



5 May 2026

## **Qantas Group Submission to the Senate Rural and Regional Affairs and Transport Legislation Committee Inquiry Aviation Consumer Protection Bill 2026 and related bills**

### **Introduction**

The Qantas Group (**Group**) welcomes the opportunity to make a submission to the Committee's inquiry into the Aviation Consumer Protection Bill 2026 (**the Primary Bill**) and associated Bills.

The Group supports the Government's commitment to strengthening consumer protections in Australian aviation. Passengers deserve clear, enforceable rights when things go wrong, and an appropriate mechanism to resolve disputes when any airline falls short. These are outcomes the Group genuinely shares, and we commend the Government for taking action to deliver them.

It is in this spirit of shared purpose that the Group respectfully submits that the proposed consumer protection framework, as currently drafted, poses significant risk to the very consumers it seeks to protect. Higher fares, reduced competition and unintended operational consequences are real risks if the legislation proceeds without amendment. Getting this framework right matters enormously, both for passengers and for the long-term sustainability of affordable aviation in Australia.

The Group therefore suggests that:

1. The Committee should not support the passage of the Bills without amendments; and
2. The complete legislative package comprising the consumer protection framework (i.e. regulations, Consumer Protection Charter, relevant guidance material, costings and levy methodology) and a regulatory impact analysis, should be published before the Bills progress further. This will allow for a complete understanding of the impacts of the proposed changes and assessment of the overall net benefit to consumers.

The Group has consistently supported the policy objective of strengthening consumer protections and improving outcomes through the establishment of a consumer protection framework and independent dispute resolution mechanism. Since the release of the Aviation White Paper in 2024, the Group has engaged comprehensively and constructively with the Department of Infrastructure, Transport, Regional Development, Communications, Sport, and the Arts (the Department) on this framework, at both working and senior executive levels, across multiple formal consultations, written [submissions on both primary](#) and [subordinate legislation](#), and numerous meetings.

Throughout this engagement, the Group has in good faith consistently highlighted practical, legal and operational risks associated with the current framework and put forward constructive, globally aligned alternatives designed to deliver real and positive consumer outcomes.

Despite this sustained and constructive engagement, the Group is concerned that key issues have not been sufficiently addressed in the Bills, including matters relating to the scope of regulated entities, the extension beyond minimum standards, prescriptiveness, complexity, cost recovery and regulatory duplication.

Contextually, it is important to note that since the Aviation White Paper was released in 2024, the Group's operational performance and customer outcomes have improved materially. On-time performance, disruption recovery capability and customer satisfaction scores have all



strengthened significantly, reflecting sustained investment in fleet renewal, customer products, systems, staff capability and customer communications.

It is vitally important that any further regulation is proportionate to the issue and does not hinder or set back the materially improved aviation operating environment, particularly as the industry navigates serious economic and geopolitical headwinds, including the ongoing impacts of the Middle East conflict.

In this regard, it is important to note that the Department's own independently commissioned review of airline and airport complaint handling processes noted that "there were approximately 10,000 relevant complaints escalated [in 2024]" across airlines and Australian airports. Each of those complaints represents a passenger experience that fell short, and the Group takes that seriously. According to BITRE, around 100,644,000 passengers travelled on Australia's domestic and international Regular Public Transport airline services in 2024. The Group raises this context not to minimise the experience of those passengers, but to underscore the importance of ensuring the regulatory response is proportionate to the scale of the issue it seeks to address across the industry as a whole.

The Government, aviation industry, its customers and the broader community share a common interest in:

- Reducing delays and cancellations;
- Improving customer experience when things do go wrong; and
- Keeping airfares sustainable and affordable.

In designing the consumer protection framework, it is important that all these factors are considered and appropriately balanced.

The Group's concern is that the proposed framework, as reflected in the Primary Bill currently before Parliament and the third iteration of the draft Charter, is not appropriately calibrated to the issues it seeks to address, and risks creating significant unintended consequences for safety, consumers, industry sustainability and competition, particularly in the context of a materially improved aviation operating environment.

Ultimately, increased regulatory complexity and cost do not sit in isolation. If the current framework proceeds without change, there is a real risk that the consumer protection framework and the Ombuds Scheme will:

- increase costs, placing upward pressure on fares and negatively impacting route viability and service frequency;
- undermine low-cost carrier models, reducing competition and consumer choice;
- deter investment in fleet renewal, technology and customer experience; and
- add complexity and duplication without improving outcomes for consumers.

The Group remains committed to working constructively with the Committee, the Government and the Department to develop a consumer protection framework that delivers the passenger protections Australians deserve, while remaining operationally sustainable and keeping air travel affordable. The Group is willing to provide more information where needed, including through participation in a public hearing.

