

From: Werner, Stephanie
To: s22(1)(a)(ii) VINCENT, Ben
Subject: FW: [SEC=UNOFFICIAL]
Date: Friday, 25 August 2023 10:39:55 AM
Attachments: image001.gif
 20230630_DavidA_Qantas_ByronS_Canberra-Sydney Cancellations.docx
 image001.jpg

UNOFFICIAL

UNOFFICIAL

From: s22(1)(a)(ii)
Sent: Wednesday, 23 August 2023 9:52 AM
To: Werner, Stephanie ; VINCENT, Ben
Cc: McClure, Phil ; PURVIS-SMITH, Marisa
Subject: FW: [SEC=UNOFFICIAL]

UNOFFICIAL

Morning

For info, please see letter from Canberra Airport to Qantas attached and email below sent to the MO.

Kind regards,

s22(1)(a)(ii)
 P s22(1)(a)(ii)

UNOFFICIAL

From: Stephen Byron <s.byron@canberraairport.com.au>
Sent: Tuesday, 22 August 2023 7:11 PM
To: s22(1)(a)(ii) @MO.infrastructure.gov.au>
Cc: PURVIS-SMITH, Marisa <Marisa.PurvisSmith@infrastructure.gov.au>
Subject: Fwd:
 FYI

This is a National Disgrace by qantas and I feel the Australian Govt need to step up and make them accountable
 They are deliberately discriminating against cbr to Sydney flights
 They should forfeit 1.5 daily slots immediately given this has been going on for six months
 They should be asked to show cause and give an explanation. It is not Sydney ATC and any representation by qantas in this is lying as virgin don't do this and qantas can fly from most cities to Sydney with cancellation rates up to ten times lower
 They should actually be fined \$100,000 per month where they have over ten per cent cancellations
 There must be a regime for compensation to customers.
 Joseph, this is outrageous and the Govt can't do nothing
 Happy to discuss
 Stephen

Sent from my iPhone

Begin forwarded message:

From: Stephen Byron <s.byron@canberraairport.com.au>
Date: 22 August 2023 at 5:12:00 pm AEST
To: "Andrew David (andrewdavid@qantas.com.au)" <andrewdavid@qantas.com.au>
Cc: "Andrew Barr (barr@act.gov.au)" <barr@act.gov.au>

Dear Andrew

Appreciate your engagement on the Canberra to Sydney Cancellations since my letter of 30 June 2023 but the results remain brutally bad – **another 53 flights cancelled last month.**

It is six months in a row now that over fifty flights have been cancelled:

Month	Cancelled Flights
February	54
March	51
April	51
May	51
June	58
July	53

In our calls, you have indicated that 20-30% of this is due to ATC/Weather. To address the rest, I know you have

put in place measures including with rostering and basing a 717 here and other steps but the bottom line is **that the Qantas Control Room is choosing to cancel Canberra flights to Sydney over other flights. How do we get this to STOP or at least massively reduce.**

Andrew, it is so so desperately unfair to CBR-Sydney travellers – they are choosing to fly (and pay really high airfares) because they need to fly and they need to get there on time. The community here is so upset – yet we continue to be picked upon. Look at the figures below – **why can't we be like the other Capital Cities and Regional Centres with cancellation rates below 2% or even below 5% - why are we ALWAYS DOUBLE the worst other place???**

It is honestly simply not acceptable.

Canberra travellers will not put up with being given the raw end of the pineapple and being treated with contempt like this forever – I know you have done a lot to try to improve the situation but as yet there is no improvement – is there any evidence that in the last fortnight things have improved? Is there any evidence that the Qantas Control Centre is going to reduce how much it picks on the flights from Canberra when it cancels services?

Andrew – really appreciate some change here – it is critically needed and it is needed as a matter of urgency. Many thanks for your focus and time

Stephen

July 2023

Route to Sydney	No. of Cancellations	Cancellation Rate
Adelaide	2	0.9%
Brisbane	23	4.3%
Canberra	53	11.5%
Gold Coast	1	1.1%
Hobart	2	2.4%
Sunshine Coast	0	0.0%
Perth	13	6.1%

July 2023

Route to Sydney	No. of Cancellations	Cancellation Rate
Albury	3	2.6%
Ballina	6	5.9%
Cairns	1	2.5%
Canberra	53	11.5%
Coffs Harbour	5	4.4%
Dubbo	0	0.0%
Launceston	1	3.2%
Port Macquarie	1	0.9%
Wagga Wagga	2	1.8%

Stephen Byron

Managing Director | Canberra Airport

Level 4, 21 Terminal Avenue | Plaza Offices – West | Canberra Airport ACT 2609

T +61 2 6275 2269

Our office is located in the Plaza Offices – West above the terminal car park. Click [here](#) for directions.

