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Board of Airline
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EFFICIENT INFRASTRUCTURE SERVICES WILL CREATE A COMMERCIALY VIABLE WESTERN SYDNEY AIRPORT

The Board of Airline Representatives of Australia (BARA) has today released a major Position Statement describing the requirements for infrastructure services necessary to support commercially viable international air services at the new Western Sydney Airport (WSA).

“International airlines recognise that there is significant demand for air transport services in Western Sydney. The commercial success of WSA in attracting international flights will, however, depend on the efficiency of critical aviation infrastructure services”, BARA Executive Director Barry Abrams said.

BARA’s four key infrastructure service outcomes are:

1. Innovation in delivering airport services
2. A competitive and reliable supply of jet fuel
3. Efficient and predictable safe aircraft operations
4. Best practice aircraft noise mitigation

Combined, these outcomes will maximise airline operating efficiencies, minimise industry costs and deliver the best possible service outcomes for passengers and freight forwarders. Expectations of communities will also be met in achieving these outcomes, balancing the impacts of aircraft operations with the economic benefit that the new airport will deliver.

“BARA’s Position Statement identifies the critical role a commercially-focused airport operator will play as a partner in ensuring airlines achieve operational excellence across safety, on time performance, baggage and freight management, as well as the overall passenger experience. The operator’s accountability must extend well beyond asset maintenance to active engagement with all participants at the airport in meeting the needs of airlines, passengers and freight forwarders”, Mr Abrams said.

“Some commentary indicates WSA’s operator will require some form of financial assistance. Efficient infrastructure services will maximise the airport’s total value and therefore are critical to minimise any financial assistance that may be required by the airport operator.

“If initial financial assistance is necessary, BARA believes such funding should come from the Australian Government’s consolidated revenue. BARA does not support the introduction of any form of levy on airfares, either during WSA’s construction phase or subsequent operations, which would effectively impose an additional tax on passengers”, Mr Abrams said.

“BARA’s members also want to see more competitively-priced jet fuel at WSA. Unfortunately, globally-recognised importers of jet fuel have, to date, seen their

efforts to bring competition and lower-priced fuel to airlines in Australia frustrated. The success of the new airport will be at risk if the situation at Sydney Airport were replicated at WSA.

“A competitive jet fuel market at WSA is dependent on firstly establishing a more competitive supply at Sydney Airport. This requires arrangements providing open access for any jet fuel importer to the fuel storage and distribution facilities at Sydney Airport.

“WSA also offers a unique ‘greenfield’ opportunity to enhance the efficiency of aircraft operations via the inclusion of new air navigation technologies, supporting the highest safety standards. The development of WSA also offers an opportunity to review the airspace design for all flight paths along the east coast of Australia in supporting an efficient aviation industry.

“BARA supports 24-hours a day, seven days a week operations at WSA, offering international airlines wider and more flexible market opportunities. The International Civil Aviation Organization’s (ICAO) ‘balanced approach’ to aircraft noise mitigation should be applied at WSA and Australian airports more generally.

“WSA’s commercial success, with flow-on benefits for the fast growing region, will fundamentally depend on the ability of industry participants to deliver value to passengers and freight forwarders. There is much that can be done prior to the airport’s opening to unlock its future potential economic and social contribution”, Mr Abrams said.

[ENDS]

BARA Position Statement - Supporting commercially viable international air services at Western Sydney Airport

Questions and Answers

Does BARA support the need for a second airport in the Sydney basin?

BARA supports the development of a commercially viable airport for Western Sydney. Consistent with the findings of the *Joint study on aviation capacity in the Sydney region*, BARA considers that Kingsford Smith Airport's (KSA) airfield and operational capacity constraints are such that it cannot adequately serve Sydney's growth in population and tourism potential in years to come.

What is BARA's view on the appointment of an operator for Western Sydney Airport?

BARA does not have a preference regarding which entity is appointed as the airport's operator under a long-term lease arrangement. BARA's members have identified the key infrastructure service delivery outcomes necessary to enable commercially viable international air services at WSA, including from the airport operator, which are independent of decisions in relation to appointment of the operator of the airport.

Is some form of government funding in the start-up phase acceptable?

If WSA's operator seeks financial assistance in the initial stages of the airport's operation, such funding should be provided directly from the Australian Government's consolidated revenue. BARA does not support the introduction of any form of levy on airfares, either during WSA's construction phase or subsequent operations, as this would effectively impose an additional tax on passengers.

International airlines have underpinned the growth of passenger services into Australia through real airfare reductions of some 30% over the last decade. Placing an extra levy on otherwise commercially viable air routes will only serve to reduce airfare affordability, which would damage inbound tourism and decrease the opportunities for Australians to holiday and visit family and friends overseas.

Does BARA support the need for public transport links to the airport?

BARA recognises the essential need for efficient transport options for passengers and freight forwarders in connecting the new airport to Sydney's suburbs, major centres and freight hubs. BARA supports the rigorous application of cost-benefit analysis in developing an integrated ground transport plan for WSA. BARA would not, however, support the introduction of any form of levy on airlines or passengers to fund the construction of transport links to the airport.

Does BARA support an airport operating 24/7?

BARA considers 24/7 operations will be critical to capitalise on the significant investment in WSA as a 'greenfield' airport, in terms of maximising its potential economic and social contribution. Unrestricted operations will provide international airlines with wider and more flexible market opportunities. Brisbane and Melbourne airports serve significant international traffic volumes during KSA's curfew period and this commercial opportunity for WSA, and the flow-on economic potential for Western Sydney, must not be lost.

To support a curfew-free airport, the International Civil Aviation Organization's (ICAO) 'balanced approach' to mitigate the impact of aircraft noise should be applied across the Sydney basin. Using new satellite-based computer technology installed on aircraft allows for the choice of multiple flight paths during the aircraft's landing approach. This means aircraft are no longer restricted to flying over the same point on the ground and instead can fly one of multiple routes, allowing for greater flexibility in noise sharing.