



## **Submission to the Cabinet Task Force on the Review of Air Pacific by Consumer Council of Fiji**

### **1.0 Introduction**

The Consumer Council of Fiji (“Council” or “CCOF”) welcomes the opportunity to forward its submission to the Cabinet Task Force appointed to review the operations and management of Air Pacific. Although a daunting task, the review is considered by the Council to be long overdue and absolutely necessary. Air services are as important to the consumers in Fiji as roads and ports. Hence, like other modes of transportation that are constantly subjected to public consultation and scrutiny, the Council sees no reason why air services should be treated any differently.

However, years of service by Air Pacific has simultaneously mounted concerns and complaints from the traveling public and the consumers of Fiji regarding mostly the deteriorating and poor service delivery and customer care relations by the airline and the high cost of travel charges to Fiji consumers traveling abroad. The Council has been the recipient of numerous such concerns and complaints. The Council therefore is pleased that a special task force has been established whose major focus is to assess the concerns raised.

This submission will contribute arguments/comments on the following:

- The quality of service provided to passengers of Air Pacific; and
- The lack of direct Air Pacific routes into South East Asia, the Middle East, and Europe.

The above concerns also reflect those that have been lodged with the Council by individual consumers, some of which will feature in the submission as examples.

## **2.0 The status of the Consumer Council of Fiji in making this submission**

The Consumer Council of Fiji is a statutory body established under the Consumer Council of Fiji Act 1976 (Cap 235). The Council provides the external pressure as a watchdog to create a fair and just delivery of goods and services. It represents and protects the rights and interests of consumers and in particular the disadvantaged groups, rural poor and women by identifying and articulating the policy issues that are of importance to the consumers. First and foremost the Consumer Council is an advocacy organisation, conducting rigorous research and policy analysis on key consumer issues. CCOF's insight into consumer need is a powerful tool for influencing decision-makers to bring about change. The consumer rights to *information, choice, representation and redress* will be embedded in the arguments/comments made in the submission.

## **3.0 Circumstances Surrounding Air Pacific**

Air Pacific is owned by the Fiji Government (51%), Qantas (46.32%). Air New Zealand and the governments of Kiribati, Tonga, Nauru and Samoa each hold minor stakes (Internet - Wikipedia Encyclopedia). It is absurd that as the largest shareholder, the voice of consumers in Fiji has failed to be heard by our national airline. Instead, the airline seems to hold superior the concerns of shareholders like Qantas. In fact, under the articles of association Qantas has veto powers in a number of key operational areas of Air Pacific. These key areas include the commencement of any new air routes; issuance of shares; the adoption of an annual operating budget; the adoption or material variation by the directors of the dividend policy of the company; and the entry by Air Pacific into any major commercial or joint venture agreement (Fiji Sun, June 13, 2008, p11)

Apparently, the successive Fiji Governments on whom the nation's taxpayers have entrusted their investment with in the airline can also be said to have consistently been neglecting their responsibility in ensuring the provision of high quality service at reasonable prices to Fiji consumers. Essentially, years of neglect has created a situation where consumers in Fiji are now subjected to exorbitant airfares for substandard airline services and pathetic customer care service.

### **3.1 Lack of Competition**

Diversity of traffic origin into Fiji is essential for the continued prosperity and growth of tourism specifically, and generally, for the economy. While Air Pacific has recently ensured such diversity at the domestic level through the acquisition of Sun Air, development of new routes internationally and regionally has been lacking in zest. Of course, given the small size of the Fiji economy, the development and viability of new routes would also require a critical mass that would only be achieved through both outbound and inbound traffic flows. According to the Secretariat of the Pacific Community (SPC) the population of the Pacific Islands will reach 9.5 million in 2008, and grows by 1.9% annually which resembles a yearly growth of 180,000 people. ([http://www.matangitonga.to/article/spc\\_050608\\_0531\\_pf.shtml](http://www.matangitonga.to/article/spc_050608_0531_pf.shtml)). With so much opportunity within the region why Air Pacific is not tapping in these markets to grow our economy. Air Pacific can re-route passengers from the Pacific Island countries via Nadi to other destinations.

For a very long time Air Pacific enjoyed monopoly status. It was through great difficulty the tourism sector lobbied the state to allow Pacific Blue (Australian-based Virgin Blue airlines Pacific carrier) to enter the Fiji market. Pacific Blue commenced operations in the Pacific in September 2004. It has increased its travel frequency between Australia and Fiji from 20 non-stop flights to and from Sydney and Brisbane to 24 flights from June 17, 2008. Pacific Blue has been quick on its feet to capitalize on the increasing demand for travel along the stated route, leaving Air Pacific to play catch up on the competition it provides.