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Level 4, 21 Terminal Avenue
Plaza Offices - West
Canberra Airport ACT 2609
Phone: 02 6275 2222
www.canberraairport.com.au

30 June 2023

Mr Andrew David
CEO, Qantas Domestic
A Wing, Level 1
10 Bourke Road
MASCOT NSW 2020
Via email: andrewdavid@qantas.com.au

Dear Andrew

Canberra to Sydney Route – Time for a Fair Deal for Passengers

I write to follow up our discussions of Monday week ago and express my significant concern about ongoing cancellations on the Canberra to Sydney route. I would like to request a formal explanation. I also ask on behalf of the aggrieved passengers for a reduction in the cancellation rate so that it is within 20-25% of the National Average – this would require it to be less than 3.0%.

You indicated in our discussions that Qantas does not have a plan to cancel 50 flights per month from Canberra to Sydney as the performance in February, March and April seemed to indicate. The latest monthly results for the Canberra to Sydney route confirm that yet again, **Qantas cancelled exactly 51 flights in May.** The last three months now look like this for Qantas on the Canberra to Sydney route:

Month	Cancelled Flights
May	51
April	51
March	51

Does this represent a coincidence or is it the outcome of a plan by Qantas? Three months with exactly the same number of flights cancelled – what is the probability of that? In February, Qantas cancelled 55 flights (12.6% of all flights) on the Canberra to Sydney route – so we have more than fifty cancelled Qantas flights from Canberra to Sydney for four months in a row? If this is not a plan, what is the plan for fixing this debacle?

I note that Qantas has blamed AirServices Air Traffic Control (ATC) for delays and cancellations in flying from Canberra to Sydney in response to the results of the April BITRE on time performance figures - yet the evidence would suggest this is a misleading and deceptive comment.

In April, a passenger flying with Qantas from Sydney was five times more likely to have their flight cancelled than if the passenger was flying with Virgin – the Qantas cancellation rate was 12.1% versus Virgin at 2.5%. If these cancellations are due to ATC in Sydney, why is Virgin not subject to the same level of cancellations on the same route? I note in March Qantas' cancellation rate on this route was 10.6% and Virgin's was 2.4% - again five times worse.

The evidence demonstrates that it is not ATC in Sydney because Qantas is able to fly routes from almost all other capital cities to Sydney without the level of delays or cancellations. These are the Qantas cancellations in May 2023 (and it is noted the Melbourne-Sydney cancellation rate, like Canberra's, is also unacceptably high (7.0%) but is generally two thirds that of Canberra):

Route to Sydney	No. of Cancellations	Cancellation Rate
Adelaide	3	1.3%
Brisbane	11	1.9%
Canberra	51	10.9%
Gold Coast	0	0.0%
Hobart	1	1.2%
Perth	3	1.4%

All of these other Capital Cities have a cancellation rate of less than two per cent – in fact **the total flights cancelled for these five other capital cities is 18 flights and a cancellation rate across the 1,201 Qantas flights into Sydney is 1.5%**. Qantas scheduled 470 flights from Canberra to Sydney in May and cancelled 51 of them!

This shows that Qantas can fly into Sydney with acceptable levels of cancellations – so it is misleading and deceptive to blame AirServices Sydney ATC or indeed anything else. It flies in the face of the evidence and the untrue explanations to passengers and the public by Qantas have to stop. Qantas' Canberra passengers are getting a raw deal and this has to change.

In addition, Qantas is able to fly into Sydney Airport from regional centres without the cancellation rate that Canberra suffers. These are the cancellation rates for Qantas flights into Sydney Airport in May 2023:

Route to Sydney	No. of Cancellations	Cancellation Rate
Albury	3	3.1%
Ballina	4	4.9%
Cairns	0	0.0%
Canberra	51	10.9%
Coffs Harbour	1	0.9%
Dubbo	2	1.8%
Launceston	0	0.0%
Port Macquarie	0	0.0%
Wagga Wagga	1	1.0%

The total number of flights cancelled by Qantas to Sydney from these 8 cities is 11 flights and a cancellation rate across these 678 Qantas flights is 1.6%.

Andrew, you and I have known each other long enough and we have worked closely for at least 15 years and you have to admit that this is not only unacceptable – it is discriminatory. Qantas's Canberra passengers are getting the raw end of the pineapple. They are getting shafted by Qantas and they are being picked on because Qantas is not cancelling flights to anywhere near the same extent on all these other routes.

