



## **Media Release**

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### A failure to deliver on the basics of airport services

The Australian Competition and Consumer Commission's (ACCC) 2018–19 Airport Monitoring Report describes the shortfalls international flights experience with the basic airport services necessary to support their efficient operations. The Board of Airline Representatives of Australia (BARA)<sup>1</sup> notes the latest ACCC report yet again highlights the absence of effective measures to hold airport operators accountable to deliver airport services to a standard consistent with the prices they charge.

#### Some poor service outcomes for critical airport services

Under the current 'light-handed' economic regulatory arrangements, international airlines pay high prices to the operators of Australia's major international airports. As such, the airports should be providing services of a high standard to international airlines. The continuing reality, however, can be quite different, with problems in aerobridges, baggage systems and aircraft parking areas (see table on the following page). These failings are reflected in the low on time performance for international flights from Sydney and Melbourne Airports and high rates of mishandled bags across Sydney, Melbourne and Brisbane Airports (see <u>BARA's Australia's international aviation industry 2018–19 snapshot</u>).

"It's important to recognise these airport services failings don't just affect international airlines but also directly disrupt the travel experience of international passengers. Although the ACCC's survey asks international passengers about the quality of the international terminals, such as wayfinding and gate lounges, they are nonetheless delayed by broken aerobridges and many of their bags are not ready for collection at their destination airport because of malfunctioning airport baggage systems. The ACCC's report notes the concerns raised by airlines about congestion of airside infrastructure and the inadequacy of baggage systems at several airports.

"Unfortunately, the current disconnect in monitoring and reporting of outcomes allows an airport operator to claim international passengers are well satisfied about its airport even if it has failed them over the core elements of their journey. This needs to be fixed in future monitoring," Barry Abrams, Executive Director of BARA said.

<sup>&</sup>lt;sup>1</sup> BARA represents 33 airlines, which provide 90% of all international passenger flights, and carry most exports and imports of freight to and from Australia.



Board of Airline Representatives of Australia Inc

"BARA notes how the operators of the major international airports made glowing claims about the quality of services they provide to the Productivity Commission during its review of the airport economic regulatory arrangements. Unfortunately for the industry, a very different reality was at times the case. It remains to be seen if the international airlines, as users of these substandard services, are afforded appropriate respect in their concerns or if airport operators' hype about investment spend will continue to trump shortfalls in basic airport services.

"The prices airports are charging international airlines are too high for the standard they are delivering. Airports should reduce prices, especially when airport services agreements are being progressively renegotiated," Mr Abrams said.

#### [ENDS]

# 2018–19 Airline ratings for international terminal services and common use aircraft parking and bays

	SYD	MEL	BNE	PER
Check-in availability	GOOD	SATISFACTORY	GOOD	SATISFACTORY
Check-in standard	SATISFACTORY	SATISFACTORY	SATISFACTORY	SATISFACTORY
Aerobridges availability	SATISFACTORY	SATISFACTORY	SATISFACTORY	SATISFACTORY
Aerobridges standard	SATISFACTORY	SATISFACTORY	POOR	SATISFACTORY
Baggage availability	SATISFACTORY	SATISFACTORY	SATISFACTORY	SATISFACTORY
Baggage standard	POOR	SATISFACTORY	POOR	SATISFACTORY
Aircraft parking and bays availability	POOR	SATISFACTORY	SATISFACTORY	GOOD
Aircraft parking and bays standard	SATISFACTORY	SATISFACTORY	SATISFACTORY	SATISFACTORY

Source: ACCC 2018–19 Airport Monitoring Report