## **4.0 Issues Associated with Air Pacific**

### **4.1 The quality of service provided to passengers of Air Pacific.**

Recently, Air Pacific has been receiving flak from the travelling public who have increasingly voiced their distress via media, specifically print media and TV and, also with the Consumer Council. For most people flight is considered as part of the vacation. But the flying experience of some passengers with Air Pacific is more an unwarranted hassle than the start of a vacation.

Money-related concerns such as high airfares, fuel surcharges and flight disruptions are the most common Air Pacific related complaints. However, the vast majority of complaints surround poor

customer care and grievance handling and lack of service by Air Pacific staff. Examples of complaints and concerns are as follows:

#### ***4.1.1 Exorbitant air fares charged to local travellers***

For 2007/2008 Air Pacific posted a 620% profit increase for the year to March 2008. After carrying a record 994,000 passengers in the year, it recorded a pre-tax profit of US\$25.5 million on group sales of \$375 million against a \$3.5 million profit for the previous financial year 2006/2007 (Wikipedia Encyclopaedia).

Despite being faced with numerous hurdles in 2007 including increasing fuel prices, grounding and rescheduling of a number of flights and incurring additional expenses to accommodate those inconvenienced by flight disruptions for both overseas bound and local flights at peak season, the company was able to come out on top to announce the huge profit. Yet, the traveling public, in particular the outbound travelers from Fiji (Fiji citizens and residents) have been subjected to an increase in the fuel surcharge rate and increase in ticket price to destinations in Australia and New Zealand.

The Council is concerned that the increased airfares are negatively impacting the consumers in Fiji who travel abroad against the minimal impact on the inbound travellers. Air Pacific has deeply discounted airfares from Japan, Australia, and New Zealand that is understood to be an important step to keep visitors flowing to Fiji. However, the low cost travels offered to tourists coming into Fiji are causing local travelers to pay a higher ticket price – they are therefore subsidizing the cost of tourist travels. Should this not be the case, then can Air Pacific provide an explanation on the vast difference in the price of airfares that's charged to outbound Fiji citizens as compared to tourists to Fiji.

For example, Air Pacific's Fiji hot holiday deals (annex 1) for Australian tourists allow potential tourists from Sydney to purchase a return ticket flying Air Pacific costing A\$1,003 per person that comes to F\$1,425.32. (conversion rate 0.7037 applied as at 21/7/08), accommodated at The Westin Denarau Island Resort & Spa for 5 nights including welcome drink on arrival, full

American breakfast daily and unlimited use of non-motorized water sports - all these for the price of F\$1,425.32. whereas a Fiji resident pays F\$1, 277.20 only for a return ticket to Sydney.

If we add 5 nights accommodation in a Tropical Garden room (at a rate of F\$195 per night), and a full American breakfast daily (plus 17.5% of the total cost of accommodation), the total cost arrives at F\$1,145.65. Hence, air ticket plus accommodation and breakfast for a Fiji resident adds to an exorbitant F\$2,422.85 per person. This is a huge difference of F\$997.53 which means a Fiji traveller would end up paying F\$997.53 more for what is being offered to an Australian tourists. Fiji travellers would like to know the true cost of the airfare to Sydney if one can pay \$1425.32 to obtain a return flight from Sydney with accommodation?

The Council deems this differential rating on airfares as gross injustice and discrimination by Air Pacific against Fiji residents. There are no incentives for local consumers who desire to travel with the national airline? It is clear that the higher fares paid by local consumers not only go towards subsidising the fares charged to visitors but the fare paid by locals adds to the retention of profits in the country. The Council strongly suggests that a detailed analysis be undertaken to demarcate the total number of local travelers from the total tourist numbers and the impact on the overall profitability of Air Pacific.

#### ***4.1.2 Flight disruptions***

The travelling public accept that flight disruptions are bound to occur at times. Flight disruptions are not specific to Air Pacific flights only but are a common challenge for all airlines. Passengers hold paramount their safety as well as that of the airline. What is not acceptable, however, is the frequency of Air Pacific flight disruptions and the manner in which the inconvenience caused to travellers is addressed. Since December 2007, Air Pacific has had numerous flight delays, cancellations and even early departure of flights ahead of the scheduled times. The erratic services of the national carrier has not only inconvenienced many passengers booked with the airline but has resulted in Air Pacific losing customers and income, including losses to the tourism industry and the Fiji economy.