To Canberra Airport, we feel that every minute matters to our customers, but this is especially the case on the Canberra – Sydney service. People who choose to fly rather than drive choose to do so because they are time poor and their arrival time is time critical – yes there are lots of Qantas flights but people choose the 630am flight rather than the 715am flight because they need to be in Sydney before the 715am flight arrives. The Canberra to Sydney route is the most time critical route in the country.

A cancellation or a delay exceeding 30 minutes on a Canberra - Sydney flight for a passenger undermines the entire rationale for flying – they feel they would have been better off and arrived more quickly if they drive or instead use Teams or Zoom for a video conference. Passengers on Canberra-Sydney are paying high airfares and they do not deserve cancellation rates 4-5 times worse than the national average and 8-10 times worse than comparable cities and regional centres.

Andrew, could you give me a call to discuss a plan to rectify this situation for our mutual customers as soon as possible?

Yours sincerely

Stephen Byron
Chief Executive Officer

From: s22(1)(a)(ii) on behalf of [VINCENT, Ben](#)
To: s22(1)(a)(ii)
Subject: FW: What The Senior Govt Ministers think.... [SEC=UNOFFICIAL]
Date: Thursday, 2 November 2023 11:25:02 AM
Attachments: [image001.gif](#)
[image002.jpg](#)

UNOFFICIAL

UNOFFICIAL

From: s22(1)(a)(ii) @infrastructure.gov.au>
Sent: Wednesday, 23 August 2023 9:52 AM
To: Werner, Stephanie <Stephanie.Werner@infrastructure.gov.au>; VINCENT, Ben <Ben.Vincent@infrastructure.gov.au>
Cc: McClure, Phil <Phil.McClure@infrastructure.gov.au>; PURVIS-SMITH, Marisa <Marisa.PurvisSmith@infrastructure.gov.au>
Subject: FW: What The Senior Govt Ministers think.... [SEC=UNOFFICIAL]

UNOFFICIAL

Hi both

Please see email from Canberra Airport to Andrew David, Qantas this morning for your information.

Kind regards,

s22(1)(a)(ii)
P s22(1)(a)(ii)

UNOFFICIAL

From: Stephen Byron <s.byron@canberraairport.com.au>
Sent: Wednesday, 23 August 2023 9:06 AM
To: Andrew David (andrewdavid@qantas.com.au) <andrewdavid@qantas.com.au>
Cc: s22(1)(a)(ii) @MO.infrastructure.gov.au>; PURVIS-SMITH, Marisa <Marisa.PurvisSmith@infrastructure.gov.au>; Anna Brakey <Anna.Brakey@accc.gov.au>
Subject: What The Senior Govt Ministers think....

Dear Andrew

One texted me to say: "The Sydney Canberra flights are so unreliable. I prefer to drive these days where I can. Yesterday they cancelled the flight after ours and loaded everyone onto the earlier one so flight jammed."

And then added:

"Then you get charged hundreds to be sardines on the dash 8 which then requires a bus to the terminal and then to make delays even worse, the escalator to the terminal doesn't work and we get offloaded into a lift (how many lifts does it take to disembark a full dash 8???.)"

Enough is enough – the cancellation rate needs to be below 5% and even that is pretty poor.

Appreciate some advice on what Qantas is actually going to do to achieve this.

The Australian Government needs to consider a proper and formal "Show Cause" process (a truthful explanation and an actual rectification plan) where cancellations are over 5% and they should fine airlines at least \$100,000 per month where the cancellation rates exceed 10% and they should take slots off you when you cancel so many flights. There needs to be some proper accountability here for an airline that makes more than 80% of the profit in the entire

domestic industry and yet treats its customers and the Australian government like mugs.

Andrew, Qantas's treatment of Canberra passengers flying into Sydney Airport is a National Disgrace. The cancellation rate is often five times worse than Virgin's on the same route; it is more than ten times worse than Qantas's flights into Sydney from Adelaide, Gold Coast, Sunshine Coast, Dubbo, Port Macquarie; and it is five times worse than Qantas's flights into Sydney from Hobart, Albury, Cairns, Wagga Wagga – and it is twice as worse as Qantas's flights into Sydney anywhere else. Has been for more than six months so it's not a coincidence.

This is not an issue that Qantas can blame on Sydney Air Traffic Control – that is a Qantas lie and it is misleading and deceptive so do not pull that line ever again while Canberra flights are deliberately being chosen to be cancelled.

