
CANBERRA AIRPORT

**2018 PRODUCTIVITY COMMISSION
INQUIRY INTO THE ECONOMIC
REGULATION OF AIRPORTS**

SEPTEMBER 2018



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1. Introduction

Canberra Airport welcomes this opportunity to make a submission to the Productivity Commission's 2018 Inquiry into the Economic Regulation of Airports. Canberra Airport would be pleased to discuss any aspect of this submission with the Productivity Commission, and we look forward to the opportunity to present at future public hearings.

Having regard to the Productivity Commission's Issues Paper, there is a broad range of industry issues raised and submissions have been invited by the Productivity Commission to address specific Information Requests. A number of these areas are not directly related to Canberra Airport, and in these cases, we have not provided a direct response.

2. Executive Summary

It is our strong view that there has been little to no change in the fundamental market characteristics or behaviour of Australian airports since the last Productivity Commission Inquiry into the Regulation of Australian Airports. In the absence of a significant change to any of the fundamentals, we see no justification for any suggestion of increased regulatory intervention into Australian airports. Indeed, the only fundamental change in the industry during the last 6 years has been the substantial increase in the market power of Australia's major domestic airlines (a genuine duopoly now that Tiger Airways is owned by Virgin and Jetstar is owned by Qantas).

In the case of Canberra Airport, we continue to provide a high-value service to airlines and passengers, underpinned by long-term aviation pricing agreements and are continually recognised for the quality of our facilities and our customer service.

Canberra Airport has continued to invest in facilities and infrastructure at Canberra Airport, including the International Terminal and airfield infrastructure.

Canberra is now served by six Regular Public Transport (RPT) airlines: in addition to Qantas and Virgin Australia, new airlines Singapore Airlines, Qatar Airways, Tigerair and Fly Pelican have commenced operations at Canberra Airport in recent years. Long-term pricing and service agreements are in place with all of these airlines.

There is no justification or need for an increase in economic regulatory oversight of Canberra Airport.

3. Background

Since the purchase of the Airport in 1998 by Canberra Airport Pty Ltd (100% family owned), over \$2 billion has been invested in aviation, commercial and retail infrastructure to grow the Airport precinct into a modern and sophisticated transportation and business hub worthy of the Nation's Capital. The vision of the business was to become the best small airport in the world – a vision which Canberra Airport is still striving to deliver. Canberra Airport remains the only family-owned major airport in Australia.

Owning and developing Canberra Airport over the last 20 years has not been without its challenges. During the initial years of ownership, when Canberra Airport was subject to price regulation, there was very little aeronautical investment and a period of commercial uncertainty.

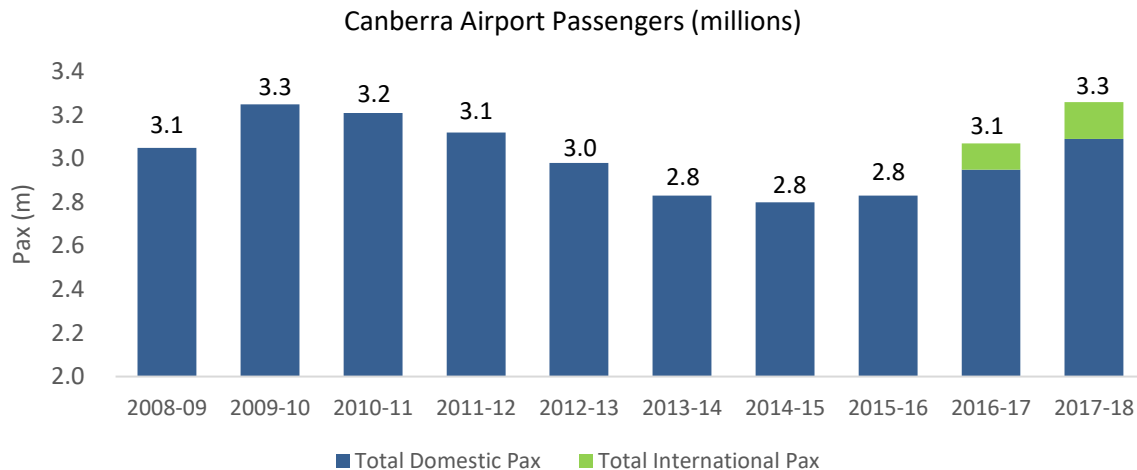
Significant events such as September 11, SARS, and the collapse of Ansett had a significant effect on the industry. Despite these significant market shocks, with a change to light handed regulation and the removal of economic uncertainty, committing to investment in long-term aviation infrastructure became easier.

In fact, under the light-handed regulatory regime, significant investment has been made at Canberra Airport, including the new terminal. Construction on the new terminal commenced in 2009, following 9 years of work on the design, underpinned by a long-term pricing agreement with Qantas.

Canberra Airport financed this project through very challenging market conditions – the full effect of the Global Financial Crisis hit lending markets in Australia at a critical time for funding the project. At considerable risk to the business, the new terminal was funded and delivered. In the market conditions that persisted at the time, financing of the project was only possible due to the non-aviation investment that had occurred at Canberra Airport prior to the terminal commitment, and due to the diversity of income that this commercial property investment provided. An airport with an ownership structure typical of the other major Australian Airports would not have proceeded with the project, given the financial risk.

However, upon completion of the terminal project, the financial risks to Canberra Airport were not resolved. On completion, we had fewer passengers than at the start of the five-year project. It was tough times. Revenue outcomes were significantly lower than the projected revenues prior to investment in the new terminal, and there was no way to significantly improve that outlook. We honoured our long-term pricing agreements. Even today, the investment is significantly under-recovering when compared to the original projections for the investment.

Canberra Airport went through another challenging period – from 2011 to 2015 – when there were five successive years of falling passenger numbers. During this period, volumes at all other Australian airports were growing, and in many cases at record rates. Government employment and spending in Canberra fell significantly during this time and as a result so did our passenger volumes. With the rest of Australia benefiting from either a mining boom or significant growth of low cost carriers, Canberra Airport saw neither. The Canberra Airport passenger history is shown in the chart below:



However, in 2016, following years of concerted effort, Canberra Airport was pleased to partner with the ACT Government to deliver Singapore Airlines direct international services to the nation's capital. Singapore Airlines commenced flights in September 2016, initially operating four times per week with services to Singapore and Wellington (now daily to Singapore, with the Wellington service shifted to Melbourne). Following the success of the Singapore Airlines launch, Qatar Airways commenced daily international services to Doha in February 2018, consolidating Canberra Airport's status as a truly international airport.

Tiger Airways re-commenced Canberra services in December 2016, becoming Canberra's first (and still only) low cost carrier (LCC). Tiger Airways operates eight return services per week to Melbourne, and three return services per week to Brisbane. Interestingly, the commencement of the LCC services did not impact on the passenger volumes of the incumbent airlines – Virgin's passenger numbers continued to grow while Qantas' continued to remain stable. While our LCC frequencies remain very low relative to our peers, we are working hard to attract additional services to Canberra. Canberra is significantly under-served by low cost carriers – a point which we elaborate on later in this submission.