For example, due to the delayed Air Pacific flight FJ911 on 29<sup>th</sup> January 2008, the Bula Island Food Supplies (Nadi) Manager, Mr Santok Singh (annex 2) suffered a significant loss of

F\$17,311.50 to his consignment of perishable goods being transported to the same company in Australia. In response to Mr Singh's letter of complaint and compensation claim, Air Pacific stated that it had no responsibility in the handling of the consignment. A second example is of a Mr Soko Mataitoga of Majuro who missed his connecting flight to Honolulu on 22<sup>nd</sup> June 2008 because of technical glitches experienced by the Pacific Sun flight scheduled from Suva to Nadi (annex 3). Air Pacific failed to inform the affected passenger of the flight delay.

These flight disruptions are often not adequately explained to passengers nor are they explained in ample time, where possible, to allow passengers to make alternative arrangements. In some instances passengers have ended up paying extra money from their pockets for the action or non-action of the national carrier. While Air Pacific may see it right to compensate individual passengers for inconveniences caused through flight disruptions such as by billeting them in a hotel with meal provisions, the compensation falls short of accommodating the needs of family members with whom arrangements would have been made to be picked up or the emotional suffering and business losses caused. Who should be held accountable for the additional losses in these instances?

#### ***4.1.3 Bait and Switch Advertising***

Pacific Sun airline services came into the domestic airline industry with great promises of the delivery of improved service quality and lower prices. While the consumers have embraced better quality of service offered by Pacific Sun fleet, they are disappointed with the airfare pricing.

Since its inauguration in April 2007, Pacific Sun has been advertising its supposedly low airfares in the newspapers almost daily (annex 4). However, many consumers who respond to the advertised airfares are disappointed to learn that they have missed out on the discounted or special fares and hence are expected to pay a full fare to respective destinations. One disappointed customer who had contacted the Pacific Sun ticketing services to book a return flight from Nadi/Labasa/Nadi for 23<sup>rd</sup> April 2007 was told that the special fare available on this leg had been sold out and that he was expected to pay the full fare for the return journey.

Therefore he was expected to pay F\$457.30, which is F\$61.30 more compared to the airline's competitor.

The Council is concerned that Pacific Sun may be resorting to bait and switch advertising, which is an offence under the Fair Trading Decree 1992. Section 65(1) and (2) of the Decree prohibits the advertising of goods or services at a certain price if the advertiser does not intend to offer those goods or services at that price for a reasonable period of time and in reasonable quantities.

#### ***4.1.4 Non disclosure of full information***

Air Pacific as well as other foreign air carriers operating from and into Fiji often misleads consumers by not disclosing the full cost of travel or purchase of ticket. For example, in annex 4 Pacific Sun airfare is advertised for one way only and states that no additional charges are applied. However, taxes, fuel surcharges etc are not stated for the customer, and hence, the real cost of the ticket is not known until and unless a ticket is purchased. "Conditions apply" as well on the fares but these have not been spelt out.

At present there is no legislative requirement that mandates airlines operating to and from Fiji to advertise the full fare to be paid by the customer. Hence, airline advertisements in Fiji tend to feature an asterisk masking hidden fees. In the Council's perspective the practice is rendered unfair and deceptive trade practice and an unfair method of competition. To allow easier price comparison by consumers, airlines should be mandated under the Fair Trading legislation to advertise the total price of their product or service, rather than prices in separate components. The requirement should relate to taxes, fees and levies. For example, in Australia there is a new Federal Government law that requires businesses such as airlines and car dealers to disclose full information on their products and services and not mask it with asterisks or 'conditions apply' (CHOICE, June 2008). In June 2006 Air New Zealand was ordered to pay \$600,000 in fines and nearly \$65,000 in costs after the Commerce Commission prosecuted the airline for misleading customers about the real price of its airfares ([www.newzealand.airline.com](http://www.newzealand.airline.com)) The airline has since then undertaken to move to using all-inclusive prices when advertising for both international and domestic airfares. These are learning examples that the Government of Fiji should adopt to protect our consumers.

Furthermore, information on the credit card charges for purchase of tickets done via internet is also not disclosed to customers prior to them using their cards. In regards to Air Pacific's Bula Plus and Bula Saver internet bookings, a fee of F\$5.00 is charged to credit card holders, which before was F\$4.00 (annexes 5a and 5b). Why is Air Pacific penalising its customers by levying such fee? Customers access internet and do their own airline booking including printing of e-ticket at their own cost and time. So how can Air Pacific justify a fee of \$5.00 for using credit card?. Instead the airline should be reducing the price of the ticket because airline staff or agent is not involved in issuing a ticket. Air Pacific therefore needs to explain the fee.