The discrimination and deliberate planning to cancel Canberra flights into Sydney over others Has to STOP.

I would appreciate your urgent attention to fix this problem.

Thanks

Stephen

Stephen Byron

Managing Director | Canberra Airport

Level 4, 21 Terminal Avenue | Plaza Offices – West | Canberra Airport ACT 2609

T +61 2 6275 2269

Fiji



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Level 4, 21 Terminal Avenue
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10 July 2023

Mr Jim Betts
Department of Infrastructure, Transport, Regional Development,
Communications and the Arts
Secretary
GPO Box 594
CANBERRA ACT 2601
via email: jim.betts@infrastructure.gov.au

Dear Mr Betts *Jim,*

Unacceptable Level of Cancellations by Qantas on Canberra to Sydney Flights

I write to ensure that you and your senior executive are aware of the extremely high level of cancellations that Qantas continues to make on its Canberra to Sydney flights.

As this route is being impacted in a highly disproportionate manner, I can assure you that I have asked Qantas to rectify the situation immediately. Given that your Department is a major customer of Qantas, it may be appropriate for you to raise your own concerns with Qantas directly.

In April 2023, Qantas cancelled 12.1% of all scheduled flights from Canberra to Sydney – a total of 51 flights – but it is not because of a problem with Sydney Airport or air traffic control. In contrast, the Virgin cancellation rate on this route in April was 2.5% which means that a Canberra passenger was five times more likely to have their flights cancelled if they were flying to Sydney with Qantas rather than Virgin.

It should be noted that Qantas operate flights to Brisbane, Melbourne, Adelaide, Perth, Hobart and so on out of Canberra with excellent on time performance, often better than Virgin's.

The latest monthly results for May for the Canberra to Sydney route confirm that yet again, Qantas cancelled exactly 51 flights (10.9% of all flights). The last four months now look like this for Qantas on the Canberra to Sydney route:

Month	Cancelled Flights
May	51
April	51
March	51
February	54

The vast majority of these cancellations are on a Monday or a Friday (the most risky days) – 44% of all of Qantas's cancelled flights in the February-May 2023 were on these days of the week.

The most disappointing and concerning thing is that Qantas's Canberra to Sydney cancellation rate is out of line with that of Qantas from other Capital Cities into Sydney Airport. Other than Melbourne to Sydney (7.0% flights cancelled), other Capital Cities had excellent cancellation rates:

Route to Sydney	No. of Cancellations	Cancellation Rate
Adelaide	3	1.3%
Brisbane	11	1.9%
Canberra	51	10.9%
Gold Coast	0	0.0%
Hobart	1	1.2%
Perth	3	1.4%

All of these other Capital Cities have a cancellation rate of less than two per cent – in fact **the total flights cancelled for these five other capital cities is 18 flights and the cancellation rate across the 1,201 Qantas flights into Sydney is 1.5%.** Qantas scheduled 470 flights from Canberra to Sydney in May and cancelled 51 of them!

In addition, Qantas is also able to fly into Sydney Airport from NSW regional centres without the cancellation rate that Canberra suffers. These are the cancellation rates for Qantas flights into Sydney Airport in May 2023:

Route to Sydney	No. of Cancellations	Cancellation Rate
Albury	3	3.1%
Ballina	4	4.9%
Cairns	0	0.0%
Canberra	51	10.9%
Coffs Harbour	1	0.9%
Dubbo	2	1.8%
Launceston	0	0.0%
Port Macquarie	0	0.0%
Wagga Wagga	1	1.0%

The total number of flights cancelled by Qantas to Sydney from these 8 regional cities in May 2023 is 11 flights and the cancellation rate across these 678 Qantas flights is 1.6%.

As you can see, Canberra air travellers to Sydney are getting the raw end of the pineapple here – this is just a Qantas management and operational decision to cancel flights from Canberra and it has to be changed – not least because this route more than any other is the most time sensitive to delays and cancellations.

A cancellation or a delay exceeding 60 minutes on a Canberra - Sydney flight for a passenger undermines the entire rationale for flying and for choosing that particular flight time – they feel they would have been better off and arrived more quickly if they drove or instead used Teams or Zoom for a video conference. People who choose to fly rather than drive choose to do so because they are time poor and their arrival time is time critical – yes there are lots of Qantas flights but people choose the 630am flight rather than the 715am flight because they need to be in Sydney before the 715am flight arrives. This is why the Canberra to Sydney route is the most time critical route in the country.