### **Suggested amendments to the Primary Bill and associated Bills**

The Aviation Consumer Protection Bill 2026 materially expands airline liability beyond areas of operational control and third-party services. While the objective of strengthening consumer protections is supported, the Bill as drafted creates legal uncertainty, safety risk, operational challenges, and potentially disproportionate compliance risk.

The Group has the following overarching concerns with the Primary Bill and associated Bills:

- **Safety is paramount** – provisions for ‘anti-victimisation’ as defined in the Primary Bill and proposed standards which impact operations risk challenging or impeding the primacy of safety as a fundamental principle in aviation.
- **Expansion of liability** – expands potential airline liability beyond matters within operational control, creating legal uncertainty, operational complexity and potentially disproportionate compliance risk. The Bills also risk potentially expanding liability ultimately to broad matters of “fair and reasonable” without due regard to any terms and conditions, the Charter, or aviation safety and regulatory compliance.
- **Regulatory duplication** – creates a new standalone regulator (the Aviation Consumer Protection Authority) with overlapping functions alongside existing regulators (particularly the ACCC), increasing complexity, compliance burden and cost.
- **Regulated entities** – the proposed framework excludes parts of the aviation ecosystem (in particular travel agents and relevant government agencies). This creates a structural gap in consumer protection, risks misallocation of responsibility and may expose airlines to complaints and obligations for service failures outside their control.
- **Funding and levies** – the funding model has not been fully costed or transparently shared with industry, with insufficient clarity on establishment costs and ongoing operating costs.

Targeted amendments are required to clearly address matters of safety and align accountability with operational control and ensure international consistency, without undermining global partnerships and ultimately consumer choice.

<b>Aviation Consumer Protection Bill 2026</b>	
<b>1. Marketing vs operating carrier liability, extraterritorial application and liability of Australian airlines vs foreign airlines</b>	<p>The Bill attaches accountability to the airline that offers the service, which may include the marketing and/or ticketing carrier as well as the operating carrier. For flights to, from or within Australia, this means that the ticketing airline may be required to answer for service outcomes delivered by third parties, including codeshare and interline partners, even where the ticketing airline does not control day-to-day operations.</p> <p>The Bill also creates uncertainty as to how this approach applies to flights entirely operating outside Australia which connect to flights to or from Australia. In practice, this raises questions as to whether an Australian ticketing airline may be required to respond to complaints or compliance obligations in respect of operational outcomes on offshore sectors operated by foreign carriers, notwithstanding that those services occur outside Australia and are subject to the laws and regulatory frameworks of the jurisdiction of operation.</p> <p>This represents a departure from established aviation frameworks, which generally align responsibility for operational matters with the operating carrier, recognising that the operating carrier is best placed to manage operational performance and customer assistance at the point of disruption. The Bill’s broader approach to accountability, combined with its complaints framework, creates a risk that Australian airlines may be required to answer to the ACO in circumstances where they do not have operational control of a flight and may not hold the relevant operational records, including in relation to assistance provided to customers.</p> <p>The potential application of Australian requirements to services operating in other jurisdictions also raises concerns about extraterritorial reach and international consistency. Operating carriers conducting flights overseas remain subject to the legal and operational</p>