4. Canberra Airport – Relationships and Reputation

Canberra Airport is proud of the close relationships it has developed with key stakeholders, and value our strong reputation for quality, customer service, and delivering value to our customers. Canberra Airport has a close and cooperative relationship with the ACT Government and have worked together collaboratively on a range of matters with the key joint achievement being the success of attracting Singapore Airlines to Canberra.

Canberra Airport has had a long history of positive interaction with local community groups, local and regional leaders, business leaders and the tourism industry across the ACT.

Community Consultation Group

Before it became mandatory, Canberra Airport had a community consultation group to keep communities across the ACT informed of changes at the airport and to hear from the community about its needs.

Currently, the Canberra Airport Community Aviation Consultation Group meets three times per year with leaders of community groups, local politicians and government, as well as council and planning representatives. We discuss airport events and developments and have an open dialogue with community representatives about what they would like to see changed.

We have had successful outcomes on several issues raised by community groups including bus services to the airport and future development plans on airport land or nearby. We value the transparency these community meetings provide for the broader ACT community. We also try to give those who participate in the meetings more insight into our operations through tours and information sessions.

Planning Co-ordination Forum (PCF)

Before it became mandatory, Canberra Airport had regular meetings with the ACT Government and the National Capital Authority on integrating planning and development of the Airport into the Metropolitan Planning Strategies, commencing with the Canberra Spatial Plan process in 2002.

A Roads Round Table commenced in June 2006 and has continued in various forums since. These forums deal with roads around the Airport and have been articulated in the Airport's Master Plan since 2009.

Following amendments to the Airports Act in 2010, a Canberra Airport PCF commenced and included ACT & NSW Government relevant agencies, tourism and business chambers and Canberra Region Joint Organisation (CRJO) the peak body for NSW local government councils positioned between the NSW South Coast and Young/Hilltops. The PCF has a current agenda of economic development in Canberra and the region leveraging off Canberra Airport's investment as an economic driver.

Open Days

Every two years we hold an airport open day where we invite the entire community to the airport to learn more about airport operations, the aviation industry and local emergency services and federal departments with a presence in the airport community. Every year the event grows in size and popularity.

To mark our 20th anniversary, we held our largest open day ever in April 2018 with more than 30,000 people enjoying aviation attractions from around Australia. There were more than 15 aircraft

on display including a RAAF C-17 Globemaster. This was the first time an aircraft this large was displayed at Canberra Airport's Open Day. This year's event was also the first time the airport required visitors to have tickets for entry, and more than 35,000 free tickets were released. This was the first open day held in a new, larger location on the western side of the airport precinct and visitors enjoyed free shuttle bus services every 10 minutes between the airport and the city which successfully alleviated traffic around the airport.

We received extremely positive community engagement and crowds were anxious to see local police, Australia's Border Force and a phenomenal display of planes from both private collectors and commercial airlines including Qantas and Virgin Australia. Feedback about events, food and parking was extremely positive on the day, across social media platforms and in subsequent media coverage.

Welcoming University Students to Canberra

Canberra is Australia's educational capital, and Canberra Airport is happy to greet students flying in to begin their studies here.

Students can find welcome desks for the Australian National University and the University of Canberra in the Arrivals Hall at Canberra Airport at peak arrival times for students.

Each year hundreds of students, prospective students and parents visit the Welcome Desk to learn more about studying in Canberra from local student ambassadors.

Supporting Local Sports Teams

Throughout the year, we support our local sports teams as they travel to games and when they arrive here at home after games. In addition to posting positive messages on digital signs throughout the terminal, we host media conferences and pressers for the Canberra Raiders, Brumbies and the Greater Western Sydney Giants sports teams. Our Group is also a corporate sponsor of the Canberra Raiders.

Partnerships With Local Institutions, Memorials, Museums and Galleries

We have a strong relationship with national institutions and ACT tourist attractions, and we work to promote extraordinary events and one-of-a-kind exhibits in Canberra. We have had many outstanding promotional campaigns to showcase the diverse and valuable events and experiences that Canberra has to offer.

Aeroplane Jelly Truck, National Museum of Australia

In partnership with the National Museum of Australia, Canberra Airport's main terminal is home to a Model-T Ford Aeroplane Jelly truck which was used to promote the brand between 1978 and 1988.

The name 'Aeroplane Jelly' sought to tap into the excitement and glamour of modern aviation. The truck plays the iconic Aeroplane Jelly jingle, which was one of the first examples of Australian advertising saturation in the 1940s when it was said to be played on the radio more than 100 times a day.

The display is another way the Canberra Airport strives to support tourism destinations and bring Australia's cultural history to life in the terminal.

Restored Hudson Bomber with The Australian War Memorial

On display in our terminal, is a painstakingly restored Lockheed Hudson Mark IV Bomber A16-105 from the Australian War Memorial. We worked with the War Memorial and the Virgin Australia Group to display this historically-significant aircraft in our arrivals area for two years. In order to install it, we had to remove a great deal of external glass wall panels, from ceiling to floor, and use a crane to carefully guide the plane through the side of the terminal building.

Cartier at the National Gallery of Australia

Another one-of-a-kind exhibit featured in our terminal was Cartier: The Exhibition at the National Gallery of Australia. The exhibition featured more than 300 spectacular items, loaned from royal families, celebrities and the astonishing Cartier Collection itself, including royal tiaras, necklaces, brooches and earrings. We showcased large marketing decals throughout the terminal, set against our high, glass walls, catching the sunlight and making the enormous gems appear to glitter and glow as the light changed throughout the day. This visually striking installation was well-received throughout the community by locals and travellers alike.

Augmented Reality with VisitCanberra and the Commonwealth Government

Canberra Airport passengers waiting for their luggage can spot a bettong or a quoll at the ACT's Woodlands and Wetlands, pat a cheetah at the National Zoo and Aquarium and get up close and personal with a humpback whale on the Sapphire Coast through the Airport's Augmented Reality visitor experience in our Arrivals Hall.

This installation was co-funded by the Commonwealth Tourism Demand Driver Infrastructure program and administered by VisitCanberra in partnership with Canberra Airport.

These partnerships and installations are integral to Canberra Airport's commitment to promoting tourism in the ACT and highlighting many of the wonderful things that our city has to offer.

Strong Relationships with Local, State, Regional and Federal Government

Canberra Airport has forged strong relationships with the ACT, NSW, regional and federal politicians and government stakeholders over the last 20 years to strengthen tourism, freight and other economic development drivers for the broader success of Canberra.

Our work with government has created a vibrant, world-class transport, technology, business, and retail hub, essential to the growth of the ACT's employment base, attractive to new business and amenable to sustainable economic development for the wider region.

Government Partnerships for Regional Investment, Trade and Export

In 2015, ACT Chief Minister Andrew Barr and Canberra Airport Managing Director Stephen Byron signed a Memorandum of Understanding recognising the significant role Canberra Airport plays as a regional gateway and a generator of investment and employment in the ACT.

