

(Camberra Airport)

Revenue Increase Post Ansett Collapse					
Qantas 737 (138 seats)					
		Sydney		Melbourne	
1. Fares	Business		\$281.26		\$380.26
	Full Economy		\$198.00		\$286.00
	Discount 1		\$143.00		\$172.00
	Discount 2		\$69.00		\$69.00
2. Revenue		Seats	\$	Seats	\$
(a) Before Ansett	Business	4	\$1,125.04	8	\$3,042.08
	Full Economy	44	\$8,712.00	49	\$14,014.00
	Discount 1	30	\$4,290.00	27	\$4,644.00
	Discount 2	26	\$1,794.00	27	\$1,863.00
	Vacant	34	0	27	0
	Total	138	\$15,921.04	138	\$23,563.08
		Seats	\$	Seats	\$
(b) After No Ansett	Business	12	\$3,375.12	28	\$10,647.28
	Full Economy	103	\$20,394.00	97	\$27,742.00
	Discount 1	16	\$2,288.00	10	\$1,720.00
	Discount 2	0	\$0.00	0	\$0.00
	Vacant	7	0	3	0
	Total	138	\$26,057.12	138	\$40,109.28
3. Additional Qantas Revenue			\$10,136.08		\$16,546.20
Percent Increase			63.7%		70.2%
4. Increased Charge at \$2.60/PAX			\$ 340.60		\$ 351.00

CANBERRA AIRPORT

A Summary of Ansett's Impact

1 Canberra Airport Businesses with Credit Exposure

Alpha Catering (estimate \$2m nationally)	\$	250,000
Berkeley Challenge Cleaners	\$	57,500
Airport Café	\$	4,700
Group 4 (estimate)	\$	60,000
Hughes Limousines	\$	26,000
Instyle	\$	1,500
Maslings Aviation	\$	52,500
Vee H Aviation/Mobile Fuel	\$	50,000
Construction Control	\$	55,000
Fyshwick Newsagency	\$	22,000
Canberra Airport	\$	600,000
	\$	<u>1,179,200</u>

2 Airport Businesses at Risk of Going Under/Closing

- Ansett Australia
- Kendell Airlines
- Ansett Air Freight
- Maslings Aviation (Ground Support)
- Alpha Catering
- Airport Café
- Newslink
- Airport Service Station
- Vee H Aviation – Mobile Oil
- Travelex

3 Other Airport Businesses Significantly Impacted

- SmarteCarte
- Rental Cars , especially Avis and Budget
- Canberra Cabs (25% of their business)

4 Impact on New Construction Projects:

	Cost	Start Due	
New Catering Building	\$1.5 million	Sept 2001	Cancelled
New Rental Car Facilities	\$1 million	Oct 2001	Cancelled
New Air Freight Centre	\$1.5 million	Nov 2001	Cancelled
New Brindabella Business Park Building	\$20 million	Nov 2001	Cancelled
Kendell Maintenance Facility	\$2.5 million	Oct 2001	Cancelled

\$26 million worth of construction to be commenced in the next 3 months is now unlikely to proceed.

5 Impact on Canberra of Kendell's Demise is Especially Severe

- Over the last 12 to 24 months, Canberra has become the heart of Kendell's operations.
- Kendell operated direct flights to each major capital city – Sydney (118/week), Melbourne (29/week), Brisbane (39/week) and Adelaide (10/week).
- Kendell has grown its Flight Operations base (ie resident pilots and flight attendants) from 40 to 120 over the last 18 months.
- Kendell has grown its engineering staff from 4 to 11.
- Kendell was intending to establish a major maintenance facility at Canberra.
- Canberra was the logical future home of Kendell.

6 Other Impacts on the Airport Itself

- Immediate loss of 34% of revenue (\$4.5 million pa out of total business revenue of \$12.8 million).
- Recent terminal works of \$10 million – cost recovery is probably now lost.
- Total spending on the Terminal Precinct in the last 18 months is \$25 million.

7 Impact on Canberra Airport is One of the Worst of all Australian Airports Due to:

- Very heavy reliance on Ansett and Kendell group (238 flights per week) and much higher market share than other airports (50% of all flights).
- Effectively no other carrier other than Qantas – Virgin only 1 flight per day to Brisbane.

- No international flights and almost no retail.
- Totally reliant on Qantas which will focus on major routes first.
- Ability of passengers to drive to Sydney – this is half our business.
- Like other large regional airports, we are facing a major cash crunch over the next 4 weeks and severe cashflow issues by Christmas.

8 Summary of Flight Impact from Loss of Ansett & Kendell

Total flights lost – 474 per week, 50% of all flights.

This is made up of:

	Flights/Week
Sydney	266
Melbourne	110
Brisbane	77
Adelaide	21