The Council believes that it would be informative and beneficial for consumers if carriers state the amount of the increased price in the advertisements, for example, by stating that tickets cost \$5 more if purchased with a credit card via the Internet. Such levying of fees may be referred to by Air Pacific as "service fee" or by a similar phrase. However, in the context of full fare advertising rule like that required by European Union and the Australian Federal Government, the carrier-imposed "fees" are considered a part of the fare and must be treated as such in airfare advertising.

#### **Air Fares**

Fiji should follow the European Union requirement that airlines operating from Fiji must advertise the full fare payable by a passenger. The quoted airfare must include taxes and all other charges. People are misled when air travel prices are published without taxes, fuel surcharges etc. and only realise the impact of these additional charges when they actually pay the full fare.

*Emosi Balei, Suva. Fiji Sun, 11/7/2008*

#### **4.1.5 Customer Care and Grievance Handling**

Mounting consumer grievances against Air Pacific forms the basis of the call for public submissions. While airlines are not wilfully avoiding their obligations, staff members dealing with consumer complaints are not handling them well. For simple mistakes or miscommunication by Air Pacific staff, the aggrieved customers fail to even receive a simple apology. For example, a traveller (Zhang Hao En of Suva) who missed a scheduled Pacific Sun flight from Nadi to Suva because of the check-in staff's failure to locate his name on the computer (annex 6). But as he put it in his letter to the newspaper editor that "She (the staff) did

not even say a word nor apologise to me.” A second example (refer to annex 3) is of Soko Mataitoga of Majuro who was not informed about the technical glitch to his scheduled flight despite having checked-in. He also waited to hear an apology as he wrote “In all this I waited to hear an apology which never came – not from the pilot, nor the check-in staff.”

Another example of customer dissatisfaction is given below:

#### **Classic case study of Barbara Pirie: String of Complaints Against Air Pacific**

*Fare differentiation* – Mr and Mrs Pirie were issued with differential fares on the route Nadi/Honolulu round trip for 3 August 2007 despite purchasing their tickets together, on the same day and at the same time. Mrs. Pirie was charged an exorbitant airfare of \$2746 tax inclusive and her husband was charged \$1,296 tax inclusive.

*Variance in luggage allowance* – Mrs and Mrs Pirie were both allowed a 30kg max but her ticket said one bag while her husband could carry 2 bags.

*Seating preference* – Despite having checked in 2.5 hours early, the couple were allocated seats near the toilets that are usually reserved for flight staff. Mrs Pirie who suffers flight sickness had requested for seats in the middle rows but was told that it could not be entertained because the flight was full (which it wasn't) and that she had checked in “late” (although she checked in 2.5 hours before flight time). (For detailed information, refer to annex 7)

#### **4.1.6 Poor coordination of Air Pacific staff**

Passengers have additionally complained being transferred from one staff to another and have observed the lack of communication and coordination of Air Pacific staff in Fiji and those staff based in other countries. As such, when faced with a problem relating to their travel with the national carrier, staff tends to lay the responsibility of complaints/concerns handling on other staff. Through complain handling the Council came to know that Air Pacific has Contract Manager in Vancouver and other destinations to help customers who are stranded. They have been reported to be greatly unhelpful and display a cold, uncaring attitude. Moreover, Air Pacific staff also tend to lay blame on customers when complaints are lodged (annex 8). Instead of being apologetic, polite and making an effort to help a customer's complaint, some staff have reportedly blamed the complainants for being in a situation/problem.

Air Pacific staff need to sharpen their act, as there remain too many occasions where people have suffered their cold attitude that is unacceptable of a business providing a service. In any

business, complaints serve a positive purpose of allowing real opportunity for business to improve their service delivery. Air Pacific staff seem not to realise the importance of complaint handling to the overall good of the airline sector. In fact, a good number of the airline staff has been serving in the same position for many years. This perhaps could be a contributing factor to the poor attitude shown by the staff, as work becomes a mundane task for some. Moreover, observations such as that made by traveller James Fong of Australia (annex 9) where he highlighted management related problems stated below that resound the alarm bells for a review of the airline operations:

- ❖ Non-availability of technical crew;
- ❖ Cabin crew walked off a flight because they had exceeded their duty limitations;
- ❖ Cabin crew worked up to 15 hours without meals because passengers meals had run short;
- ❖ Flights have operated with passengers asked to volunteer their meals for other people in exchange for meal vouchers;
- ❖ Planes sent for repairs at peak time only to return early without briefing passengers of an early departure; and
- ❖ Passengers charged unfairly for change of tickets even when the mistake lies with Air Pacific.

