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ACCC airport monitoring report shows airport investments delivering for passengers

The Australian Airports Association (AAA) welcomed today's release of the 2018-19 Australian Competition and Consumer Commission (ACCC) airport monitoring report, which has highlighted recent investments by Australia's major airports are delivering a better travel experience for passengers.

AAA National Chairman Tom Ganley said the report confirmed airports were continuing to invest in the services and facilities that make a real and positive difference for passengers and visitors.

"After years of investment in capacity, services and facilities, passengers are benefiting from more choice across their airport journey," Mr Ganley said.

"We are pleased to see the ACCC confirm another year of good quality of service ratings across all four monitored airports."

Mr Ganley said airports would keep working closely with their airline customers to ensure airport assets continue to evolve in line with airline needs and passenger expectations.

"More than 203 million passengers will pass through our four largest airports each year by 2040 and that represents enormous potential for Australian tourism into the next decade and beyond," he said.

"This year's opening of Brisbane Airport's new runway will be just the start of the next wave of capacity building projects, bringing new opportunities for both airlines and passengers.

"New runways in Melbourne and Perth, and Sydney Airport's plans to continue investing \$1 million a day in capacity and efficiency improvements, will also underpin decades' worth of aviation growth.

"Despite the immediate challenges the tourism and aviation industry is facing, our airports' investment plans for the next decade will support new growth and opportunity over the long term."

While the ACCC focuses its reporting on EBITDA measures, the report found returns on aeronautical assets generally fell during the year. The Productivity Commission has confirmed return on assets is a more appropriate measure for capital-intensive airport operations.

Three domestic terminal leases transitioned to airport management during the year, leading to additional revenue being included in the report for the first time. This, combined with the changing mix of international and domestic passengers, artificially inflated changes in aeronautical revenue per passenger.

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Car parking profits fell at two of the monitored airports as airports continued to invest in providing more choice for visitors.

More people took advantage of online booking discounts, with savings of up to 37 per cent available.

“It is great to see so many passengers taking advantage of online parking discounts, making their trip to the airport even easier,” Mr Ganley said.

“The growing popularity of ridesharing shows visitors want choice in how they get to the airport, and the industry has responded by investing in dedicated facilities for these services.”

Mr Ganley said the AAA now looked forward to engaging with the ACCC as it reviewed its monitoring arrangements.

“In an industry as dynamic as ours, it is important that monitoring arrangements have the opportunity to evolve over time,” Mr Ganley said.

“Improvements to the monitoring regime will ensure passengers can clearly see how our airports are working for them to keep enhancing their travel experience.

“We look forward to working with the ACCC during the consultation process.”

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