	<p>requirements of the jurisdictions in which they operate, which may differ from Australian requirements. Australian carriers have limited practical ability to require foreign operating carriers to apply Australian legal standards to individual passengers on sectors departing from outside Australia.</p> <p>These issues may place Australian airlines at a competitive disadvantage compared to foreign airlines selling the same itineraries containing flights outside Australia, particularly where foreign carriers are not subject to equivalent accountability under the Bill. At the same time, global partnership models, including codeshare and interline arrangements, are central to providing consumers with seamless international connectivity. Increased uncertainty and risk for Australian airlines in relation to partner-operated services may undermine these arrangements and ultimately reduce consumer choice.</p> <p>The Group submits that the Bill would benefit from targeted amendments that clarify the allocation of accountability in these circumstances, align responsibility for operational matters with operational control, and ensure that Australian consumer protection requirements are not applied in a manner that may create uncertainty, competitive imbalance, or inconsistency with established aviation practices.</p>
<p><b>2. ACO determinations re “fair and reasonable” standard</b></p>	<p>The ACO is empowered to make determinations based on whether an airline’s decision or conduct was ‘fair and reasonable in all the circumstances’, rather than strictly by reference to legal or Charter obligations. This is a broader standard and means the ACO may require an airline to provide remediation or compensation to a customer even where the airline has complied with applicable legal requirements, Charter obligations and contractual terms, if the ACO considers that a different outcome is fair and reasonable in the circumstances.</p> <p>This introduces a degree of uncertainty, as outcomes will depend on the ACO’s assessment of what is fair and reasonable in the particular circumstances of each complaint, rather than solely on defined or Charter obligations or legal standards.</p> <p>In the absence of clear guidance or benchmarks on how the ‘fair and reasonable’ standard is to be applied, there is a risk that similar factual scenarios may give rise to different outcomes over time. This is likely to create uncertainty for airlines in planning, compliance and resource allocation, and may also lead to uneven outcomes for customers depending on how individual complaints are assessed. While determinations are made on a case-by-case basis, published decisions may over time create de facto expectations that extend beyond formal legal or contractual requirements. At the same time, without clear guidance or precedent-based consistency, there is a risk of inconsistent application across comparable situations.</p> <p>The Group submits that the ‘fair and reasonable’ standard may go beyond what is necessary to achieve the Bill’s consumer protection objectives, particularly given the detailed obligations already set out in the Draft Charter. If this standard is to be retained, the Group respectfully submits that the Bill should be amended to provide clearer guidance, criteria, or boundaries on how the ACO is to apply the ‘fair and reasonable’ test, to ensure consistency and predictability for airlines and customers alike.</p>

<p><b>3. Limited Appeals</b></p>	<p>Appeal rights from ACO determinations are limited. Determinations may only be appealed to the Federal Court on a question of law. There is no right to merits review or to challenge the ACO’s findings of fact, assessment of fairness, or the appropriateness of remedies ordered. This means that unless an airline can establish a question of law on which to appeal, it will be bound by the determination.</p> <p>In practical terms, where the ACO makes a determination based on what it considers fair and reasonable in the circumstances (as opposed to strict legal compliance), there will be very limited scope for an airline to challenge that outcome. Even where an airline believes the determination is inconsistent with previous decisions, disproportionate to the circumstances, or goes beyond legal or contractual obligations, those concerns will generally not give rise to a question of law and therefore are unlikely to form the basis of a successful appeal.</p> <p>This creates a review pathway that effectively makes the ACO the final arbiter on questions of fairness and the actual merits of each complaint, with very limited scope for independent review. For airlines, this means determinations may set expectations or create obligations that extend beyond defined legal requirements, with limited recourse to challenge outcomes that may be inconsistent across similar cases or that impose unanticipated operational or financial burdens.</p> <p>The combination of broad discretionary power and limited appeal rights may result in a body of ACO determinations that, while not binding as formal precedent, nevertheless shape industry practice and consumer expectations in ways that are difficult to test, clarify or refine through independent review.</p> <p>The Group acknowledges that limiting appeal rights to questions of law is a common feature of ombuds schemes and is intended to ensure accessible, efficient, and final resolution of complaints. However, in the context of the ACO’s broad discretionary power to determine what is ‘fair and reasonable in all the circumstances’ (which may result in outcomes beyond strict legal or Charter compliance), the Group submits that additional safeguards (such as clearer guidance on the application of the standard, or a mechanism for internal review or decisions) would provide appropriate accountability and consistency while preserving the accessibility and efficiency of the scheme.</p>
<p><b>4. Anti-Victimisation Provisions</b></p>	<p>The Bill includes anti-victimisation provisions that prohibit any form of retaliatory action against a person for making, or intending to make, a complaint. The prohibition is framed broadly and applies to conduct that causes or threatens detriment.</p> <p>The policy objective of ensuring consumers can raise concerns without fear of adverse consequences is supported. The broad scope of the prohibition and the concept of “detriment” creates a risk for airlines that legitimate operational decisions may be alleged to contravene this provision where they occur in proximity to a complaint. Decisions such as refusing carriage, imposing short-term travel restrictions, or applying no-fly bans are often taken for safety, security or behavioural reasons and may need to be made quickly in response to operational circumstances. Such operational and safety critical decisions may need to be made with respect to passengers who have recently made a</p>

	<p>complaint or intend to make a complaint. Risking characterising this as ‘retaliatory’ undermines the airline’s ability to make decisions on regulatory, safety or operational grounds.</p> <p>This creates evidentiary and operational risk for airlines, as the airline may face an evidentiary expectation or practical need to demonstrate that such decisions were made on legitimate operational or safety grounds and not in retaliation for any complaint activity. Given the timing and context in which safety and operational decisions are often made, this may be challenging in practice and may require airlines to introduce additional documentation, review and escalation processes to mitigate the risk of allegations of victimisation. While the policy intent is clear, the practical application of the provision may have unintended consequences for how airlines manage safety-related and operational decision-making in real-time environments.</p> <p>The Group submits that the Bill or accompanying guidance should clarify the application of the anti-victimisation provision in circumstances where airlines make operational or safety-related decisions in proximity to a complaint, to ensure that legitimate decisions are not inadvertently captured and that airlines are able to manage safety and operational risks without undue evidentiary or procedural burden.</p>
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**Concerns with the Policy Development Process**