#### ***4.1.7 Pre-recorded Messages***

Air Pacific may like to think that they are providing excellent customer care by providing a 24-hour pre recorded message on a toll free number. It has been brought to the Council's attention that passengers who are stranded in the weekend are directed to this toll free number for assistance which is of no use because the message is "we operate from Monday to Friday from 8am to 4:30pm...." This message gives no direction to the stranded passenger to seek help when their flights are cancelled. Unfortunately, most people do travel in the weekends for which they pay slightly more in comparison to travel in the weekdays. A businessman from Suva was stranded in Vancouver for a week despite Air Pacific having a Contract Manager in Vancouver. There is no information on contacts details of Contract Managers on the tickets for different countries if one gets stranded. How difficult is it to correct this anomaly to make travelling easier for stranded passengers? Air Pacific has tended to rely heavily on these pre-

recorded messages to address customers' complaints and concerns, preventing the personal touch to their customer care services. Consequently, this has caused unnecessary chaos, confusion, and miscommunication of important information, which has frustrated and disappointed many airline's customers who are at the mercy of Air Pacific.

#### ***4.1.8 Aircraft maintenance and in-flight services***

Lack of leg room space, uncomfortable seats, poor in-flight entertainment, unresponsive cabin crew to passenger requests, poorly presented food and very dirty and unkempt aircraft are passenger experiences/observations that feature in the Air Pacific services review. The seat coverings and headrest mats look faded and filthy. Curtains that separate business class from economy class is off the curtain hooks that gives untidy look. The choice of entertainment on Air Pacific flights is not only poor but is usually on bad screens and has poor picture quality. Headsets are faulty and fail to deliver sound in both ears. Cabin crew have also been said to be unresponsive when passengers ask for something. They take off and fail to get back with the passenger's request. Moreover, food quality and taste is much to be desired. There is much room for improvement in aircraft maintenance, presentation and in-flight services.

#### **4.2 The lack of direct Air Pacific routes into South East Asia, the Middle East, and Europe**

Travelers from Fiji do not have the option of saving cost and time to travel directly to South East Asia, the Middle East and to Europe. To customers this means that they have to fly a number of lags and airlines, which are expensive, time consuming, increased hassle of applying for the respective country's visa and incurring visa costs etc. For example, a consumer traveling to Kuala Lumpur in Malaysia is required to transit via Sydney and ends up paying an exorbitant air fare amounting to about \$2,821 return.

At present Fiji is engaging a lot with the South East Asian countries for imports, exports and investment following sanctions placed by Australia and New Zealand. An increasing number of people from Fiji are now serving in the British army and deployed in the Middle East countries. In addition to this, tourists from China and India (a growing market for outbound tourists) are constrained to visit Fiji because of lack of direct flights. Tourists from these countries are

subjected to harsh visa (even transit visa) requirements from our two traditional partners Australia and New Zealand. Yet they are themselves beneficiaries of tourists, trade and investment from these countries.

International Air Transport Association (IATA), forecasts international air travel to grow by an average of 6.6% a year to the end of the decade and over 5% a year from 2000 to 2010 ([www.airlineindustry.html](http://www.airlineindustry.html)). The most dynamic growth is centered on the Asia/Pacific region whereby air travel has been rising up to 9% a year and is forecast to continue rapidly. IATA further forecasts that the main air travel markets of the future will continue to be in and between Europe, North America and Asia. Air Pacific should take keen interest in such forecasts and recognize the need for change that is to their advantage and to ensure survival and prosperity.

The Council understands that for the national airline to service these routes, the routes must be viable and have sufficient passenger traffic flows. Therefore, Air Pacific could explore forming alliances with other major airlines servicing the routes. Through alliances, airlines gain access to larger international networks, and membership in an alliance tends to enhance an airline's productivity and profitability.

## **5.0 Considerations and Recommendations**

Having provided 56 years of airline services to the nation, the ability of Air Pacific to give the travelling consumers and Fiji consumer's high-quality service at a reasonable price has become a major focus of attention and concern. Recent developments underscore the challenges of attempting to create conditions to sustain a competitive airline industry in the relatively small Fiji market. The airline has lacked competition on the current routes that it flies and that are perhaps the reason for complacency by its management. They have lacked innovation, drive and foresight-rather depended upon how things have been conducted in the past. The following recommendations are therefore suggested:

- ***Pursuing the Benefits of Foreign Competition***

The Council believes that the government should pursue foreign competition by dismantling the dominance of Air Pacific. Participation by foreign carriers is, however, likely to reduce

opportunities for the national carrier. Therefore, controlled competition should be explored in the airline industry. The government must ensure that, where Air Pacific is in a position of dominance, it does not abuse its market power. Beyond that, the role of government should be to establish an environment that fosters the entrepreneurship needed to build a more competitive airline sector.