The Airport also worked with Chief Minister Barr to create the Chief Minister's Export Award, acknowledging the innovation and hard work of Canberra businesses which export successfully overseas.

We also sponsored the Canberra Airport Global Export Freight Symposium, which was aimed at regional economic development, freight and export opportunities for local producers. It included Australia's former Minister for Trade and Investment, Andrew Robb AO; ACT Chief Minister, Andrew

Barr; NSW Minister for Transport and Infrastructure, Andrew Constance; Regional Development Australia members and Canberra Region Joint Organisation members.

Government Partnerships for Tourism Build International Recognition for the ACT

In October 2017, Canberra was named Lonely Planet's third best city in the world to visit in 2018. The recognition of Canberra as an international destination of note was the culmination of years of hard work by local leaders, the ACT tourism industry and airport stakeholders.

Missions for Economic Development and Increased International Tourism

For more than a decade, we have worked with the ACT Government and VisitCanberra, the official tourism organisation for Canberra and the ACT Government, to participate in four joint trade and tourism missions to Singapore and four missions to China. The trade and tourism missions to Singapore and joint lobbying by the ACT government, VisitCanberra and Canberra Airport led to Singapore Airlines creating two international routes from Canberra in 2016, Wellington and Singapore. We are hopeful the missions to China will lead to another international carrier flying from Canberra in the future.

Daily International Flights

In February 2018, daily international flights began at Canberra Airport, satisfying a 20-year-goal for the airport. Qatar Airways became the first airline to fly daily from Canberra to Doha and more than 150 destinations beyond. On 1 May 2018, Singapore Airlines began daily service to Singapore. Prior to this, the Airport worked closely with VisitCanberra and the ACT Government to build strong business relationships with international airline leaders.

Visitor Kiosk

Canberra Airport and VisitCanberra have a strong history of working together to grow the visitor economy of the ACT and the surrounding regions. VisitCanberra will soon open a new visitors centre, hosted free-of-charge by Canberra Airport, to greet both international and domestic visitors and showcase all that our region has to offer. The new centre is expected to open in the spring of 2018.

Buses

Working in partnership with the ACT's Minister of Transport, Meegan Fitzharris, Canberra Airport was able to secure new bus services linking the airport to the city. The new service began in March 2017 and provides frequent and affordable public transport, seven days a week, running almost every half hour from a bus stop funded by Canberra Airport. This is in addition to ridesharing, and other private transport options like taxis, private cars and several rideshare and car rental options offered to Canberra Airport customers.

5. Canberra Airport – Investment and Economic Efficiency

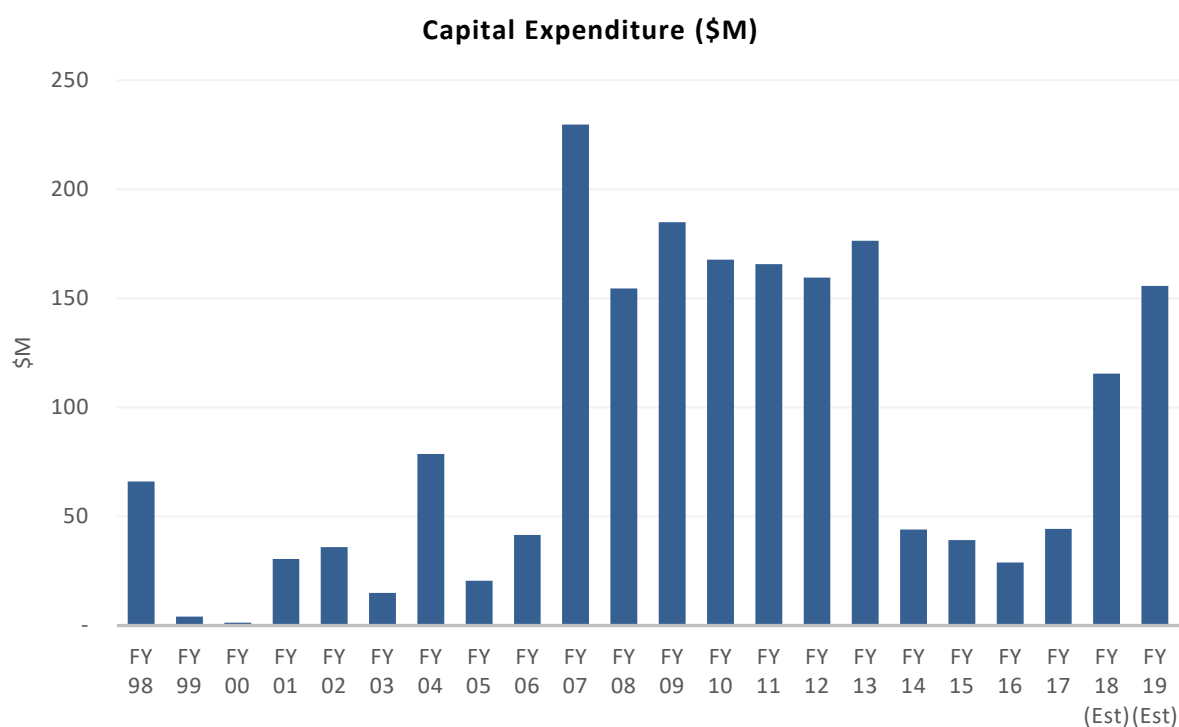
Canberra Airport is proud of the investment made in airport infrastructure and capacity since the airport was privatised in 1998. Over \$2 billion has been invested, building Canberra Airport into the world class airport it is today.

Critical to this investment is the 15 years of regulatory stability and certainty Canberra Airport has had since the move to light handed regulation of Australian airports. While any investment is not without risk – in Canberra Airport’s case we are still suffering from the passenger volume shortfall and risk we took – the scale of investment and the public benefits that the investment has provided were only made possible by the regulatory change in 2002.

In 2014 Canberra Airport completed its new \$480 million airport terminal. With this new terminal almost 15 years in the planning, it has been designed to process up to 8 million passengers per annum – a space purpose designed and purpose built for its users. Importantly, a commercial agreement was reached with Qantas before the investment was made – Qantas had long-term pricing certainty based on preliminary designs and costs before we commenced the project. Canberra Airport is proud of the quality of the completed terminal, and the project is representative of the businesses broader focus on customer service, quality and excellence. It is also representative of our preparedness to deliver infrastructure capacity ahead of time, and taking the risk that the business will grow into the capacity. Additional infrastructure is not charged for until it is needed and used.

Other significant aviation investment since privatisation has included:

- Runway strengthening and extensions (lengthening and widening);
- Apron expansions;
- New road infrastructure and car parks at the new terminal;
- International terminal construction; and
- Airfield lighting upgrades and other airfield investment to achieve Full CATII.



Note – the above chart includes the airport acquisition in 1998, and aviation and commercial investment at Canberra Airport.

In particular, during the 7-year period from 2007 to 2013 average annual CAPEX was 1.24 times gross annual revenue – an enormous scale of investment over an extended period for any business.

