Airport Monitoring Report 2017-18

Return on aeronautical assets increased for all monitored airports except Melbourne. Sydney Airport reported the highest return.

All four airports were rated 'good' for overall quality of service for the first time over the last decade. Perth Airport received the highest overall service rating.

Investment levels have been lower in recent years following a period of capital expansion. Brisbane Airport had the highest rate of investment as a proportion of the aeronautical asset base.

All monitored airports except Brisbane earned less profits from car parking. The reasons for this varied among the airports but included price reductions, higher expenses and falling volumes.
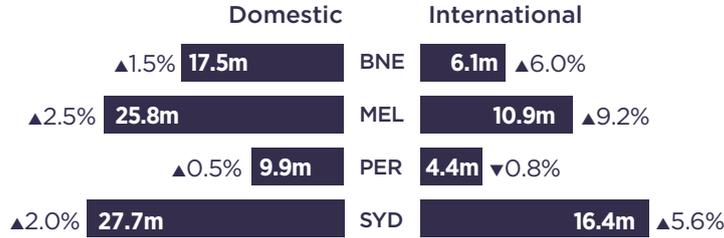
Fees from providing landside access to transport operators such as taxis, ride-share vehicles and buses are a growing source of revenue for airports.

The Productivity Commission draft report of its inquiry into the economic regulation of airports said that while the four major airports have market power, the regulatory framework is broadly effective.

Key industry results 2017–18

PASSENGER VOLUMES

	Domestic		International	
BNE	▲1.5%	17.5m	6.1m	▲6.0%
MEL	▲2.5%	25.8m	10.9m	▲9.2%
PER	▲0.5%	9.9m	4.4m	▼0.8%
SYD	▲2.0%	27.7m	16.4m	▲5.6%

QUALITY OF SERVICE*

	2017–18	2016–17
BNE	Good	Good
MEL	Good	Satisfactory
PER	Good	Good
SYD	Good	Satisfactory

AERONAUTICAL SERVICES

Return on aeronautical assets**

BNE	7.9% ▲0.9
MEL	8.9% ▼0.9
PER	9.1% ▲1.3
SYD	11.7% ▲0.7

Operating profit**

BNE	$172.9m	▲24.8%
MEL	$172.3m	▼7.2%
PER	$92.3m	▲14.9%
SYD	$382.6m	▲4.0%

Revenue per passenger

BNE	$14.82	▲15.4%
MEL	$12.14	▼4.3%
PER	$16.16	▲0.4%
SYD	$19.26	▲3.1%

Aeronautical investment***

BNE	14.6%
MEL	9.8%
PER	3.7%
SYD	5.3%

CAR PARKING

Operating profit margin****

BNE	65.4% ▼2.8
MEL	56.5% ▼3.2
PER	52.7% ▲0.3
SYD	69.9% ▼2.0

Operating profit**

BNE	$65.4m	▲0.6%
MEL	$84.8m	▼4.1%
PER	$32.9m	▼2.2%
SYD	$95.4m	▼3.5%
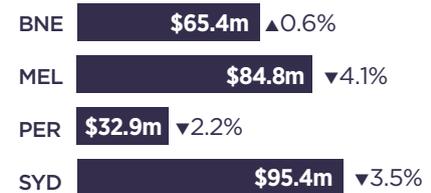
Indicative prices (3 days)

	Airport (drive-up)	Airport (online booking)	Independent car park (lowest price)
Brisbane	$57	$31	$36
Melbourne	$67	$54	$30
Perth	$77	$77	$51
Sydney	$77	$70	$45

*   The five rating scales for quality of service are: very poor, poor, satisfactory, good, and excellent.
**   Return on aeronautical assets refers to operating profit (earnings before tax, interest and amortisation (EBITA)) as a percentage of average tangible non-current aeronautical assets. Changes are expressed in percentage points.
*** Additions as a % of tangible non-current assets for aeronautical services.
**** Operating profit margin refers to EBITA as a percentage of revenue. Changes are shown in percentage points.