- ***Open Sky Policy***

Controlled competition must be introduced to make our airline efficient. Open sky policy will contribute towards social benefits and not protect the interests of the airlines. Fiji consumers are now enjoying domestic travel with the entry of Pacific Sun to compete with the long serving Air Fiji services. For domestic travel therefore, the competition allows consumers to compare options and exercise real choice. Both at the domestic and international level, competition should be driven by consumers armed with adequate information, forcing competitors to deliver innovation, better prices and superior services.

- ***Enhance transparency in information offered***

Passengers should have access to detailed information indicating, for example, the number of seats on special offers. Information disclosure can be a significant mechanism for protecting consumer interests.

- ***Compulsory Due Dilligence***

Some decisions by Air Pacific have been made without due diligence, affecting their operations and inconveniencing customers. For example, in April 2007 Air Pacific terminated its planned code share service with Harmony airlines ([www.fijitimes.com/story.aspx](http://www.fijitimes.com/story.aspx)). The national carrier had planned to start twice weekly code share services to Vancouver via Honolulu with Harmony from 30<sup>th</sup> March 2007. But on 28<sup>th</sup> March 2007, Harmony announced it was changing its business model from scheduled to charter flights. The question to pose here is: Did Air Pacific management undertake sufficient research on Harmony Airlines to enter the deal?

- ***Refresher courses and staff training***

The poor customer complaints handling and poor attitude display warrants staff rotation and provision of refresher courses. In particular, staff based in overseas locations such as Australia and New Zealand allegedly discriminates against local travellers when they are faced with problems when travelling. Staff rotation and provision of refresher courses would undoubtedly ensure exceptional results and demonstration of good staff attitude.

- ***Appointment of agents***

Appointment of agents to handle Air Pacific related travels should be done carefully. Air Pacific agents at times are least bothered about the experiences travellers are faced with, especially negative ones. Agents fail to communicate important travel information to customers and give customers the run-around, for example, in cases of flight delays or cancellations.

- ***Ticket Pricing***

Commerce Commission must be involved in price increases or introduction of any fees and charges by Air Pacific due to restrictive competition.

- ***Air Pacific Board***

Air Pacific Board should be made more responsible towards the concerns and problems raised by consumers through its regular monitoring of the performance of its management.

- ***Consumer redress mechanism***

Consumer redress mechanism to be established to look at the grievances of the travelling consumers as complaints to Air Pacific is often met with biased defence and delays.

- ***Exploring new Routes***

Air Pacific and Government should work towards establishing air links with emerging markets and destinations in particular with Asia (India and China)

## **6.0 Conclusion**

Air Pacific is the pride and joy of Fiji consumers. However, the national carrier has abused its years of dominance over Fiji skies as the provider of the sole international gateway to Fiji residents. Consumer dissatisfaction and grievances have mounted to a level where an assessment of Air Pacific's operations and management has now become necessary. Consumer redress mechanisms is highly lacking in the airline industry, including specific laws to make mandatory the provision of vital information available to enable the exercise of consumer right to choice.

The Council remains hopeful that the comments and suggestions contained in the submission would be given due consideration in seeking necessary reforms in the Air Pacific and Fiji's airline industry.

## Annex 1

Air Pacific and Expedia Fiji Hot Holiday Deals. The packages are on sale until June 7, 2008 and valid for travel in August and November, 2008.

Price	Hotel	Inclusions
Ex Brisbane - \$742 per person Ex Sydney - \$772 per person Ex Melbourne - \$1014 per person	Tanoa International, Nadi	Return airfare flying Air Pacific  5 nights accommodation in a superior room
Ex Brisbane - \$914 per person Ex Sydney - \$945 per person Ex Melbourne - \$1150 per person	Radisson Resort Fiji Denarau Island	Return airfare flying Air Pacific  5 nights accommodation  Welcome drink on arrival  Unlimited use of non-motorised water sports  Free internet broadband access from your room
Ex Brisbane - \$973 per person Ex Sydney - \$1003 per person Ex Melbourne - \$1198 per person	The Westin Denarau Island Resort & Spa	Return airfare flying Air Pacific  Welcome drink on arrival  Unlimited use of non-motorised water sports

Annex 3

# Missed flight



I WAS scheduled to fly Suva-Nadi with Pacific

Sun on Friday June 22 at 6.30pm to catch a connecting flight to Honolulu at 10pm.

