

Record-breaking passenger numbers test capacity as airports build for the future

Stabilising airline reliability amid record-breaking passenger numbers over the holiday period is bolstering the recovery of Australia's aviation sector.

The ACCC's latest [Domestic airline competition in Australia](#) report highlights the industry's strong post-COVID rebound as demand continues to surge.

A number of major airports exceeded travel forecasts over the December–January period and passenger numbers are expected to continue rising in the coming years.

To accommodate this growth, Australian airports are investing billions of dollars in critical infrastructure projects nationwide.

However, challenges remain in the domestic airline market, including limited competition, connectivity, and constrained capacity. The number of airlines and available routes has significantly decreased since April 2024.

The ACCC also notes the ongoing global aircraft shortage is constraining potential growth.

This is why the Australian Airports Association (AAA) welcomes today's ACCC draft determination to authorise the proposed partnership between Virgin Australia and Qatar Airways.

"We've just experienced likely the busiest holiday period ever seen at our airports and aircraft capacity for intercity routes is stretched thin," AAA CEO Simon Westaway said.

"The AAA joins the ACCC in urging airlines to increase seating capacity to meet rising demand.

"The proposed Virgin-Qatar deal is a crucial opportunity to improve airline competition, capacity and jobs creation. We look forward to the Federal Government's prompt approval process for this alliance.

"The ACCC provides valuable insights into the airline industry for the flying public, which is why we've also called on the Federal Government to continue its quarterly airline monitoring reports beyond 2026."

Ends.

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