I have asked Qantas to urgently address this situation and to deliver a level of cancellations more in line with industry norms. The national long term average cancellation rate is 2.3% (it was 1.4% prior to Covid) and I have asked Qantas to deliver that for air travellers on the Canberra-Sydney route. I undertake to update you as improvements are achieved.

Your sincerely

A handwritten signature in blue ink, appearing to be 'SB', with a long horizontal flourish extending to the right.

Stephen Byron, AM
Chief Executive Officer

OFFICIAL



Australian Government

Department of Infrastructure, Transport,
Regional Development, Communications and the ArtsSecretary
Jim Betts

EC23-004856

Mr Stephen Byron, AM
Chief Executive Officer
Canberra Airport
Level 4, 21 Terminal Avenue
CANBERRA AIRPORT ACT 2609

Dear Mr Byron

Thank you for your letters of 10 July 2023 regarding the cancellation rate of Qantas flight services from Canberra to Sydney s22(1)(a)(ii)
s22(1)(a)(ii)

I acknowledge the concern you have raised about cancellation rates on the Canberra to Sydney route, and appreciate the need to minimise the stress and disruption that cancellations and delays can cause for Australian travellers and businesses. I also appreciate that you are continuing to engage directly with Qantas on the matter. Noting the data on cancellation rates you have cited, the Department has contacted ACA, the administrator of the Sydney Airport Slot Management Scheme, and asked that it examine the matter and make direct enquiry with any airlines that are exhibiting persistently high or increasing cancellation rates, and that it seeks further advice from the relevant airline/s as to whether the cancellations were in their control.

With respect to the broader regulatory structures governing the domestic aviation market, as you know, the Australian Government has committed to an Aviation White Paper to set the scene for the future growth and development of the sector. I would like to thank you and Canberra Airport more broadly for your engagement in the consultation processes to date. The Department will soon be conducting a second round of consultation following the release of the Aviation Green Paper, which is intended to garner further feedback from across the sector and the community to assist in the development of the Aviation White Paper, which is scheduled to be released in the first half of 2024. I would welcome your engagement in this process, including in respect of the matters you cover in your letters of 10 July.

Thank you for taking the time to write to me, and for your ongoing and constructive engagement with the Department.


Yours sincerely

Jim Betts

25 / 8 / 2023

OFFICIAL

s22(1)(a)(ii)



From: s47F @airportcoordination.org>

Sent: Monday, 7 August 2023 11:11 AM

To: VINCENT, Ben <Ben.Vincent@infrastructure.gov.au>; s22(1)(a)(ii)

s22(1)(a)(ii) @infrastructure.gov.au>; Werner, Stephanie

<Stephanie.Werner@infrastructure.gov.au>; s22(1)(a)(ii)

s22(1)(a)(ii) @infrastructure.gov.au>; s47F

s47F @airportcoordination.org>

Subject: RE: Canberra-Sydney cancellations [SEC=OFFICIAL]

Dear Ben,

Thank you for your time this morning, it was lovely to meet you too.

As discussed, we will review the cancellation rates of the domestic airlines at Canberra airport during the S23 season, and make enquiries with airlines that have high cancellation rates to explain their behaviour. Once we receive their responses we will prepare a summary for you and your team.

If you have any questions, please don't hesitate to contact me.

Best Regards

s47F

s47F

Chief Executive Officer

✉ Airport Coordination Australia; P.O Box 3047; Sydney International Terminal (T1)
Sydney International Airport; NSW 2020; Australia

☎ +61 s47F

💻 s47F @airportcoordination.org

www.airportcoordination.org

From: VINCENT, Ben <Ben.Vincent@infrastructure.gov.au>
Sent: Monday, August 7, 2023 11:02 AM
To: s22(1)(a)(ii) <[s22\(1\)\(a\)\(ii\)@infrastructure.gov.au](mailto:s22(1)(a)(ii)@infrastructure.gov.au)>; Werner, Stephanie
 <Stephanie.Werner@infrastructure.gov.au>; s22(1)(a)(ii) <[s22\(1\)\(a\)\(ii\)@infrastructure.gov.au](mailto:s22(1)(a)(ii)@infrastructure.gov.au)>; s47F <s47F@airportcoordination.org>; s47F <s47F@airportcoordination.org>
Subject: Canberra-Sydney cancellations [SEC=OFFICIAL]

OFFICIAL

Hi s47F

Thanks for your time today – it was great to meet.

As discussed, a stakeholder has reached out to us in respect of flight cancellations on the Canberra-Sydney route, citing statistics of 51 cancelled Qantas flights per month over March, April and May 2023.

