger should specify when the “clock” starts (e.g. off-blocks vs. wheels stopped). The current 45-minute trigger risks capturing normal taxi time during congestion. A calibrated, longer threshold with defined exceptions would avoid misclassifying routine operations as disruption.

### **2. Practical Implementation Considerations**

If new Charter standards are adopted, they must be introduced with sufficient lead times and a structured implementation plan. Airlines require adequate time to assess feasibility, cost, and system changes before compliance obligations take effect.

The Charter must also recognise the operational complexity of airline–agency and interline relationships. Not all parties selling or servicing air travel have direct contractual links with operating airlines. As a result, information sharing and compliance may depend on third parties outside an airline’s control. Obligations should therefore align with actual control and data access.

### **3. Avoiding Unintended Consequences**

Over-allocating responsibility to airlines could have adverse impacts on the broader aviation ecosystem. It risks discouraging accountability among other participants — such as airports, ground handlers, or air-navigation service providers — and may incentivise behaviour aimed at avoiding compensation rather than minimising disruption.

Experience from Europe’s EU261 regime illustrates the risk of creating costly “claims-management” industries that divert resources from customer service and increase system costs, which are ultimately borne by consumers.

Air New Zealand therefore recommends that the Government undertake a full regulatory impact assessment before finalising the Charter standards and commit to periodic reviews to ensure they remain reasonable, proportionate, and effective.

#### **Specific Feedback on Proposed Standards**

##### **a. Booking Information Requirements**

- Section 1(f) of the Charter requires an airline to ensure any agent of the airline also meets subsections (a) to (e). This highlights the critical role agents play in the customer journey and the practical limitations faced by airlines. While Air New Zealand maintains contractual relationships with major agents, many third-party and sub-agents operate independently. Airlines have limited ability to control whether such agents collect or transmit accurate and timely customer information.
- Where agents fail to pass on essential details — such as accessibility requirements — airlines may be unable to meet Charter obligations despite best efforts. For example, late notification of a passenger’s mobility needs can make it impossible to arrange suitable equipment or support within the required lead time. The Charter should therefore ensure accountability sits with the party best placed to manage the obligation.
- Similarly, the proposed requirement to provide free-of-charge reasonable corrections of booking errors should extend to travel agents. When a customer books through an agent, that agent — not the operating airline — must make the correction. Airlines cannot amend bookings created in third-party systems. The Charter should make this clear to ensure consistent treatment regardless of booking channel.

##### **b. Check-in and Boarding Requirements**

- Requiring airlines to confirm customer contact details at check-in occurs too late for effective disruption communications. For direct bookings, airlines already capture verified contact information; for indirect bookings, travel agents should be required to collect and transmit current mobile and email details at the time of booking. This will enable timely disruption notifications and improve customer outcomes.

- Air New Zealand supports the proposal to seat children under 14 years with their parent, guardian, or carer free of charge, but recommends clarifying that this obligation applies only when travelling in the same cabin class.
- Air New Zealand supports the carriage of certified assistance dogs trained by approved organisations. Extending cabin access to pets more generally, presents significant operational and safety challenges. While we would endeavour to accommodate specific requests from customers, we recommend against imposing obligations to seat passengers away from pets. If not, any such requirement should be “where possible”.

### c. Flight Disruption, Delay, and Cancellation Requirements

- Air New Zealand recommends prioritising disruption resolution at the source rather than through post-event complaint handling. Operational assistance and timely re-accommodation should take precedence to ensure passengers reach their destination as quickly as possible.
- The reference to telephone contact should be broadened to reasonable alternative channels, allowing the use of digital tools (self-service, chat, messaging) to improve efficiency during major events.
- During disruptions, airlines proactively re-accommodate customers on the best available itinerary. Customers are offered mutually exclusive options: rebooking to the final destination at no additional cost, or a refund/credit where offered. The Charter should make this explicit to avoid confusion or double compensation.
- Minimum-assistance standards should remain simple and practical. Accommodation should be provided only where an overnight stay is required. Providing hotels for short delays (e.g. immediately after six hours) is not feasible or proportionate given transfer times and limited short-stay inventory. Reasonable thresholds would be meal vouchers for delays of 2+ hours, and accommodation, meals, and transfers for overnight disruptions. We provide more detail on this in Attachment B.
- Refunds should be issued to the original form of payment, consistent with industry best practice, audit, and fraud-prevention requirements. Timeframes should be set as 14 business days to reflect banking processes. Extended credit validity beyond 12 months would require major technical system changes and significant implementation lead times.
- Whether a refund and/or credit is made available should be determined based on the type of fare rules/conditions and the reason for the delay and/or cancellation.

