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Adelaide Airport

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Ms Marlene Tucker
Director-Economic and Legal Policy, Airports Branch
Department of Infrastructure, Transport, Regional Development
and Local Government
GPO Box 594
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Dear Ms Tucker

I write in response to the invitation to comment on the Quality Of Service Discussion Paper – Improving the Passenger Experience dated March 2009 and received in our office late May 09.

Please find attached our comments in respect of the questions raised in the aforementioned discussion paper.

We look forward to a positive consideration of our comments and recommendations and advise that we are available for any further discussion that may be required on the subject matter.

Yours sincerely

Phil Baker
Managing Director
Adelaide and Parafield Airports.

Improving the Passenger Experience: Quality of Service Monitoring of Airports.

General Theme Comments

The original purpose for the ACCC conducting price monitoring has been superceded. The Quality of Service monitoring is now used to determine if an airport is delivering poor service and increasing prices. The ACCC does not make this determination.

AAL submits that, as long as certain requirements are met (e.g. Airports Council International measures) then quality of service monitoring reports could be sent directly to DITRDLG and be published on the airport's web site.

Since the concept of the privatisation was first identified and the current policy put in place, the aviation landscape within Australia has undergone significant change.

The collapse of Ansett and the long term leasing of domestic terminals, the concept of multi user terminals, common use facilities, the advent of the low cost carrier and the dramatic impact of terrorism and other international events, such as oil price fluctuations, SARS, Avian Flu, Swine Flu and the Global Financial Crisis, are but a few issues that have changed the landscape.

Consequently, the reasoning behind the need to have a regulatory oversight on quality of service to ensure that the new airport operators maintained levels of service going forward is right for a review.

The existing reporting model has had no significant review in the past 12 years and consequently appears to have become more focused on comparing issues across the nominated airports rather than monitoring what is occurring at each airport individually – in this instance there is no “one size fits all”.

The discussion paper acknowledges that the Government is expecting results that ensure Australian Airports provide services of world class standard.

However the Quality of service monitoring is not a globally benchmarked study. The ‘size’ of the survey sample in Australia, given the significant differences between the original seven and current five airports reviewed, provides little if any, meaningful basis for comparison of relative performance between them. It is for this reason that Adelaide Airport subscribes to the Airports Council International quality of service survey as it provides a global benchmark for similar airports worldwide.

In addition, there are a suite of mandates and recommended practices that airports must comply with not the least of which are:-

- Australian Building Codes
- Australian Standards
- Disability Discrimination Act and Accessibility Standards
- Airports Act 1996 and Regulations as amended
- Airport Building Controller and Airport Environment Officer

- Various State and Territory Health mandates
- DITRDLG Airport Lease review monitoring
- CASA Safety Audits
- DITRDLG Office of Transport Security Audits
- IATA Facilitation Standards and
- ICAO Annexes 9 and 14

one questions therefore - Why do you need another body to ensure compliance?

For some time now, Adelaide and other major airports of Australia, whilst acknowledging the need for objective, knowledgeable and accurate monitoring and assessments, have been dismayed and disappointed at the way in which the ACCC continues to conduct its supposed quality of service monitoring. The process is inconsistent and consequential reports lack credibility

Adelaide Airport is a multi user integrated terminal and therefore is subjected to a much wider variety of inputs from those surveyed when compared to our interstate colleagues who have only International terminals surveyed.

The examples above are a few of the inconsistencies that can skew results and which are not clearly enunciated in the ACCC report.

Additionally Adelaide Airport Limited subscribes to the Airports Council International (ACI) Quality of Service survey program and continues to rate highly in world comparisons and particularly high in the 5 – 15 million passenger group, with Adelaide as the Best in Australia and New Zealand.