Noting the concerns that have been raised, would ACA be able to examine the matter and make direct enquiry with any airlines that are exhibiting persistently high or increasing cancellation rates, and seek further advice/evidence from the relevant airline/s as to whether the cancellations were in or out of their control?

Needless to say, happy to discuss – and feel free to give me a call on s22(1)(a)(ii) at any time.

Kind regards,
 Ben

Ben Vincent

Assistant Secretary
 Domestic Policy and Programs Branch
Ben.Vincent@infrastructure.gov.au

P +61 2 6274 8281 • M s22(1)(a)(ii)

GPO Box 594 Canberra, ACT 2601

Department of Infrastructure, Transport, Regional Development, Communications and the Arts
CONNECTING AUSTRALIANS • ENRICHING COMMUNITIES • EMPOWERING REGIONS

*I would like to acknowledge the traditional custodians of this land on which we meet, work and live.
 I recognise and respect their continuing connection to the land, waters and communities.
 I pay my respects to Elders past and present and to all Aboriginal and Torres Strait Islanders.*

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Helen Haines MP



The Hon Catherine King MP
Minister for Infrastructure, Transport, Regional Development and Local Government
House of Representatives
PO Box 6022
Parliament House
CANBERRA ACT 2600

Dear Minister

Catherine

Re: Investigation of Airline Industry

I am writing on behalf of s47F a constituent of s47F Victoria.

Enclosed is a copy of s47F correspondence to my office dated 1 August 2023 in which he expresses his concern about restrictive practices of the aviation industry. Please see attached correspondence.

Could you please investigate my constituent's concerns and advise me of what action you can take?

Yours faithfully

s47F



Dr Helen Haines MP
Independent Federal Member for Indi

3 August 2023

s22(1)(a)(ii)

Dr Helen Haines MP


117 Murphy Street
Wangaratta VIC 3677
E helen.haines.mp@aph.gov.au
W helenhaines.org

@helenhainesindi

Hello Helen,

I was listening to Geraldine Doogue on radio national last Saturday morning and she had a very interesting but disturbing conversation regarding the restrictive practices of our airline industry.

s22(1)(a)(ii)



Third, There is a process in Australian domestic aviation called 'slotting'. This is domestic airlines acquiring space to land and take off at our airports. The airports do not allocate these slots, it is supposedly, allocated through an independent body of whom I cannot recollect. Qantas has had many slots previously allocated and now hoard them restricting new or existing competition to access our airports. This is so wrong.

It seems, to me, this hoarding of slots is anti competitive behaviour within the Australian domestic aviation industry.

Could it be in your remit to take on the government with the assistance of the teals and other parties to expose this behaviour. If the slot hoarding was limited to only 12 months then opened up to new competition it would allow other players to enter the market such as Bonza and Rex. This in return would reduce our air fares and increase patronage across the aviation industry. Qantas is holding us to ransom.

The independence of the regulating body needs to be examined to determine if their is corruption involved, serious bias or political interference.

I would trave a lot more if fares were reduced and we had real choice.

Thanking you for your time,

s47F





The Hon Catherine King MP

Minister for Infrastructure, Transport, Regional Development and Local Government
Member for Ballarat

Ref: MC23-065818

Dr Helen Haines MP
Member for Indi
117 Murphy Street
WANGARATTA VIC 3677

via: helen.haines.mp@aph.gov.au

Dear Dr Haines


Helen,

Thank you for your letter of 3 August 2023 on behalf of s47F regarding the aviation industry.

s22(1)(a)(ii)



s22(1)(a)(ii)



The Government is also considering a number of proposed options in relation to the Sydney Airport Demand Management regulatory framework that covers the slot allocation system at the airport.

Finally, the Government is developing an Aviation White Paper, due to be released in the first half of 2024. Through the White Paper, the Government will promote an efficient, safe, sustainable and competitive Australian aviation sector.

Thank you for taking the time to write to me on this matter.


Yours sincerely



Catherine King MP

23 / 8 / 2023

s22(1)(a)(ii)



From: Werner, Stephanie <Stephanie.Werner@infrastructure.gov.au>
Sent: Monday, 31 July 2023 10:35 AM
To: VINCENT, Ben <Ben.Vincent@infrastructure.gov.au>; s22(1)(a)(ii) @infrastructure.gov.au
Subject: FW: Qantas response to claims of 'slot hoarding' at Sydney Airport [SEC=OFFICIAL]

OFFICIAL

OFFICIAL

From: s47F @qantas.com.au
Sent: Sunday, 30 July 2023 4:49 PM
To: Werner, Stephanie <Stephanie.Werner@infrastructure.gov.au>; Wood, Richard <Richard.Wood@infrastructure.gov.au>
Cc: s47F @qantas.com.au; s47F @qantas.com.au; s47F @qantas.com.au
Subject: Qantas response to claims of 'slot hoarding' at Sydney Airport

Confidential

Confidential

Stephanie and Richard,

As you know, allegations of slot hoarding, including at Sydney Airport have recently received a fair bit of media attention. We've responded today and a copy is attached FYI. We expect this to run tomorrow please let me know if you'd like to discuss. Otherwise, I look forward to catching up with both of you on Tuesday.

