

# MEDIA RELEASE



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## Passengers slugged more and more on Sydney-Melbourne route

Passengers travelling between Sydney and Melbourne are being slugged 106 per cent more than they were in 2010, as airlines ratchet up the price of airfares.

And with airfares expected to push higher just on time for Christmas, passengers can expect more pain ahead.

Data from the Bureau of Infrastructure, Transport and Regional Economics (BITRE) reveals the average cheapest available return airfare between the two cities rose from \$79 in 2010 to \$163 in 2018.

The cheapest return airfares rose sharply during the festive season, averaging \$251 in December – more than double the average fare in January.

Australian Airports Association (AAA) Chief Executive Officer Caroline Wilkie said the massive increase demonstrated the impact of a lack of competition in Australia's domestic aviation sector.

“Even after adjusting for inflation, the cheapest return airfare between Melbourne and Sydney is 73 per cent higher than it was a decade ago,” Ms Wilkie said.

“It is shocking that in a country with 24 million people, the link between our two biggest economies is the second most profitable route in the world.

“Our economy and community rely on affordable air travel between our two biggest cities to allow businesses, friends and family to connect.”

OAG this year ranked the Melbourne-Sydney service as the second most profitable route in the world, ahead of the Dubai-London and Singapore-London routes.

As demand for air travel in the domestic market flattens, affordable airfares are more important than ever for the Australian public.

“We’ve already heard about the great airfare rip off in regional Australia, with a senate committee calling for an inquiry into how airfares are determined,” Ms Wilkie said.

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“It’s clear this is a much broader issue and passengers need to know why they are paying increasingly more for these flights.”

Ms Wilkie said the rise in airfares significantly outpaced changes in airport charges, which the Productivity Commission had confirmed were only a small portion of airfares.

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