The Pacific Sun flight was delayed from Nadi.

On inquiring, I was told there was a technical snag.

After 7pm I again inquired and was told the aircraft was on its way.

We boarded about 7.30pm only to disembark later since one of the engines could not start.

Some of us missed the flight to Honolulu that night and so did other passengers connecting to LA.

This is not unusual in the airline industry. Flights get delayed and cancelled.

Customers have to reschedule travel, sometimes at the airline's cost.

Airline and customer safety is paramount and most customers would accept that.

What is not acceptable though is when the airline keeps the customers waiting without telling them what the hell is going on.

There is no update on the situation.

Finally when there is an update, it is too late to make alternative travel plans and the customer misses the connecting flight.

In all this, I waited to hear an apology which never came — not from the pilot, nor the check-in staff.

Pacific Sun would do better to train its staff on customer service and people skills.

Aside from learning to smile, the staff (that night) should learn to apologise to customers when it's due.

It's not about getting an apology.

As a service industry, it's about treating customers right and recognising that customers pay you.

**SOKO MATAITOGA  
Majuro**

Annex 4

**Great Value**

Nadi - Suva	\$85 ONE WAY
Nadi - Labasa	\$125 ONE WAY *VIA SUVA
Suva - Labasa	\$105 ONE WAY *DIRECT

**PACIFIC SUN**  
FIJI'S REGIONAL AIRLINE  
www.pacificsun.com.fj

Our Bula Pass special fares will be valid for sale from 1 April - 30 April & travel from 4 April - 30 April 2007 inclusive. No additional charges apply. Seats are limited and may not be available on all flights, so call Air Pacific on 672 0888 or 330 4388 or your IATA travel agent today. Conditions apply.

www.fijitimes.com.fj

FIJI TIMES - TUESDAY, APRIL 10, 2007

**Annex 5a**

**Review your Air Pacific flight details**

Legend: e = e-ticket, FJD = Fiji Dollar

**Nadi to Suva**

**Flight 1** Sunday, July 13, 2008

Departure: 13:45 Nadi, Fiji Islands - Nadi International

Arrival: 14:15 Suva, Fiji Islands - Nausori

Airline: Air Pacific FJ15 e Aircraft: Aerospatiale/Alenia ATR 42/72

Fare type: BULA SAVER

Legend: e = e-ticket, FJD = Fiji Dollar

**Airfares and Taxes**

travellers	flights	taxes	credit card fee
1 adult(s) x	(88.00 + 41.50 +		4.00) =
			<b>133.50 FJD</b>
<b>total for all travellers</b>			<b>133.50 FJD</b>

**Annex 5b**

steps: search flights review travellers purchase reservation

**Review your Air Pacific flight details**

Legend: e = e-ticket, FJD = Fiji Dollar

**Nadi to Suva**

**Flight 1** Sunday, July 13, 2008

Departure: 13:45 Nadi, Fiji Islands - Nadi International

Arrival: 14:15 Suva, Fiji Islands - Nausori

Airline: Air Pacific FJ15 e Aircraft: Aerospatiale/Alenia ATR 42/72

Fare type: BULA PLUS

Legend: e = e-ticket, FJD = Fiji Dollar

**Airfares and Taxes**

travellers	flights	taxes	credit card fee
1 adult(s) x	(135.00 + 47.40 +		4.00) =
			<b>186.40 FJD</b>
<b>total for all travellers</b>			<b>186.40 FJD</b>

**Flight woes**

I WOULD like to express my disappointment on the attitudes and manners exercised by one of the senior Pacific Sun check-in staff at Nadi Airport.

I landed at Nadi from Auckland at 1am so there was no connecting flight to Suva until 6am.

At 6am I checked in for the earliest flight.

My details were entered by check-in staff at one of the counters.

Then I was advised to proceed to Mere where the actual check-in of luggage was done.

She told me that my name was not on the system.

At the same time the plane that was about to depart was awaiting her order to close the gate for takeoff.

I kindly asked her to check thoroughly because I was in a rush to fly to Suva to attend an important function. But she gave the order to depart. I was advised to wait for the next flight which was two hours later.

I then asked her to check with the staff who entered my details into the system.

She did so when to her "surprise", my name was right in front of her eyes.

She did not say a word nor did she apologise to me.