6. Canberra Airport – Business Fundamentals

With a significant investment in infrastructure and a high proportion of fixed operating costs, airport businesses are fundamentally volume-based businesses. The better the volumes, the higher the turnover and the stronger the financial performance. Airports are motivated to invest in their facilities to ensure sufficient capacity exists to grow volume. Additionally, Canberra Airport is willing to accept volume risk in making the investment in capacity, providing that the possible returns on that investment are appropriate for the investment risk taken.

Conversely, airlines are yield based businesses. Operating margins are low (significantly lower than airports), costs are largely variable, and increasingly so as airlines divest themselves of non-core assets over time. Airlines are focused on yield management, not necessarily volume. The higher the fare and yield (providing it is sustainable), the stronger the financial performance. Airlines (particularly dominant domestic airlines) are motivated to increase prices and manage yields by managing seat capacity in the market.

The airport volume-based objective is, therefore, more beneficial to passengers. As long as an airport has capacity for growth, the more potential there is for increased airline competition, and increased airline competition leads to increased flight frequency, increased route alternatives, additional airline entrants, and improved choice for travelers (time, route). And most importantly, with airline competition comes lower fares.

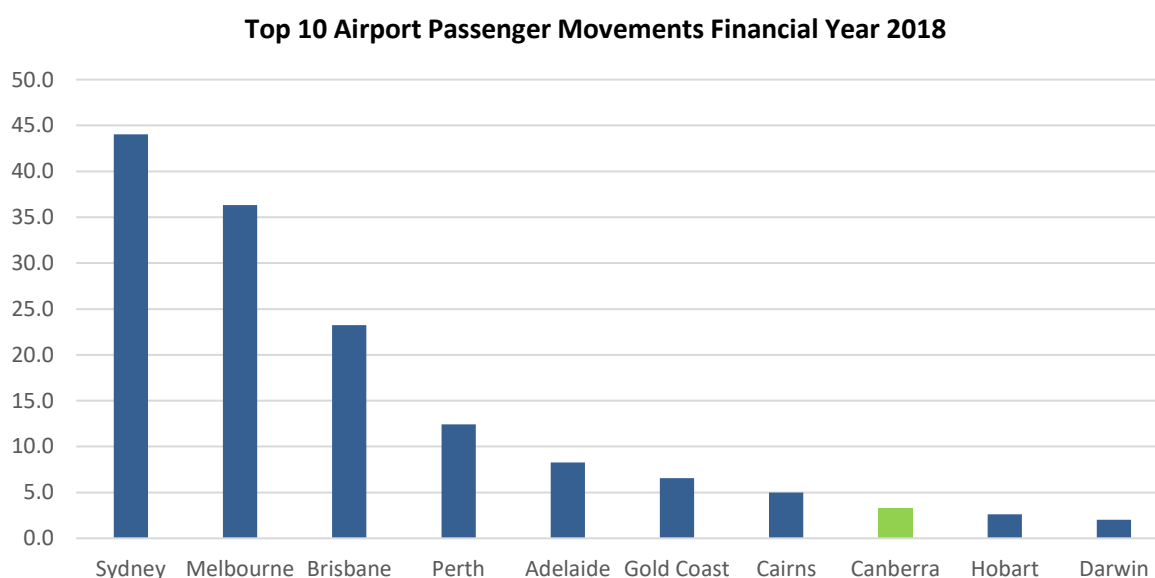
Airlines have also been re-defining their business models over the last 10 to 15 years, moving as much cost as possible from an ownership model into an operating model. By selling or divesting themselves of property, terminals, and non-core assets, ownership has transitioned to airports (and other suppliers). This provides huge benefits to airlines' balance sheets and capital funding requirements, with these challenges passed in many cases to the airports. These costs can be more easily passed by the airlines directly to passengers as fees and charges. Airlines have been able to shift costs from the base fare to an additional fee: costs which were previously overheads and part of an airline's cost base have been shifted to airports and other providers, who pass the costs to the airlines on a variable basis making these charges more easily recovered through airport fees and charges on passengers' tickets. From an airline perspective, the overhead risk has been transferred to a recoverable separate line on the ticket, while the airline maintains the underlying fare *before* taxes and charges.

Additionally, airlines have promoted a shift in airport charging methodology away from a Maximum Take Off Weight (MTOW) basis to a per passenger basis, which more directly aligns an airport and airline's volume risk, and more easily facilitates the airline's direct recovery of the airport charges on a per ticket basis. In relation to the Airfield charges, Canberra does not differentiate its pricing based on aircraft size – all airlines are charged an airfield price on a per passenger basis.

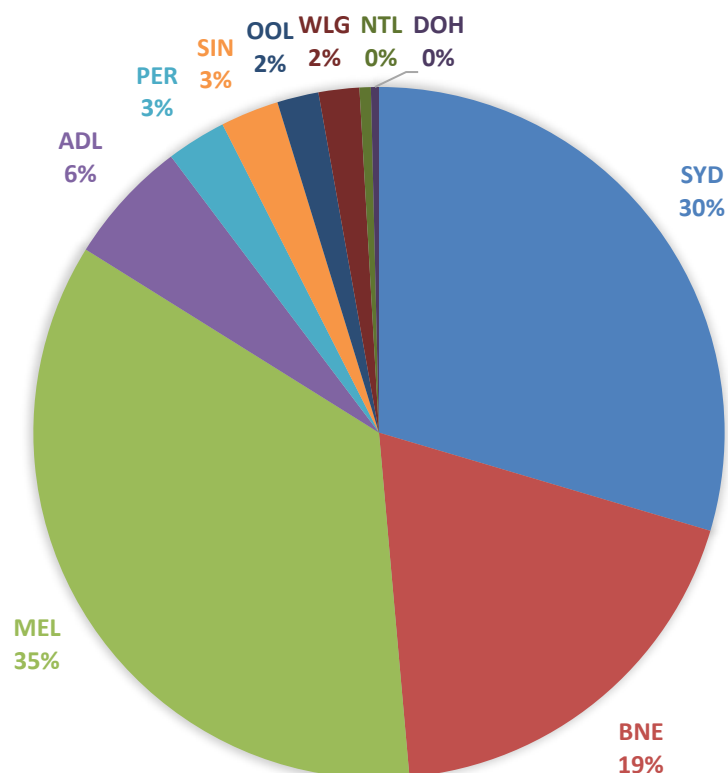
Canberra Airport is a common user airport. Both Qantas and Virgin Australia have elected and supported the common user basis of Canberra Airport, due to the benefit to them of this arrangement. Generally, all airlines pay for and have access to the same facilities and services. They share airport capacity between themselves. When growth in passenger volumes leads to a need for expanded capacity, all airlines pay the same price increase for the additional capacity (even if they are not growing and may not use the new common user capacity immediately).

7. Competition and Market Power

Canberra Airport's market power is considered low, relative to both other capital city airports and relative to the market power of our airline customers. Canberra Airport is the eighth largest Australian airport by passenger volume. We are 7.5% the size of Sydney, 9% of Melbourne, and 14% of Brisbane by passenger volume. We are a small airport by any measure or comparison, and being a small family-owned airport, we do not have sophisticated institutional shareholders and access to the financial resources which are typical of our larger peer airports. Our business focus is on quality, customer service and excellence, not on our valuation or financial distributions.