The Group has engaged constructively and in good faith with the Department on aviation consumer protection reform since the release of the Aviation White Paper (2024), and remains committed to that engagement. However, a number of core issues remain unresolved, including the scope of regulated entities, duplication with existing regulators, prescriptiveness beyond minimum standards, cost recovery and overall scheme cost transparency. Resolving these issues is important to ensuring the framework achieves its objectives effectively.

The Group notes that the Bills have been introduced without an Exposure Draft. For complex schemes requiring significant system changes, operational adjustment and cost recovery arrangements, an Exposure Draft is an important step in good legislative practice. Publishing draft legislation before introduction would give industry and the Committee a fuller opportunity to test whether the drafting reflects the stated policy intent, identify unintended consequences, and assess cost and feasibility before Parliament is asked to legislate.

The Group is also concerned that the Committee is being asked to consider a partial legislative package, which makes it difficult to assess how the legislative package will operate holistically in practice. This increases the risk of unintended consequences, inconsistent implementation and higher compliance costs.

The Primary Bill and associated Bills are intended to operate alongside the Charter (subordinate legislation) and other policy guidance materials, including on implementation, complaints processes and levy/cost recovery settings. Considering the Primary Bill and associated Bills without these, the Committee and other stakeholders cannot properly test how the scheme will operate in practice, what it will cost, or whether it will deliver net benefits for consumers.

The aggregate costs of the framework have not been established, nor have any further details been shared on how the levy will be structured to ensure that the costs of the ombuds scheme are apportioned equitably amongst all regulated entities, only relate to eligible complaints and ensure that the levy has an incentive-based component.

Given the fundamental impacts this consumer protection framework has on aviation in Australia, it will also be important for Government to articulate how the effectiveness of the framework and the Aviation Consumer Ombuds scheme will be measured, or how performance will be assessed relative to existing consumer protections. Without defined measures, there is a risk the scheme becomes a growing regulatory burden without clear evidence of consumer benefit.

The Committee should recommend that the Government publish the complete legislative package (including the final Charter, draft regulations and core guidance, and scheme costings/levy methodology) and undertake targeted consultation before the Bills are progressed.

### **Subordinate Legislation – The Charter**

While consumers want certainty about what they can expect when flights are cancelled, delayed, and disrupted, they also value choice and reliability. The current draft Charter and its standards, which are not before this Committee but are an integral part of the consumer protection framework, go well beyond what is necessary to represent minimum consumer protection standards, are inconsistent with broader global aviation practice and may hinder operational performance.

The current draft Charter provisions appear to use full-service carriers (**FSCs**) as the reference point for many of the proposed types of assistance, and do not account for fundamental differences between FSCs and low-cost carriers (**LCCs**). While both FSCs and LCCs are focused on ensuring consumers depart and arrive at their intended destinations on-time and safely, they deliver different choice values to the consumer:

- FSCs provide consumers a service that goes above and beyond minimum standards through purchasing a traditional bundled service; and
- LCCs provide consumers access to affordable air travel through offering lower base airfares and unbundled services, allowing the consumer choice to pay for the products and services they want.

Indeed, Jetstar's LCC model has democratised air travel in Australia and enables millions of Australians to travel every year.

Requiring LCCs to adopt FSC service standards, and beyond in some cases, without the revenue base to support them, risks making low-cost aviation in Australia economically unviable. For the millions of Australians who rely on affordable fares to visit family, access employment or travel for the first time, the loss or reduction of LCC services would be a deeply tangible consumer harm, not an abstract regulatory consequence.

### **Conclusion**

The Qantas Group respectfully submits that the Bills should not proceed in their current form without targeted amendments. As currently drafted, the framework risks delivering the opposite of its intent: higher fares, fewer routes, reduced competition and a more complex complaints process that serves neither passengers nor airlines well. The Group strongly supports robust consumer protections, and it is precisely for that reason that the framework must be proportionate, practical and properly costed before it becomes law.

The Committee should also recommend publication of the complete legislative package (including the final Charter, draft regulations and core guidance, and scheme costings/levy methodology), supported by a regulatory impact analysis, before the consumer framework is finalised.

Thank you for the opportunity to make this submission.