***Question 8: If different cost recovery levies are applied to regulated entities based on the nature or size of their operations, what metrics should be used to differentiate them?***

Air New Zealand supports a cost-recovery model grounded in proportionality and equity - where entities contribute in line with the regulatory effort they actually drive, rather than their overall scale or commercial footprint.

The levy framework should reflect risk-based principles, recognising that operators with strong compliance records and robust systems impose lower oversight costs. Air New Zealand therefore advocates for a transparent, consultative, and predictable approach to

levy setting, with clearly published methodologies and regular review, ensuring the scheme remains equitable, sustainable, and aligned with international best practice.

In taking these funding principles into account, our preference is for a cost-recovery model that provides the largest share of funding from a:

- variable per matter monthly levy based on the specific work associated with the regulated entity, including the number of **substantiated** complaints referred to the ACO, and matters referred to the ACPA and the level of escalation of those matters; and
- that a share of annual levies are paid by all operators in the system regardless of size - both to ensure the cost-recovery model is grounded in equity and that all operators in the system are motivated to uphold the good will of the industry.

***Question 9: For each of the duration/situation timeframes listed in Table 4 (1 to 3 hours, 3 to 6 hours, 6 to 12 hours and more than 12 hours) what are reasonable values for food and drink vouchers per meal, and how many food and drink vouchers should affected passengers receive?***

In providing our response, where appropriate, we have added comments directly into Table 4 (a copy of which can be found as Attachment B). In addition to those points, we provide the following additional feedback.

For our flights to and from Australia, Air New Zealand currently provides refreshment vouchers for delays of 2 hours or more, with accommodation/meals provided where delays are more than 6 hours and overnight accommodation is required. These provide a practical benchmark aligned with local costs and delay duration. We would therefore recommend the Charter introduce flexible standards, rather than fixed dollar amounts – for example, international regimes require food and drink be provided “in reasonable quantities”. This also allows for practical alternatives (e.g. provision of meal boxes) at airports where there may be limited outlets or disrupts are after outlets have closed.

The term “*connecting flight*” (as used in Table 4) should be clearly defined. Air New Zealand assumes this refers to flights booked on the same ticket or itinerary. Clarification is essential, as airlines have no control over separate bookings made independently and on different carriers. Misconnections and minimum connecting times are a frequent operational challenge, particularly where customers book separate tickets or itineraries through different channels. Airlines cannot reasonably be held responsible for missed onward flights in those cases. The Charter should therefore make explicit that obligations relating to connecting flights only apply where the entire journey is booked on a single ticket issued by the same carrier or its interline partners.

Attachment B

Table 4: Minimum levels of assistance

| Duration/<br>Situation | Definition | Access to amenities i.e. toilets, drinking water, proper ventilation   | Access to communication i.e. regular flight updates, phone calls, internet | Food & drink voucher - only when within the airlines' control | Transport – only when within the airlines' control<br><i>*We recommend clarification is provided as to what constitutes "transport". We assume this means transport to accommodation in a disrupt situation.</i> | Accommodation - only when within the airlines' control | Option to re-book flight or disembark   | Option to obtain a refund, in lieu of re-booking |
|------------------------|------------|--|--|---|--|--|---|--|
| 45-minute tarmac delay | Delay      | Yes<br><i>*Operational and safety requirements may mean that customers and crew are not able to move about to provide access to restroom or water service while aircraft is taxiing.</i> | Yes  | No  | No   | No   | No option to disembark or re-book   | No   |
| 2-hour tarmac delay    | Disruption | Yes  | Yes  | No  | No   | No   | Yes – option to disembark <sup>[32]</sup><br>No option to re-book<br><i>*Operational impacts need to be considered – if</i> | No   |

|  |                    |  |     |                     |  |    |  |                     |
|--|--------------------|--|-----|---------------------|--|----|--|---------------------|
|  |                    |  |     |                     |  |    | <i>only some passengers elect to disembark then this could ultimately lead to a cancellation of service due to other operational implications.</i> |                     |
| When suitable equipment is not available for a person with disability to support their continued passage<br><i>*We recommend that clarification is provided that a customer must have provided the airline with reasonable notice of requirements.</i> | Disruption         | Yes  | Yes | Yes <sup>[33]</sup> | Yes  | No | Yes – option to disembark or re-book   | Yes <sup>[34]</sup> |
| Any other air service delay between 1 to 3 hours   | Disruption         | Yes  | Yes | Yes <sup>33</sup>   | No   | No | No option to re-book   | No                  |
| Air service delay greater than 3 hours but less than 6 hours   | Unreasonable delay | Yes <sup>35</sup><br><i>* We recommend that threshold for vouchers for</i> | Yes | Yes <sup>33</sup>   | Yes <sup>[36]</sup><br><i>*Dependant on clarification of scope of “transport” we</i> | No | Yes – option to re-book  | Yes <sup>34</sup>   |