In addition to our relative scale, we also face direct and significant competition with other modes of transport on one of our biggest routes by volume, Sydney. For the financial year ending 30 June 2018, the Canberra-Sydney passenger volume was 29.6% of our total passenger volume – a share which has been steadily falling over time. Canberra Airport's route segments are presented on the chart below.



But of the total Canberra-Sydney passenger market, our share is estimated to be less than 20%. The dominant competition on the route is private vehicle (people choosing to drive), followed by Murrays bus services. Air travel is a distant third on market share for this route, only followed by train.

Murrays operate hourly express bus services, departing at 4am through to 7pm from the Canberra City Centre (Jolimont Centre) to Kingsford Smith Airport, plus a midnight departure. The one-way fare ranges between \$37 and \$46. The Murrays timetable is included below:

<i>Depart Canberra</i> Jolimont Centre, Bay 6/7 65-67 Northbourne Avenue	<i>Arrive Sydney Airport</i> International Terminal (T1) Level 2, Departures Level	<i>Arrive Sydney</i> Central Railway Station Western Forecourt	<i>Frequency</i>
00:01am	03:15am	03:30am	Daily
04:00am	07:15am	07:30am	Daily
05:00am	08:15am	08:30am	Daily
06:00am	09:15am	09:30am	Daily
07:00am	10:15am	10:30am	Daily
08:00am	11:15am	11:30am	Daily
09:00am	12:15pm	12:30pm	Daily
10:00am	01:15pm	01:30pm	Daily
11:00am	02:15pm	02:30pm	Daily
12:00pm	03:15pm	03:30pm	Daily
01:00pm	04:15pm	04:30pm	Daily
02:00pm	05:15pm	05:30pm	Daily

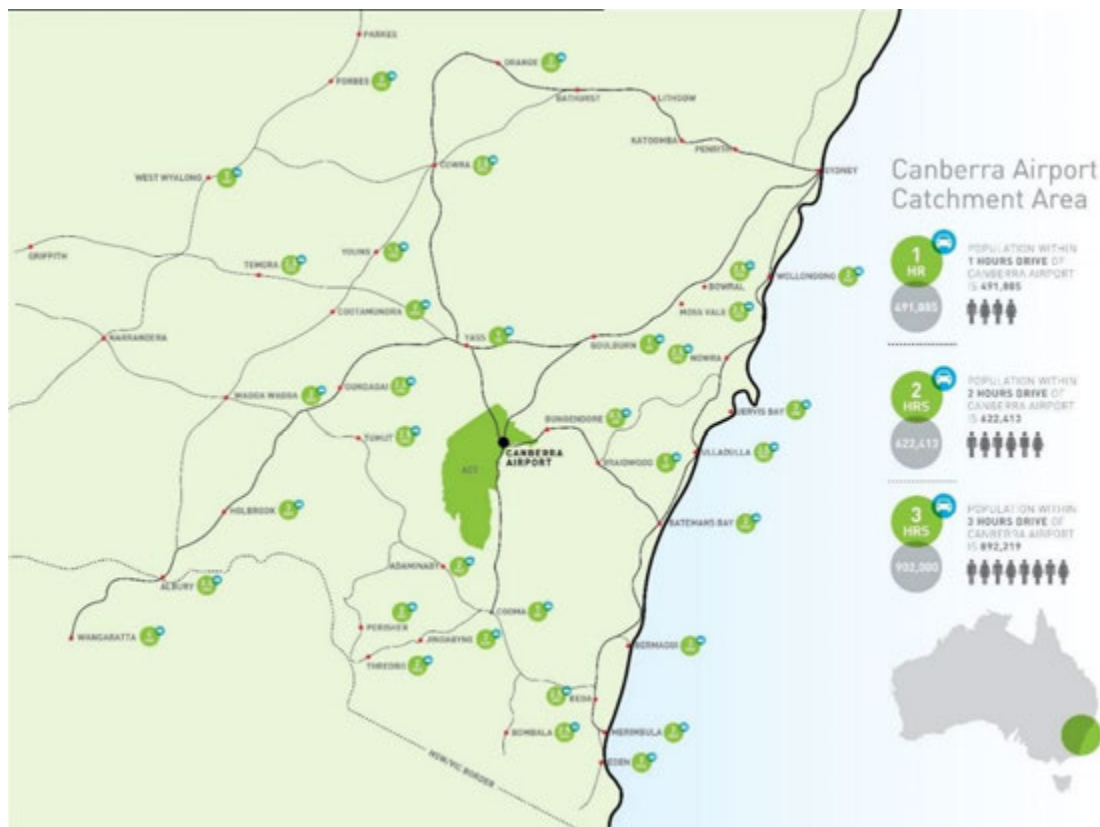
Depart Canberra Jolimont Centre, Bay 6/7 65-67 Northbourne Avenue	Arrive Sydney Airport International Terminal (T1) Level 2, Departures Level	Arrive Sydney Central Railway Station Western Forecourt	Frequency
03:00pm	06:15pm	06:30pm	Daily
04:00pm	07:15pm	07:30pm	Daily
05:00pm	08:15pm	08:30pm	Daily
06:00pm	09:15pm	09:30pm	Daily
07:00pm	10:15pm	10:30pm	Thur, Fri, Sun

<https://www.murrays.com.au/express-services/murrays-express-services-between-canberra-sydney-sydney-airport/>

Despite having absolutely no presence in Canberra as an airline, Jetstar was selling tickets departing Canberra where the Canberra to Sydney leg of the journey is on a Murrays bus departing from the Canberra CBD. **Attachment A** includes the booking information from Jetstar's "virtual" Canberra flights.

As a result, Canberra Airport has significant direct competition for more than a third of our passengers and are losing share in this space.

We consider our airport catchment area to be just under 1 million passengers, as demonstrated by the attached catchment area map. This catchment is the population residing within 2 hours driving time to Canberra Airport (as shown below). Much of this catchment is also within 2 hours driving time to a competing airport (Sydney Airport) which has vastly more direct routes and frequencies.



Our international services are also competing with Sydney Airport and Melbourne Airport (and even Brisbane Airport) for passengers who can choose a domestic flight from Canberra (or a bus in the case of Sydney) to connect to an international flight departing from any of those ports.

Canberra Airport is also competing in an extremely aggressive market with other Australian and global airports for allocation of low-cost carrier and international airline aircraft capacity. Low-cost carriers and international airlines, more so than full-service domestic carriers, have enormous flexibility in how they allocate and utilise their fleet (both markets and frequency). When Singapore Airlines decided to allocate aircraft to a Canberra service, we were effectively competing with every other destination in the world that can be reached from Singapore – airports they already fly to and airports they don't. Equally, in trying to attract Jetstar to Canberra, we are competing with every city pair in Australia for the allocation of an aircraft. Our market power in relation to low-cost carriers and international airlines is clearly very low.