Kind regards,

s47F

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QANTAS RESPONSE ON SYDNEY SLOTS DEBATE

31 July 2023

Qantas completely rejects the notion that it is “hoarding” slots at Sydney, as the airport has wrongly claimed.

In a rule that is common throughout the world, airlines at Sydney Airport are required to operate at least 80 per cent of their allocated slots in order to keep them. Qantas is operating over 90 per cent of its allocated slots, meaning it’s well above threshold levels.

The independent manager of the Sydney slot system returned 99 per cent of Qantas’ slots in the most recent completed season. This says two things: that we use our slots and, when we don’t, we lose them.

Sydney Airport is clearly frustrated at airline cancellations because it means lost revenue for them. (It typically means the same for Qantas, as well as significant costs that are paid regardless.)

It’s worth noting that Qantas (which has its main operational hub in Sydney) has had the highest level of on time performance of the major domestic airlines for 10 months in a row, and the lowest level of cancellations nationally for the past 12 months.

The main driver of cancellations at Sydney isn’t Qantas. It’s chiefly weather and, to some degree, air traffic control staffing shortages. In June alone, a combination of these factors reduced the capacity at Sydney Airport on 17 out of 30 days, which caused significant delays and cancellations.

Sydney Airport is legislated to have a maximum number of movements (meaning, takeoffs and landings) per hour. Due to weather and, since COVID, air traffic control staffing shortages, the real-world figure is well below this. For instance, the maximum arrivals rate is 50 per hour¹ but so far this calendar year, it has averaged just 38.

This is a challenge for the industry as a whole, especially with climate change likely to increase the amount of extreme weather, and it calls for a more cooperative approach to fix it.

The Qantas Group broadly supports the recommendations of the Harris Review, most of which are aimed at increasing the efficiency of the airport. That is in the best interests of the industry and the travelling public, because it will ultimately reduce delays and costs.

CANCELLATIONS ON KEY DOMESTIC ROUTES

Sydney Airport argues that delays and cancellations on high volume domestic routes, like Sydney to Melbourne, are hurting the travelling public. However, the reality is the exact opposite.

When bad weather means fewer flights can take off and land, cancelling services on high-frequency routes like Sydney-Melbourne causes less disruption than cancelling services on routes with far fewer flights a day, like Sydney-Cairns.

For instance, passengers flying from Melbourne to Sydney can be reaccommodated much more easily (typically within an hour or two, simply because services are more frequent), compared to routes with less frequency (which, if cancelled, could result in a much longer delay).

¹ Total arrivals and departures per hour is limited to a combined total of 80 movements.

While we try hard to avoid any delay or cancellation, our next priority is to minimise the total impact on passengers as much as possible, and we think this is something most people would appreciate.

DOMESTIC VS INTERNATIONAL

Sydney Airport recently said: “If incumbent airlines have decided to fly less between key domestic markets, then they should relinquish slots to domestic and international carriers who want to operate out of Sydney Airport and provide more choice for customers.”

The Qantas Group’s domestic capacity out of Sydney Airport is approximately at pre-COVID levels. But there’s a simple reason Sydney Airport wants more international flights that has nothing to do with customer choice.

Passengers flying internationally typically spend more time in the terminal, are more likely to eat and drink there and might also buy some duty free – all things that drive significant revenue for Sydney Airport.

Aircraft that operate international flights tend to be larger. The same slot that can be used by an aircraft with under 100 seats is worth a lot more to Sydney Airport if it is instead used by a 450 seat A380, because their revenue is largely built on a per passenger basis.

There’s nothing wrong with Sydney Airport looking for ways to legitimately increase its revenue, but it shouldn’t try to nudge domestic carriers out of legitimately held slots in the process.

COMMENTS FROM QANTAS DOMESTIC CEO, ANDREW DAVID

“The claim that Qantas is hoarding slots at Sydney Airport is simply wrong.

“It’s a use it or lose it system with a buffer for operational issues that you’d expect when you’re getting planes in the sky with all sorts of weather and runway restrictions, and that’s no different from many airports around the world.

