

10 March 2023

Mr Jason Dymowski  
Assistant Secretary, Aviation White Paper Branch, Domestic Aviation & Reform Division  
Department of Infrastructure, Transport, Regional Development, Communications and the Arts  
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**Via email:** [aviationwhitepaper@infrastructure.gov.au](mailto:aviationwhitepaper@infrastructure.gov.au)

Mr Dymowski,

### **Aviation White Paper –Terms of Reference**

The Australian Federation of Travel Agents (AFTA), welcomes the opportunity to comment on the Department of Infrastructure, Transport, Regional Development, Communication and the Arts' (the Department's) Aviation White Paper Terms of Reference (ToR).


AFTA is the trusted source for advice and best practice in the travel sector. Our mission is to highlight the integrity of our members through effective approaches in advocacy, industry recognition and awards, and ultimately boosting the confidence of the travelling public. AFTA administers the Australian Travel Accreditation Scheme (ATAS), which is the largest and most representative accreditation scheme for travel businesses in Australia. All AFTA members are ATAS accredited and recognised for their highest of operational standards, including assessment of finances, minimum levels of training and procedures for managing consumer grievances. Australian consumers have confidence in the scheme with 85% being more likely to book with an ATAS accredited travel agency.

Our membership base includes the full spectrum of travel intermediary businesses across Australia, including retail and corporate travel agents, tour operators, wholesalers and consolidators. Our members range in size from large listed organisations such as Flight Centre, Helloworld, Corporate Travel Management and Webjet, through to small independently owned and operated travel businesses. A large proportion of travel agent members are small to medium businesses, many of whom operate under networks such as Express Travel Group, Travellers Choice and CT Partners. AFTA's membership also includes consolidators, tour operators and wholesalers such as Scenic, APT and The Travel Corporation. AFTA has a total of 1,750 ATAS accredited member locations across the country.

**AFTA's recommendations on the ToR are set out in the attached table. Overall, it is critical that the distribution system that transacts more than \$18 billion of air sales and issues 1.4 million tickets<sup>1</sup> is recognised through the White Paper ToR and development process.**

I would welcome the opportunity to engage further as the process develops. If you wish to discuss this submission further, I can be contacted on email [dean.long@afta.com.au](mailto:dean.long@afta.com.au) or via phone 0427 249 098.

Kind Regards,



**Dean Long**  
CEO

<sup>1</sup> Year end Jan 2023 Air sales by Agents in Australia.

TOR draft theme	AFTA Comment
<p>Aviation’s role in economic development, trade and the visitor economy – general, domestic, regional and international aviation</p>	<p>It is critical that the two-way nature (in the movement of people) of the aviation sector is specifically examined as part of the White Paper. Typically, when the visitor economy (VE) is referred to in the ToR, it focuses solely on the inbound elements of the VE. This significantly discounts the impact of travelling Australians or permanent residents, who represent approximately 12 million trips each year to sustainability of air connectivity by carriers.</p> <p>A government wide standard for the economic modelling of aviation, particularly of air sales, should be investigated and established in the final paper. Currently there are multiple models being used between Austrade, the ACCC, Tourism Australia and Treasury to measure the economic impact of air sales on the VE and what constitutes fair trading conditions.</p> <p>Analysis should also be conducted on the economic impact of how airfares are booked. We believe at least 70% of all international air sales, and over 90% of corporate sales, are conducted through agency rather than direct with airlines. This economic impact and value created through sales channels should be examined to identify the level of public benefit.</p> <p>Analysis of the current competition levels and concentration of market power must also occur to ensure the existing competition settings are accurate and delivering for consumers. This should include current airport arrangements and market shares of airlines across the leisure and corporate segments.</p>
<p>How to maximise the aviation sector’s contribution to achieving net zero carbon emissions including through sustainable aviation fuel and emerging technologies</p>	<p>It is critical that the ToR include analysis across the categories of emissions defined by the Greenhouse Gas Protocol including scope 3. There currently is no strategy or government position that provides businesses or consumers with clarity on which portions of the aviation supply chain are responsible for the emissions created through travel.</p> <p>A more holistic analysis and recommendations beyond Sustainable Aviation Fuels (SAF) is critical for all participants in this sector for the next 30 years.</p>
<p>Changing aviation technologies and ways to position our policies, regulations and systems to encourage uptake and manufacturing of new, more efficient, transport technologies</p>	<p>This theme is too narrow in solely focusing on manufacturing. Analysis must also be undertaken to examine technologies which improve effective facilitation and productivity at the border, including commercial arrangements between airlines, agents, airports and customers.</p>

TOR draft theme	AFTA Comment
Airport development planning processes and consultation mechanisms that consider the impact and changing nature of aircraft noise and related expectations on the role of noise sharing and noise mitigation	<i>AFTA is supportive of this theme.</i>
How to support and regenerate Australia's general aviation sector	A review of the billing settlement system (BSP) through IATA would be beneficial to ensure the existing structures provide benefits to the community. The existing regulatory framework establishes one entity in a monopoly position with all final governance decisions made by the airlines through a global governance process. It is the view of AFTA that the existing framework needs to be reviewed to identify any improvements that should be implemented.
Future industry workforce skills and training requirements	<i>AFTA is supportive of this theme.</i>
Appropriate consumer protections and access to services	<p>The White Paper must review the current competition and consumer law settings, especially regarding competition authorisations, consumer refund protections and adequate compensation for those in supplier or agency arrangements where a single supplier has more than substantial market share.</p> <p>Consumer protections for disruptions by airlines consistent with EU Regulation 261/2004 should be examined to determine if similar provisions would be appropriate for Australia.</p>
Maintaining fit-for-purpose aviation safety, air navigation and aviation security systems and service delivery agencies	<i>AFTA supports the recommendations put forward by the Airports Association of Australia.</i>
The role of airlines and airports in supporting regional economies	<i>AFTA is supportive of this theme.</i>
Other significant issues raised during the consultation process	A long-term funding structure for the ongoing improvement of airports (domestic and international) which includes a review of airport fee structures and government taxes should be covered by this ToR.