8. Countervailing Market Power and Airline Competition

The countervailing market power of our airline customers is significant, and in particular, Qantas' market power is enormous. According to Qantas' own results announcements, the Qantas Group holds approximately 65% of domestic market share by passenger numbers, yet makes more than 90% of the domestic market profits. Qantas has now announced record profits in four successive years: a profit of \$1B in 2015, \$1.5B in 2016, \$1.4B in 2017, and a record 2018 profit of \$1.6B.

In its commercial dealings with Canberra Airport, Qantas brings enormous market power, and leverages this power fully and consistently in its commercial dealings with Canberra Airport.

The domestic airline market in Australia features two dominant market participants – the Qantas Group and the Virgin Australia Group. With Qantas owning and controlling Jetstar, and Virgin Australia owning and controlling Tiger Airways, there is currently no competition from other carriers. Qantas, and to a lesser extent Virgin, have the key peak period capacity of airports locked up, in particular, Sydney Airport's slot capacity – an insurmountable barrier to entry for any potential third carrier.

There is almost no opportunity, with the current market characteristics, that a third carrier could enter the domestic market as a serious competitive threat to Qantas or Virgin.

To demonstrate how under-serviced Canberra Airport is relative to peer airports: the growth in tourism in Canberra has been phenomenal – double digit growth for each of the last five years. We have the highest growth rate of domestic overnight visitors and are just behind Tasmania for growth in internationals at 16.8%. In fact:

1. Canberra has more domestic tourists than the whole of Tasmania – 2.754 million versus 2.708 million (and compared to Hobart with 1.393 million domestic tourists); and
2. Canberra has almost as many domestic tourists as Adelaide – we are 37,000 behind their figure but we are growing at twice their growth rate.

Overnight Visitors (Year Ended December 2017)

	<i>Domestic</i>			<i>International</i>		
	<i>2016</i>	<i>2017</i>	<i>% change</i>	<i>2016</i>	<i>2017</i>	<i>% change</i>
Adelaide	2,656,000	2,791,000	5.08%	388,000	418,000	7.73%
Hobart	1,280,000	1,393,000	8.83%	198,000	244,000	23.23%
Tasmania	2,449,000	2,708,000	10.58%	236,000	279,000	18.22%
Canberra	2,489,000	2,754,000	10.65%	208,000	243,000	16.83%

At present Canberra has 11 LCC flights per week operated by Tiger Airways. By comparison:

- Adelaide has 135 LCC flights per week – same number of domestic tourists but more than twelve times the LCC capacity that Canberra has; and
- Hobart has 142 LCC flights per week which is thirteen times what Canberra has despite having only 50% of Canberra's overnight domestic tourists; and
- Tasmania has 230 LCC flights per week which is 21 times more than Canberra despite having the same number of overnight domestic tourists.

The international airline market is a good example of the benefits of competition between airlines. There is genuine competition between carriers on price, quality, services, and destinations.

In relation to LCCs and international airlines, as discussed above, due to the flexibility of fleet and route decisions, these airlines' countervailing market power is high.

9. Airline Agreements

In addition to Qantas and Virgin Australia, Tiger Airways and Fly Pelican operate domestic services at Canberra Airport, while Singapore Airlines and Qatar Airways operate international services.

Canberra Airport has long-term commercial agreements in place with all six airlines operating. Each airline has an individual agreement(s) – there is not a standard agreement that applies to all airlines. Each agreement is commercially negotiated between Canberra Airport and the airline. BARA has not been involved in the commercial negotiations at Canberra Airport at the election of Singapore Airlines and Qatar Airways.

A summary of the agreements in place with RPT airlines at Canberra Airport is presented below:

Airline	Terminal Agreement	Airfield Agreement	Other Agreements ¹
Qantas	✓	✓	✓
Virgin Australia	✓	✓	✓
Singapore Airlines ²	✓	✓	✓
Qatar Airways ²	✓	✓	✗
Tigerair	✓	✓	✗
Fly Pelican	✓	✓	✗

1. Other agreements includes lounge leases, office leases, hangar leases and other commercial areas

2. Qatar and Singapore both have a single agreement which covers Terminal and Airfield services

Canberra Airport is a full common user airport. Check-in desks, boarding gates, aerobridges, aprons, baggage carousels, baggage handling systems, and security screening are all common user facilities, none are dedicated, although international activities do have a dedicated lounge area behind the immigration line and an additional screening area.

The pricing agreements include base prices for the term of the agreement, for the services defined and for the use of the airport capacity and infrastructure provided by Canberra Airport to the airline at the time of the agreement.

As a common user airport, should the activity or growth of one user require Canberra Airport to provide additional services or capacity, the price for all users will increase equally by the same amount. This is the case even for airlines who may not immediately require the additional capacity. This is the nature of common user airport pricing, and it is similar at all Australian common user airports. Our agreements with airlines are structured in this way at their request and election – there is an agreed pricing mechanism in each agreement which is used to determine the price for the new service or capacity. Canberra Airport needs to demonstrate to the airlines that the additional capacity is necessary or desirable for the efficient operation of the airport as a whole and the associated price is calculated using the pricing mechanism outlined in the pre-agreed commercial terms. This price is in addition to the base agreement prices.

In addition to defining the services Canberra Airport provides and the base prices for those services, all agreements also include service and availability obligations, information obligations, dispute

resolution, payment terms, confidentiality clauses, and as discussed above, pricing mechanisms for additional services or capacity.

10. Airline Behaviour

Canberra Airport has good relationships with over 200 tenants, airlines, and commercial partners. We pride ourselves on the quality of our customer services and facilities, and the strong relationships we have developed with our business partners. Of all these commercial relationships, our current relationship with Qantas is challenging but we are working hard to improve it.

We consider our relationships with the other airlines that operate at Canberra Airport to be good, and we have successfully attracted new airlines Tiger Airways, Singapore Airlines and Qatar Airways to Canberra Airport in recent years. Virgin Australia continues to grow at Canberra Airport also. Commercial negotiations between these airlines and Canberra Airport have been typically robust, but conducted in good faith, and agreements have been reached in all cases. With the growth in these airlines has come the need for Canberra Airport to provide expanded common user capacity – with new common user prices for additional capacity – and commercial discussions with these airlines in that regard have been successfully concluded also.

It is however important to note that negotiations with major domestic airlines are significantly lengthier and more difficult. Domestic airlines will never pay more than they choose to pay. Negotiations always conclude with the domestic airline putting forward their final offer of what they are prepared to pay, and it has been up to Canberra Airport to conclude the negotiation on that basis.

Qantas Behaviour

Canberra Airport and Qantas have had a long and prosperous commercial relationship, now twenty years old. Over this period, we have successfully negotiated Airfield Services Agreements, Business Lounge leases, Office leases, Operational Area leases, Freight Facilities and Hangar leases. However the most significant agreement achieved between Canberra Airport and Qantas is in relation to the new Terminal – in 2005 we agreed on a Terminal MOU, in 2007 the Terminal Development Deed, and the Terminal Services Agreement. While agreement was reached on each of these matters, it was not without challenges. Both parties negotiated strongly, but there was shared respect, trust and good faith, and agreements were reached.