You can imagine how frustrated I was at that time and the fact that I waited for long hours for the flight.

Nadi International Airport is the place of first contact with foreigners (tourists) and yet this is the kind of attitude the staff had.

I hope that Pacific Sun management will look into this matter to provide the excellent services they used to provide.

**ZHANG HAO EN**  
Suva

**Annex 6**

## Annex 8

Dear Mrs Narayan

### Re: UNFAIR TREATMENT & EXORBITANT CHARGES

I refer to our (Jasper/Angela) conversation on 12<sup>th</sup> December 2006 in your office regarding the delay in addressing my earlier complaint to you in respect to the following:

- Extreme inconvenience caused to my mother (Mrs Vidya Singh) during her travel from Sydney to Suva on the 23<sup>rd</sup> of June 2006.
- Unfairly forcing her to pay for another full fare at Sydney Airport if she wanted to travel from Sydney to Suva as it was alleged that she may have lost her ticket which she denied receiving and only had an A4 size paper ticket. This was surprisingly discovered only after they had checked her in and gave the baggage tags and boarding pass to her and had to call her back as she was proceeding towards the Immigration & Customs counter.
- Even if she was at fault (assumption only), Air Pacific Staff at Sydney Airport should have just charged her for the cost of a replacement ticket only, and **NOT THE COST OF A WHOLE NEW FARE** as they had already checked her in on the paper ticket.
- Being a nervous traveller and a heart patient my mother did not enter into any major argument with your staff but reluctantly paid another fare to Suva as she was told but due to some flight complications the plane was flown to Nadi and she was stranded there until I arrived at Nadi Airport to pick her up late in the evening from Lami. By then she was not a healthy condition to travel.
- Air Pacific staff probably knew by then that the scheduled flight to Suva was being diverted to Nadi, yet saw it fit to still charge passengers a new fare to Suva.
- During my last two visits to Sydney I raised this issue with your staff at Sydney Airport and then with Victor Sharan in Sydney with evidence as per your advice but to date no one had the courtesy to even acknowledge my complaint. Since then we have been waiting in vain.

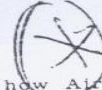
Mrs Narayan could you please answer the following questions:

- o *Why has this issue been ignored for so long?*
- o *Why are we continuously told to see the Sydney Airport Office, the Suva Office and then to the Sydney office (Mr. Victor Sharan) then again to the Suva Office?*
- o *Why was my mother, being a loyal Air Pacific customer and a Tabua Club member, treated this way?*

We await your response to all the issues raised.

## Annex 9

### Air pathetic



IT'S amazing how Air Pacific and Mr Campbell get away with pathetic excuses about all the disruptions and cancellations in Air Pacific's flights.

Mr Campbell and his management team have a lot of explaining to do.

The Nadi-Melbourne-Nadi flight on December 25 was cancelled due to the non-availability of technical crew.

The same situation happened on December 26 and the Nadi-Brisbane-Nadi flight was also cancelled. More flights were cancelled or rescheduled this week.

Cabin crew walked off a Sydney flight a few weeks ago because they exceeded their duty limitations. Cabin crew have worked up to 15 hours without meals due to the fact that Air Pacific's planning ran short of passengers' meals.

Flights have operated with passengers asked to volunteer their meals for other people in exchange for meal vouchers, again due to bad planning.

This is happening because of bad management.

I guess all Mr Campbell is doing is warming the seat for the next CEO or until Jet Star flies in.

It's time to put a local in charge with Air Pacific, with Fiji's interest at heart and not Qantas.

What has Mr Campbell done over the last seven years while in charge?

Major airlines are expanding in leaps and bounds.

Air Pacific couldn't compete internationally so they decided to take out the local competition, Air Fiji.

The only thing Mr Campbell and his management have achieved to progress is two ATR aircraft.

This is doing well because passengers from Suva have no choice but to drive or fly to Nadi to get out of Fiji.

Mr Campbell is always stating fuel as the major cost. It seems like Air Pacific is the only airline using fuel.

He should also mention the other major cost is pilot turnover which is costing the company mil-

lions of dollars for training.

Which airline in the world sends away its fleet one at a time during the busy and festive season for maintenance checks and then plans for it to return earlier than expected only to disappoint passengers because a 450 seater plane is now not available and they have only a 150 seater for the flight thus the operational reason excuse.

When you book a ticket and change dates Air Pacific charges you for any changes. They should be charged for all this inconvenience they have caused the passengers.

It's time to get Mr Campbell and his management team to do some explaining.

**JAMES FONG**  
Brisbane  
Australia