

MEDIA RELEASE



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Airline claims ignore benefits Australian airport industry has delivered to passengers

Australian Airports Association (AAA) Chief Executive Officer Caroline Wilkie said A4ANZ claims today that airports are not working on behalf of passengers are simply not borne out by the facts.

Over the last 20 years, Australian airports have delivered better terminals, better services and more choice than ever before for passengers.

Our airports have worked globally and locally to encourage competition. Competition has delivered passengers more airline choice, more destinations and lower airfares. A4ANZ is right – airfares are lower.

Passengers now pay 40 per cent less in real terms for an international airfare compared to 2006. Why? Because of competition.

At the same time Australia's airports have invested \$11.5 billion on airport improvements over the past 10 years – without a single tax payer dollar being spent.

This has delivered improved efficiency for our airline partners and airport operations, it has also seen facilities and services upgraded to meet the evolving needs of passengers and changing technology.

This year more than 156 million passengers are expected to travel through Australian airports – a 126% increase since privatisation. Such strong passenger growth has only been possible through significant investment in our airports.

“Attracting international airlines and growing competition has been key to the rise of the tourism industry as a power house of Australian small business and regional economies,” Ms Wilkie said.

“The current regulatory regime for Australian airports has served airlines, airports, Australian and overseas travellers and the broader economy extremely well.

“Airports have enabled significant economic growth since privatisation, giving passengers access to more of the world than ever before and supporting our growing visitor economy.

“Passengers are also benefiting from private investment in Australian airports, with \$11.5 billion spent on airport improvements over the past 10 years to increase efficiency, enhance the experience and attract new services.”

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Ms Wilkie said A4ANZ claims today about airports' use of market power ignored the robust negotiations between airlines and airports that take place across the country to deliver runways, terminals and technology to meet passenger needs.

"Airlines benefit from higher airfares to support higher profits and we are concerned the domestic airline duopoly disadvantages the passenger – particularly in the regions," Ms Wilkie said.

"To suggest airport charges have a major impact on airfares is simply wrong, with charges making up less than 10 per cent of airfares."

Ms Wilkie said the AAA looked forward to highlighting the success of airport privatisation in the upcoming Productivity Commission review later this year.

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