From an operational and day to day perspective, we consider our relationship with Qantas on the ground / local to be excellent. We work very closely together on the full range of airport operational matters. Local staff (Airport and Qantas) have worked very closely to coordinate important marketing and promotional events – such as Qantas’ showcasing of its new 787 Dreamliner to VIP guests at Canberra Airport (prior to its entry into service) and coordinating Canberra Raiders Major Partner group charter flights. In relation to the charter flights we were in discussions to waive the airport charges but were advised in writing by local Qantas management that the charges were insignificant and “not worth the hassle”. We did instead sponsor a function for the group at Limestones Bar at the terminal prior to the flight.

However, on commercial and strategic matters there are significant challenges which we are working hard to address and have been encouraged by Qantas’ recent positive engagement to achieve the same.

11. Airline Ticketing and Airport Payments

Canberra Airport has a number of concerns in relation to airline ticketing, airline recovery of airport charges from passengers, and the transparency of information passengers receive in relation to specific airport costs as part of their purchase of an airline ticket.

Firstly, as part of commercial agreements with airlines, Canberra Airport has agreed to invoice airlines in arrears for the agreed fees and charges, early in the month following the use of services by the airlines. Payment terms are typically 28 days. On the other hand, passengers pay the airlines in advance for their tickets (including airport charges and other charges). As a result, the airlines have significant working capital benefits at no charge. If a passenger bought a ticket and flew on the same day, say 1 June, the airline would not have to pay Canberra Airport for its charges collected on 1 June until 28 July, or later depending on the date of Canberra Airport's invoice (invoiced monthly in arrears, typically 28-day payment terms). Most travellers purchase flights well in advance, so the working capital benefit is significant. In Qantas' latest financial results, at 30 June 2018, Revenue Received in Advance was \$5.385 billion.

In circumstances where airlines withhold payment or delay payment of agreed airport fees and charges, the period of working capital benefit may be significantly longer than 28 days. It is Canberra Airport's understanding that, even if airport charges are disputed by an airline and not paid to the airport in full, they are still levied on the passenger and collected by the airline.

Further, there is insufficient transparency on tickets in relation to airport charges. There is simply an amount of taxes and charges, which is purported to include airport charges at both arriving and departing airports, Government charges and taxes (if any), air services charges (ARFF and Air Navigation), and may include other related costs. Canberra Airport has also been advised by a major airline that airport charges aren't necessarily applied to the tickets based on the actual journey (i.e. the airport charges for the passengers' arriving and departing airport), but rather on a pooled recovery basis. In other words, for that airline, all airport charges in the airlines network are pooled together and somehow allocated by the airline to each ticket.

An example of the breakdown of an actual International fare is included in **Attachment B**. This is the fare information provided on the airline ticket / receipt for a family of 4 on a return economy flight to Europe.

To summarise, of the total amount paid by the family of \$7,400, only \$3,392 was attributed as the airline fare. Outside of the base fare, were two separate surcharge categories being:

- Airport / government taxes of \$1,177; and
- Carrier surcharges totalling \$2,840. Carrier surcharges includes the cost of such things as:
 - Airline insurance \$53
 - Airline Fuel surcharge \$1,337
 - Transaction fees \$30

The amount of nearly \$1,200 is not reflective of the actual airport charges on the fare – this line is primarily government taxes, with the Airport charge component being a very minor proportion. Further, airport charges, insurance, and fuel costs are all part of the cost base typical of an airlines basic operations. There is no need to have any of these costs outside of a base fare.

Finally we note that, in many cases, the cost of simply changing an airline ticket booking (for example a flight change) is significantly higher than the airport charges associated with the ticket. **Attachment C** shows the latest fees to simply making a booking change with Qantas, now \$99 per ticket – a fee for something with marginal incremental cost for Qantas, and a fee charged in addition to whatever the fare change is for the new booking. This \$99 fee would be at least four to five times the airport charges for that ticket. This puts the true significance of the level of airport charges for Qantas into proper context.

It is our view that airlines should be required to either:

1. Present full and transparent cost information to passengers in relation to the direct pass-through costs charged to passengers as part of their tickets. This would include a full and detailed breakdown of all costs that sit outside the base fare. Or, alternatively;
2. Absorb the airport costs into the base fare and not charge them separately to the passenger. (we question why airport charges should be shown as a separate line on passenger tickets – why are airport charges different to catering costs, ground handling costs, staff costs, fuel costs, insurance or any other cost of operating an airline)

We recommend this to the Productivity Commission for further consideration.

12. Current Regulatory Environment

Canberra Airport believes that the recommendations made in successive previous inquiries conducted by the Productivity Commission (in 2001, 2006, and 2011), specifically the recommendation to introduce and then continue a light-handed regulatory regime for Australian airports, is fundamentally right. It has created an environment that has resulted in enormous growth of the aviation industry in Australia – growth in airlines, growth in airline competition, and investment by airports in significant infrastructure and aviation capacity. Negotiations between airports and airlines, while complex and sometimes lengthy, have generally led to commercial agreement being reached. Overall, the regime has been a significant success. The public benefit of a light-handed regulatory regime for Australia’s airports has been significant. Importantly, the adoption by the Commonwealth Government of the Productivity Commission’s recommendations facilitated enormous economic growth.

Currently the largest four airports in Australia are subject to price and quality of service monitoring by the ACCC. Canberra Airport is not subject to ACCC monitoring, so do not have any specific comment on the effectiveness of the ACCC’s monitoring activity. Canberra Airport, as a second-tier airport, is subject to self-reporting arrangements, and are required to disclose various pricing, quality of service and complaints handling procedures and outcomes.

Genuine commercial negotiations are a critical component of a light-handed regulatory regime. Any changes recommended by the Productivity Commission through this inquiry should focus on facilitating improved commercial negotiations where possible, and not on increased regulatory intervention. A continuation of a clear and stable regulatory framework is critical for continued growth of the aviation industry in Australia, continued investment at airports, and continued competition between airlines, and the public benefit that accrues as a result.

13. Car Parking and Landside Access

Canberra Airport has submitted a separate Confidential Submission to the Productivity Commission in relation to Car Parking and Landside Access. The key points from this separate submission are summarised below.

- Canberra Airport is a family-owned business, which prioritises quality and customer service. We are proud of the role we play in our community, and value the relationships we have with our customers.
- Canberra Airport has invested significantly in high-quality facilities to deliver a broad range of airport access alternatives for passengers, airport users and staff. Importantly, there is competition between the alternative transport options, and customers have the choice of a range of good value options.
- Transport alternatives to Canberra Airport include free drop-off and pick-up in private vehicles, indoor and open-air car parking, taxi, car rental, premium hire car / limousine, rideshare, public buses and private buses.
- Canberra Airport has the cheapest car parking rates of any capital city airport in Australia, and an ongoing focus on the fairness of pricing to the customer.
- Canberra Airport was the first Australian airport to reach a formal agreement to facilitate the operation of Uber on-airport and also the first to introduce dedicated rideshare facilities for rideshare providers like Uber and GoCatch.
- Canberra Airport acknowledges that it has a degree of market power in relation to on-airport parking and landside access at Canberra Airport. However, given the range of transport alternatives including public transport and free access available at Canberra Airport, the supply of car parking capacity, and low-cost parking alternatives, there is clearly no evidence of abuse of market power.

