



**Statement from Caroline Wilkie, CEO of the Australian Airports Association (AAA)**

**12 August 2017**

The Australian Airports Association represents more than 320 airports and aerodromes Australia wide – from local country community landing strips to major international gateway airports – and a further 140 aviation stakeholders and organisations that provide goods and services to the airport sector.

On behalf of the AAA I wish to address a number of inaccurate statements made by Graeme Samuel, Chair of A4ANZ, in his interview with Geraldine Doogue on Radio National on Saturday 5 August.

**A4ANZ asserted that airports ‘gold plate’ their infrastructure and that airlines are made to ‘take it or leave it’.**

Airlines and airports conduct extensive commercial negotiations to reach agreement including details about what infrastructure will be developed as well as service standards.

Each airline negotiates what it requires based on the offering it wants to provide its customers.

**A4ANZ asserted that there is a ‘big slug’ for a charge payable to the airports in your train ticket to Sydney airport, on top of the normal train fare.**

This is simply untrue. Sydney Airport does not receive any revenue from the train at all.

The train is subject to an agreement between the NSW Government and a private operator Airportlink.

In fact, Sydney Airport has advocated for the last six years to remove the station access fee, reduce fares and increase the number of train services.

**A4ANZ claimed that aeronautical charges are imposed on airlines for landing at airports, and that airlines are made to ‘take or leave’ them and then pass them on to customers.**

The major airports are legally required under their leases with the Commonwealth to allow airlines access to airports.

The Productivity Commission has reviewed airport regulation three times and in its last inquiry found that the level of aeronautical charges do not point to the inappropriate use of market power.

Airport aeronautical charges only make up around 4-8% of the ticket price for a trip from Sydney to Melbourne or 5.5% for a full economy fare.\* It's even lower on international trips.

These charges help to fund improvements to runways, taxiways and aircraft parking, all of which foster growth, sustainability and a safe and competitive aviation market.



AUSTRALIAN  
AIRPORTS  
ASSOCIATION

**A4ANZ claimed to be 'bewildered' that when airports are going to build a new runway, airlines start paying for the runway at the time that they start designing it, not when it's finished.**

Pre-funding is an accepted international practice, endorsed by the Productivity Commission and government, and it can only occur with airline agreement.

International Civil Aviation Organisation guidelines allow for pre-funding and the Productivity Commission endorsed pre-funding in 2012.

It does not happen very often but sometimes is necessary for very big projects, like the new billion-dollar runway in Brisbane.

\*PC Report 2011 [<http://www.pc.gov.au/inquiries/completed/airport-regulation/report/airport-regulation.pdf>]

**Media Contact:**

Sharnee Pardy  
Communications Manager  
Australian Airports Association  
0438 420 096  
[spardy@airports.asn.au](mailto:spardy@airports.asn.au)