



Economic Regulation of Airport Services
Third Submission to the Productivity Commission Inquiry
Sydney Airport Corporation Limited ('Sydney Airport')
09 August 2011

Sydney Airport - Gateway to Australia



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Purpose of this submission

This submission provides additional information in response to queries of the Productivity Commission.

1 Investment in and management of car parks

Sydney Airport continues to invest to provide additional car parking capacity in line with demand. The aim is to always ensure the timely provision of parking capacity and that this is accomplished while also recognising that there is no benefit in building excess capacity several years ahead of demand.

In 2008, construction of a \$65 million eight storey car park for the International Terminal was completed. The car park provides around 3,000 undercover parking spaces. Previously there were no undercover spaces and the introduction of undercover parking represented a significant improvement as it provides protection from the summer sun, winter rains and extreme weather events such as hail storms.

Approval to construct a second eight storey car park at the International Terminal is currently being sought from the Australian Government. This project, which will provide approximately 2,300 spaces, has a Major Development Plan (“MDP”) approval but requires approval for a minor variation to the MDP before construction can commence. If approval to the minor variation is granted by the Minister for Infrastructure and Transport, the car park will be substantially completed by May 2012 and fully operational by mid-2012.

A proposal to expand the domestic multi-storey car park and provide an additional 900 spaces has been developed. The current status of this project is that discussions with the Department of Infrastructure and Transport are underway as to whether a MDP is required. Subject to receiving all approvals, the current completion date for the project is 2013. It is important to note that Sydney Airport has no record of a vehicle being turned away from the existing car park because parking spaces were not available.

At the long term car park, capacity was increased last month by 158 private vehicle spaces. This was economically achieved by re-configuring the layout of the adjacent bus and coach holding bay. Plans to provide further capacity of more than 1,000 spaces at this facility are currently being developed.

The aim is always to ensure that parking is available to the members of the public who require it. The task of managing capacity is assisted by the fact that different parking products experience peaks at different times of the year. For example, the long-term car park is widely used by leisure travellers while the domestic multi-storey car park is more used by business travellers (particularly mid-week). During the peak periods for leisure travel (eg December- January) staff parking can be moved to the domestic multi-storey car park and thereby free up additional spaces for customers at the long term car park.

Sydney Airport is also in the process of developing different parking products for different segments of the market and has recently launched several promotional parking products. The specials offer a promotional product at each of the airport’s car parks – long term, domestic and international. These parking products were developed after an extensive review designed to better understand the different parking needs that exist in the market.

A marketing campaign featuring on-line and outdoor advertising is underway and full details can be found at: <https://parking.sydneyairport.com.au/Promotions.html>.

The development of innovative parking products shows that Sydney Airport is a strong and flexible competitor in the parking market.

2 Landside transport choices for different passenger types

Passengers choose different methods to get to Sydney Airport depending on the purpose of their passenger journey. The table below was derived from two surveys of passengers using Terminal 2 (the domestic multi-user terminal) conducted for Sydney Airport by Sweeney Research in August 2009 and December 2009 / January 2010.

The survey results demonstrate that as the proportion of leisure passengers increases, there will be an increased demand for public transport.

	Business	Leisure
Train	16%	24%
Public bus	1%	3%
Public transport	17%	27%

3 Use of Airport/Qantas Drive by non-airport vehicles

Based on a combination of traffic counts taken over the past 5 years, Sydney Airport estimates that approximately half of the traffic on Airport/Qantas Drive (which Sydney Airport owns and maintains) does not enter the airport precincts. To some extent these counts pre-date the substantial residential and commercial development which is taking place in the Mascot / Green Square region, which is expected to have increased the proportion of non-airports users.

4 Service quality: surveys, monitoring and agreements

Sydney Airport has previously made submissions in relation to the inadequacies of the current ACCC monitoring reports, and recommended that it would be better to:

- Publish the international ACI ASQ survey results; and
- Publish the scope of the service level agreements, and whether the targets are being met

The table on the following pages compares the contents of the ACI ASQ survey, the ACCC Monitoring Reports, and the current Service Level Commitments (SLAs).