We feel it is worth repeating some important facts in relation to the new terminal, T1, at Adelaide Airport in support of our submission:

- T1 has common outbound check-in, baggage handling and security screening to International, Domestic and Regional Passengers alike;
- Inbound separates the international passengers only, who are processed through the Border Agency mandated procedures;
- Aerobridges are available for all International and Domestic departure and arrivals with a unique methodology of "swing gates" to isolate international operations - the balance of the time the whole terminal is available for domestic and regional operations;
- The passenger mix at Adelaide is approximately 7% International, 87% Domestic and 6% Regional in that regard, we have only reported the figures in the Domestic Column unless otherwise specified;
- While AAL provided, on request from agencies, a large suite of check in desks, border agency counters and baggage clearance tables the relevant agencies have never to this date provided sufficient staff to open them all;
- It is also noted that the Q of S monitoring still takes no accountability of Self Service kiosks in terminals which impacts on the number of check-in counters staffed (QANTAS has 10 and Virgin 8 of these self check in kiosks); and
- In regard to baggage trolleys it should be noted that at Adelaide, the trolleys are made available to ALL passengers at NO charge.

Adelaide Airport Limited (AAL) is also aware of the previous review of a Quality of Service Monitoring (QSM) that was begun under the then the Department of Transport and Regional Services (DOTARS) but we have not seen any subsequent report or even acknowledgement of our submission made at that time.

In our response at that time, we recommended that the Airports Council International Airport Service Monitoring was a reasonable process given that it benchmarks against world standards of all airports and particularly airports of similar size.

Further we suggested, that should this preference not be easily adopted by the then DOTARS then we further recommend that any QSM as mandated in the Airports Act be limited to those matters that the airport operator has direct control over. For example, it is difficult for an airport operator to control the Border Agency staffing and therefore the processing and service levels of their mandated functions.

Similarly airline check-in and baggage delivery is dependant on airline staffing or contract arrangements. Service levels in these areas are outside of Airport Operator influence.

In addition, aviation security has changed the processing environment considerably – service monitoring should be redirected from a time for service, to a confidence in outcome monitor.

While Adelaide currently “volunteers” its passenger surveys we reserve the right to review the provision of this data going forward and may only forward the Airports Council International benchmarking surveys that we have been contributing to for the past few years, seeing this as a more representative measure.

Should access to and from the airport, including traffic management, be monitored? If so what specific areas and measures should be included? How should monitoring be conducted?

In response to this issue we are strongly opposed to any ACCC monitoring of traffic.

State and Local Government in partnerships with Adelaide Airport Limited have undertaken a comprehensive Surface Access study.

Traffic to and from and indeed around the airport is not purely airport related but carries significant traffic to and from the CBD of Adelaide and the western and south western suburbs.

These traffic patterns are influenced by weather, infrastructure works by State and Local Governments and the traffic management cycles at traffic light controlled intersections.

Any additional monitoring of traffic access and egress by a distant body unaware of the local influences would be an ineffective process, particularly if they could not influence the State and Local Government outcomes.

AAL has offered land within both airport sites to improve traffic flow- not all of which has been taken up.

If the measure is also projected to be about public transport, that responsibility is totally outside the control of AAL, who would welcome more capacity and diversity of modes.

The Government Invites comments on whether to include aspects of car parking services enumerated above in service quality monitoring. What would be the appropriate criteria to monitor these services?

We refer you to the comments made in the General Response above and particularly the listing of existing monitoring or design mandates.

Car park design for able bodied and disabled access is quite clearly governed by various existing Federal, State and Local government standards and criteria. These standards are already monitored by the Statutory appointed officers of the Commonwealth and could quite easily be an additional measure that the DITRDLG Lease review process could ensure.

In addition the Office of Transport Security is also embarking on a clearance to front of house compounding any distance to walk from car parks to terminals.

It is therefore deemed unnecessary for the ACCC to get involved in the operational aspects of airport layout and design and including car parking.

The more recent addition of car park monitoring has only served to exacerbate the concerns.

The making of an assumption that there is a case to answer in respect of car park fees without any robust analysis or reporting - it is obvious to those in the know why incomes and prices vary from airport to airport due to geographic locations and availability of other transport choices. However, these givens are offered scant if any reference by the current system.

Should the quality of service monitoring be expanded to include such matters as: accessibility of facilities to transfer passengers from domestic to international terminals including proximity of car hire and shuttle bus services, disability access and facilities, availability of eating places, banking and foreign exchange facilities, availability of airport/airline staff to provide assistance to the public and complaint handling systems? If so what specific areas and measures should be included?

Definitely NOT.

As mentioned earlier there are already, in existence, remedies for the monitoring of these facilities and services if the existing agencies want to do it.