“There does seem to be some misdirected frustration from Sydney Airport because they wish the system was different and they could unlock more revenue. We understand that, but we’re not sure demonising your biggest customer is the way to go about it.

“We’d much prefer to work cooperatively with Sydney Airport on this, especially after what the whole industry has been through over the past few years.

“We support reform of the slot system to deal with the biggest issue all users face, which is the time lost to weather delays. No one controls the weather and the current constraints on Sydney means it’s hard to catch up. That drives delays and cancellations and means it’s less efficient for all carriers than it could be.”

From: Werner, Stephanie
To: VINCENT, Ben; §22(1)(a)(ii)
Subject: FW: CBR-SYD Cancellations - Request for Advice [SEC=OFFICIAL]
Date: Thursday, 24 August 2023 7:04:56 PM
Attachments: image001.gif
 20230630_DavidA_Qantas_ByronS_Canberra-Sydney Cancellations.docx

OFFICIAL

OFFICIAL

From: §22(1)(a)(ii)
Sent: Thursday, 24 August 2023 6:56 AM
To: Andrew McGinnes
Cc: PURVIS-SMITH, Marisa ; Werner, Stephanie
Subject: CBR-SYD Cancellations - Request for Advice [SEC=OFFICIAL]

OFFICIAL

Andrew

As discussed last night – and with his permission – I am forwarding to you an email Stephen Byron of Canberra airport sent to your colleague Andrew David and subsequently forwarded to me.

I would appreciate if you could consider Stephen's email and the data contained within it and let me know your views so we can pass that on to Stephen but also so that we can work with our Department to consider what options may be open to us to address this. I have copied Marisa and Stephanie here to that end

Best wishes

§22(1)
 (a)(ii)

Chief of Staff | Office of the Hon Catherine King MP

OFFICIAL

Begin forwarded message:

From: Stephen Byron <s.byron@canberraairport.com.au>
Date: 22 August 2023 at 5:12:00 pm AEST
To: "Andrew David (andrewdavid@qantas.com.au)" <andrewdavid@qantas.com.au>
Cc: "Andrew Barr (barr@act.gov.au)" <barr@act.gov.au>

Dear Andrew

Appreciate your engagement on the Canberra to Sydney Cancellations since my letter of 30 June 2023 but the results remain brutally bad – **another 53 flights cancelled last month.**

It is six months in a row now that over fifty flights have been cancelled:

Month	Cancelled Flights
February	54
March	51
April	51
May	51
June	58
July	53

In our calls, you have indicated that 20-30% of this is due to ATC/Weather. To address the rest, I know you have put in place measures including with rostering and basing a 717 here and other steps but the bottom line is **that the Qantas Control Room is choosing to cancel Canberra flights to Sydney over other flights. How do we get this to STOP or at least massively reduce.**

Andrew, it is so so desperately unfair to CBR-Sydney travellers – they are choosing to fly (and pay really high fares) because they need to fly and they need to get there on time. The community here is so upset – yet we continue to be picked upon. Look at the figures below – **why can't we be like the other Capital Cities and Regional Centres with cancellation rates below 2% or even below 5% - why are we ALWAYS DOUBLE the worst other place???**

It is honestly simply not acceptable.

Canberra travellers will not put up with being given the raw end of the pineapple and being treated with contempt like this forever – I know you have done a lot to try to improve the situation but as yet there is no improvement – is there any evidence that in the last fortnight things have improved? Is there any evidence that the Qantas Control Centre is going to reduce how much it picks on the flights from Canberra when it cancels services?

Andrew – really appreciate some change here – it is critically needed and it is needed as a matter of urgency.

Many thanks for your focus and time

Stephen

July 2023

Route to Sydney	No. of Cancellations	Cancellation Rate
Adelaide	2	0.9%
Brisbane	23	4.3%
Canberra	53	11.5%
Gold Coast	1	1.1%
Hobart	2	2.4%
Sunshine Coast	0	0.0%
Perth	13	6.1%

July 2023

Route to Sydney	No. of Cancellations	Cancellation Rate
Albury	3	2.6%
Ballina	6	5.9%
Cairns	1	2.5%
Canberra	53	11.5%
Coffs Harbour	5	4.4%
Dubbo	0	0.0%
Launceston	1	3.2%
Port Macquarie	1	0.9%
Wagga Wagga	2	1.8%

Stephen Byron

Managing Director | Canberra Airport

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Our office is located in the Plaza Offices – West above the terminal car park. Click [here](#) for directions.

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