	ACI ASQ	ACCC	SLAs ¹
Overall			
Overall satisfaction			
Overall Satisfaction - All Passengers	Passenger survey	ACCC calculation	
Overall Satisfaction - Business Passengers	Passenger survey		
Overall Satisfaction - Leisure Passengers	Passenger survey		
Overall Satisfaction - Availability		ACCC calculation	
Overall Satisfaction - Standard		ACCC calculation	
Management responsiveness			
Courtesy and helpfulness of airport staff	Passenger survey		
Airport management responsiveness		Airline survey	
Getting to/from the airport			
Ground transport			
Ground transport to / from Airport (taxi facilities)	Passenger survey		
Public transport			
Kerbside pick-up and drop-off facilities		Passenger survey	
Taxi waiting time		Passenger survey	
Kerbside space congestion		Passenger survey	
Car parking			
Availability of parking facilities	Passenger survey	uses ACI ASQ	
Number of spaces and throughput		Numerical KPI	
Standard of parking facilities		Passenger survey	
Time to enter parking facilities		Passenger survey	
Value for Money parking facilities	Passenger survey		
Selected price, revenue and cost data		Numerical KPI	
Terminal activities (airport to passenger)			
Airport Environment			
Ambience of Airport	Passenger survey		
Cleanliness of Airport terminal	Passenger survey		ACI ASQ
Availability of washroom	Passenger survey		
Cleanliness of washroom	Passenger survey	uses ACI ASQ	
Access / Navigation & Connectivity			
Ease of way finding your way through Airport	Passenger survey	uses ACI ASQ	ACI ASQ
Flight information screen	Passenger survey	uses ACI ASQ	
FIDS screen IT availability			Numerical KPI
Pax per FIDS screen		Numerical KPI	
Pax per info point		Numerical KPI	
Walking distance inside terminal	Passenger survey		
Ease of making connections with other flights	Passenger survey		
Security			
Courtesy & helpfulness of Security staff	Passenger survey		
Thoroughness of security inspection	Passenger survey	uses ACI ASQ	
Waiting time at security inspection	Passenger survey		Numerical KPI
Feeling of being safe & secure	Passenger survey		
Pax per security clearance system		Numerical KPI	
Gate lounges			
Comfortable waiting / gate areas	Passenger survey	uses ACI ASQ	
Crowding in lounge area		Passenger survey	
Cleanliness			Survey
Pax per seat in gate lounges		Numerical KPI	
Pax per sq m in gate lounges		Numerical KPI	
Baggage trolleys			
Availability of baggage carts	Passenger survey	uses ACI ASQ	
Pax per trolley		Numerical KPI	
Terminal services to passengers			
Shopping facilities	Passenger survey		
Value for Money shopping facilities	Passenger survey		
Restaurant / eating facilities	Passenger survey		
Value for Money restaurant / eating facilities	Passenger survey		
Availability of bank/ ATM/ money changers	Passenger survey		
Internet/ IT Facilities(Internet/WiFi)	Passenger survey		
Business / Executive Lounges	Passenger survey		

1: Includes all KPIs currently reported for at least one airline

Table continued next page.

	ACI ASQ	ACCC	SLAs ¹
Terminal activities (joint airport/airline to passenger)			
Aerobridges			
Availability		Airline survey	Numerical KPI
Standard		Airline survey	
Arriving pax % using aerobridge		Numerical KPI	
Departing pax % using aerobridge		Numerical KPI	
Check-in (note ACI ASQ lists this within "airline services")			
Waiting time in check-in queue / line	Passenger survey	uses ACI ASQ	Numerical KPI
Efficiency of check-in staff	Passenger survey		
Courtesy and helpfulness of check-in staff	Passenger survey		
Check-in availability		Airline survey	
Check-in standard		Airline survey	
Number of pax per check-in desk		Numerical KPI	
Baggage processing			
Waiting time / speed of baggage delivery service	Passenger survey	uses ACI ASQ	
Information display		Passenger survey	
Circulation space		Passenger survey	
Availability of bag processing facilities		Airline survey	
Standard of bag processing facilities		Airline survey	
Throughput		Numerical KPI	
Baggage system outage			Numerical KPI
Baggage >50 bags miss single flight			Numerical KPI
Terminal activities (joint airport/government agencies to passengers)			
Outbound government inspection			
Waiting time at passport & visa inspection(customs)	Passenger survey	uses ACI ASQ	
Courtesy & helpfulness of Inspection (passport and visa) staff (customs)	Passenger survey		
Immigration facilities availability		Airline survey	
Immigration facilities standard		Airline survey	
Pax per inbound immigration desk		Numerical KPI	
Inbound government inspection (immigration)			
Passport & Visa inspection (customs based on previous experience)	Passenger survey	uses ACI ASQ	
Immigration facilities availability		Airline survey	
Immigration facilities standard		Airline survey	
Pax per inbound immigration desk		Numerical KPI	
Inbound quarantine			
Customs inspection (AQIS based on past experience)	Passenger survey		
Immigration facilities availability		Airline survey	
Immigration facilities standard		Airline survey	
Pax per baggage inspection desk		Numerical KPI	
Airfield activities (joint airport/various to airline)			
Facilities			
Availability of runways		Airline survey	
Availability of aprons		Airline survey	
Availability of ground handling facilities		Airline survey	
Availability of taxiways		Airline survey	
Availability of aircraft parking facilities		Airline survey	
Standard of runways		Airline survey	
Standard of aprons		Airline survey	
Standard of ground handling facilities		Airline survey	
Standard of taxiways		Airline survey	
Standard of aircraft parking facilities		Airline survey	
GSE parking breaches by ground handlers (airline employed)			Numerical
Airfield driving enforcement hours			Numerical
Activity			
On-time flight departues			Numerical
On-time flight arrivals			Numerical

1: Includes all KPIs currently reported for at least one airline