Additionally many are based on commercial undertakings and may or may not be a viable option – having the ACCC provide its non-operational view point would be counter productive.

It is also our view that this type of thinking is prejudicial to airports operations – no similar impost appears to be intended for Ship, Bus and Train terminals.

An interesting comment made in the discussion paper in reference to some complaints to the number of retail or commercial outlets being a problem – which is contrary to a study undertaken in Dublin Ireland by the Psychology Department of an eminent University that identified that the traveler actually welcomed retail in the facilitation corridor to provide some “sense of self” in the impersonal nature of processing through airports.

We also query if the Government once again is not being influenced by the minority – if tens of millions of people were complaining out of the numbers that traffic our airports each year then there may be a case to answer – when in fact our figures show that the number of complaints received is less than 0.01%

Should airline-operated terminals that are not subject to the current monitoring requirements be included in quality service reporting? If so what specific areas and measures could be included?

What other measures may be considered to evaluate the quality of aircraft boarding and disembarking facilities?

If the Government is conditioned to this monitoring and has no intention of removing this unnecessary impost then yes they should to the same requirements as exist for airport operators. We also re-iterate that if this is to apply to Airports then it should also apply to Sea, Bus and Train ports as well.

Having said that we refer you back to the list of existing measurement remedies identified in our General comments. In addition, no two airports are the same and the same goes for terminals, different passenger mixes (i.e.business/leisure), geography, airlines servicing the port and so on make a one size fits all measure impractical.

Access to and from aircraft is strictly mandated by both the Civil Aviation Safety Authority and the Office of Transport Security they may have some serious concerns where a service measure may impose or illicit changes to any embarking or disembarking process.

Comments are invited on which aspects of airside facilities should be included in the monitoring regime and the measures or criteria to be used in evaluating the quality of these services.

We are more than satisfied with complying with the ICAO Annex 9, CASA Regulations and Aviation Security Act and Regulations in respect of airside facilities and services and would suggest that once again any ACCC monitoring would be counter productive.

Are there other aspects of airport services and facilities not currently being monitored that should be included in the monitoring framework?

As per our responses above – No.

The Government seeks comment on how to best monitor capacity constraints and their impact and on measures to address capacity issues and options to monitor immediate capacity challenges of airport infrastructure on a more timely basis.

Airports under the Federally Leased regime have a mandate to prepare a Five Yearly Master Plan – most if not all undertake capacity analysis each five years to effectively plan for the future in that document.

We suggest that the capacity analysis and methodologies proposed in these Master Plans may be a source of data to address this issue.

Runway capacity internationally is often measured through “slot management” an imperfect science at best, complicated by political pressures at some ports (Sydney) and not universally applied at all major gateways.

Are there other airports in addition to the five currently being monitored which should be included in the quality of service monitoring regime?

What criteria may be used to determine the airports to be included in the monitoring regime?

Should additional airports be subjected to the same level of monitoring requirements as the five airports currently being monitored?

What model of monitoring arrangements may be appropriate for the additional airports?

Our short answer in light of the comments above is – No.

However, again we state that there are existing remedies to ensure the design, construction operation and management of airports meet stringent world and local standards – if the Government persists in demanding that another agency undertake further monitoring then so be it – but then all forms of public transport (ship, rail and bus) should be captured in the net to the same criteria as exists for the current five airports.

What other arrangements may be adopted to give consumers an effective voice in assessing service standards at an airport?

In addition to reference to our general comments and the existing agencies that ensure compliance it might be opportune to consider in response to this question what happens elsewhere, with other modes of transport or provision of major infrastructure and the general reply would be “nothing” – so why should airports be different?

It is very clear that political nervousness and inter-denominational compromise came up with quality monitoring to offset the potential, if ridiculous fear that new internationally influenced consortia (as demanded in the sales process) would "milk" the assets for all they were worth after privatisation and run down the service quality.

It must be obvious that this has not happened and billions have been spent and "pledged" in future to improve all of the major airports concerned.

This continues despite the market changing significantly with the growth of LCC's who don't want smart comfortable facilities at all and even tardiness of the 'legacy' airlines, who don't wish to pay for upgrades or improvements to existing facilities when they are tired or capacity constrained (even when service to their passengers is suffering) the former Adelaide and current Perth scenarios are excellent examples of this phenomenon

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