|   |                    |  |     |                   |   |  |                         |                   |
|---|--------------------|--|-----|-------------------|---|--|-------------------------|-------------------|
| from scheduled departure time   |                    | <i>personal items (i.e. clothing and toiletries) only apply for delays over 12 hours and where customers do not have access to their own personal items (for example, do not have access to luggage).</i>  |     |                   | <i>assume this will not be applicable in this scenario as accommodation is not required to be provided.</i> |  |                         |                   |
| Air service delay between 6 to 12 hours from scheduled departure time | Unreasonable delay | Yes <sup>35</sup><br><i>*We recommend that threshold for vouchers for personal items (i.e. clothing and toiletries) only apply for delays over 12 hours and where customers do not have access to their own personal items (for example, do not have access to luggage).</i> | Yes | Yes <sup>33</sup> | Yes <sup>36</sup>   | Yes<br><i>*We recommend that accommodation is only to be provided where an overnight stay is required until the next available rebooking option. 6 hours as a transfer time alone (to/from hotel) can consumer a significant portion of that window.</i> | Yes – option to re-book | Yes <sup>34</sup> |
| Air service delay greater than 12                                     | Unreasonable delay | Yes <sup>35</sup>  | Yes | Yes <sup>33</sup> | Yes <sup>36</sup>   | Yes  | Yes – option to re-book | Yes <sup>34</sup> |

|  |                    |                   |     |                   |  |                          |   |                   |
|--|--------------------|-------------------|-----|-------------------|--|--------------------------|---|-------------------|
| hours from scheduled departure time  |                    |                   |     |                   |  |                          |   |                   |
| Air service delay greater than 3 hours but less than 6 hours from the scheduled arrival time for domestic (and greater than 5 but less than 8 for long haul international) – with no connecting flights  | Unreasonable delay | Yes               | Yes | Yes <sup>33</sup> | Yes <sup>36</sup><br><i>* As above</i> | No                       | No  | Yes <sup>34</sup> |
| Air service delay greater than 3 hours from the scheduled arrival time – with overnight stay between 6 to 12 hours from next connecting flight<br><i>*See response to question 9 above regarding connecting flights. Clarification also required</i> | Unreasonable delay | Yes <sup>35</sup> | Yes | Yes <sup>33</sup> | Yes <sup>36</sup><br><i>* As above</i> | Yes<br><i>* As above</i> | Yes – option to be reimbursed for re-booking connecting flights | Yes <sup>34</sup> |

|  |                    |                   |     |   |   |  |   |                   |
|--|--------------------|-------------------|-----|---|---|--|---|-------------------|
| <i>where delay leads to misconnection.</i>   |                    |                   |     |   |   |  |   |                   |
| Air service delay greater than 3 hours from the scheduled arrival time - with overnight stay more than 12 hours from next connecting flight<br><i>*See response to question 9 above regarding connecting flights. Clarification also required where delay leads to misconnection</i> | Unreasonable delay | Yes <sup>35</sup> | Yes | Yes <sup>33</sup>   | Yes <sup>36</sup>   | Yes  | Yes – option to be reimbursed for re-booking connecting flights | Yes <sup>34</sup> |
| Passenger is denied boarding due to no fault of their own  | Unreasonable delay | Yes <sup>35</sup> | Yes | Yes <sup>33</sup>   | Yes <sup>36</sup>   | Yes – for overnight stay of 6 hours plus.  | Yes – option to re-book   | Yes <sup>34</sup> |
| A scheduled air service with a specific flight number to be operated between a specific origin and destination on a specific   | Cancellation       | Yes <sup>35</sup> | Yes | Yes <sup>33</sup> if cancellation occurs less than 3 hours from scheduled departure time. | Yes <sup>36</sup> if cancellation occurs less than 3 hours from scheduled departure time. | Yes – for overnight stay of 6 hours plus if cancellation occurs 3 hours from scheduled | Yes – option to re-book   | Yes <sup>34</sup> |

|  |  |  |  |  |  |                 |  |  |
|--|--|--|--|--|--|-----------------|--|--|
| date which is not operated within 7 days of the scheduled departure time |  |  |  |  |  | departure time. |  |  |
|--|--|--|--|--|--|-----------------|--|--|

<sup>[32]</sup> Except if departure imminent within 2 hours 45 mins max. Priority disembarkation information will be provided in guidance material.

<sup>[33]</sup> Vouchers will be provided for each meal required. The number of vouchers provided will depend on the amount of time a passenger is delayed.

<sup>[34]</sup> Only when the consumer does not accept any of the alternatives presented.

<sup>[35]</sup> And vouchers for personal items i.e. clothing, toiletries.

<sup>[36]</sup> Including repayment of any additional carparking fees.