Car Parking at Canberra Airport

Canberra Airport has built 2,189 indoor car parks and 890 outdoor car parks at the terminal. This is a significant amount of car park capacity relative to the current demand for car parking spaces. Importantly, Canberra Airport has not constrained supply of capacity to customers. There is not a focus on yield management and profit. As a result of the substantial supply of capacity and relatively low utilisation compared to our peer airports, customer experience is excellent – it is never difficult to find a parking position.

Canberra Airport has the cheapest short-term car parking rates of any capital city airport in Australia, and long-term car parking rates are equally competitive.

Canberra Airport has and has always had, a focus on providing high-quality car parking facilities at a fair price. With that as our core principle, we have structured our car parking rates at a level we believe provides our customers value and convenience.

We have modern, efficient, clean and well-lit car parks. Pay machines are conveniently located, and we also provide credit card entry and exit supplemented with recently installed contactless (pay-wave) payment options. Car park entries and exits are clearly marked and operate efficiently. Our indoor car parks have bay finding and car finding technology using licence plate recognition and are directly accessible from the Terminal on both Ground Floor and Level Two. Our outdoor car parks

are also conveniently located, less than 150m from the baggage collection belts, and connected to the Terminal by a covered walkway.

Canberra Airport differentiates its car parking based on product (indoor product closer to terminal v outdoor product further from terminal), not based on length of stay (short-stay or long-stay). As a result, there are no penalty prices for staying too long in the indoor car park, nor are there penalty prices for a short stay in the outdoor car park.

We have structurally avoided price changes between hours and between days which penalise customers for staying one minute longer or one hour longer – we believe that nothing is more annoying than paying a 2-day car parking rate when you have only parked for 1 day plus one minute or plus one hour. We effectively give two free hours at the start of each second, third or subsequent day in both our indoor and outdoor car parks. No other airport does this.

This free two-hour parking applies not only for the second day but for the third, the fourth and so on for each subsequent day and is done so that customers are not penalised for staying in the car park for a little longer than a whole day.

After the first two hours of free parking on each of the second and subsequent days, the parking rate does not immediately revert to the rate for two whole days (and so on) but rather is again graduated to be fair to the customer. Accordingly, in both the indoor and outdoor carparks, the rate for subsequent days (from day 1 to day 10) increases incrementally for the subsequent hours and doesn't reach the full day rate until after 7 hours of the subsequent day. No other airport does this.

In addition to high quality, good value car parking alternatives, Canberra Airport has invested in and facilitated the development of alternate modes of transport and passenger access amenities. A plan of the Canberra Airport terminal showing the location of the various transport alternatives for Canberra Airport's customers is provided in **Attachment D**.

Off-Airport Infrastructure Funding

Access to and from the airport is critical to our business, our customers, and the broader user base of Canberra Airport's facilities. This is why we have invested significantly in off-airport road infrastructure, funding around \$8.5M of works to provide grade separation of Pialligo Avenue to ensure efficient operation of roads and access certainty. Not all airports, including Sydney, have a grade separated intersection from the terminal access road to the regional trunk road and it is something that has always been a critical element of our customer service proposition.

Since 2006, Canberra Airport has continued to work closely with the ACT and Federal Governments in regard to improving road access to and from the airport. In addition to on-airport road upgrades, the outcomes to date include the significant upgrades to Majura Parkway and its airport interchange together with providing better intersections and more lanes on Pialligo and Fairbairn Avenues.

Free Drop-Off and Pick-Up

Canberra Airport provides free passenger drop-off at the terminal face for private vehicles, taxis and ride-share vehicles. Free 10 minutes passenger pickup is also provided in the outdoor car park, with dedicated conveniently located pick-up bays. For longer than 10 minute stays in the carpark, the rates revert to usual outdoor carpark rates starting at \$2.00 for 10 to 20 minutes.

Taxi

Canberra Airport has invested in a dedicated taxi road at the terminal face (ground floor) including an extensive taxi waiting area. There is a dedicated indoor air-conditioned taxi queueing area for customers, who especially appreciate the indoor space during cold Canberra winters. Canberra Airport funds the taxi rank Commissionaire (87.5 hours per week), and also provides dedicated taxi driver amenities including toilet and washroom facilities and a kitchen.

Rideshare

Canberra Airport was the first airport to facilitate rideshare pick-up in a unique lounge facility on the ground floor of the indoor carpark, within close proximity to the terminal. The rideshare lounge is shared with Express Passenger pick-up customers (private vehicle pick-up). The lounge is air-conditioned with comfortable seating, TV, a live CCTV feed of the car park entry gate (so that rideshare and express passengers can see their ride arriving) and direct access to the rideshare pick-up bays. Canberra Airport has also provided remote rideshare vehicle waiting bays at Majura Park. There are currently 2 rideshare operators operating at Canberra Airport: Uber and GoCatch with a third due to start operations in early September 2018 (Ola).

Rideshare vehicles and taxis are charged a pick-up fee of \$3 per pick-up (incl GST), which partly recovers the cost of the dedicated infrastructure and operating costs of these activities.

Public Bus

Canberra Airport has actively lobbied the ACT Government and Transport Canberra for the provision of regular public bus services to the terminal. In March 2017, scheduled bus services commenced operating 7 days per week between the airport terminal and the city every 30 minutes on weekdays, and every hour on weekends. The bus stop for the terminal services is on the at-grade terminal face road, in front of the express pick-up / rideshare lounge. Transport Canberra also operates regular public bus services to other locations at Canberra Airport (Brindabella Business Park, Majura Park, and Fairbairn).

Private Bus

In addition to the public buses, there are also scheduled bus services operated by private bus companies, such as Murrays and Deanes. These operators also have access to bus stops and bus parking on the at-grade terminal face road.

Seasonal bus services (particularly during ski season) are operated by 5 private businesses, which operate from the same facilities as the scheduled bus services.

Car Rental

There are currently six on-airport car rental operators at Canberra Airport: Avis, Hertz, Thrifty, Budget, Europcar and Redspot Enterprise. A seventh operator, Eastcoast, ceased Canberra operations in January 2018. Facilities provided to car rental businesses include car rental shopfronts at the at-grade terminal face road, with direct access to the car rental ready bays on the ground floor of the adjoining indoor carpark (179 bays), car rental storage sites, maintenance and car wash facilities.

Canberra Airport provides high quality dedicated facilities to car rental operators in absolutely premium locations – perhaps the best and easiest in Australia. Canberra Airport's commercial arrangements with car rental operators reflect the value that we provide to their business and are

not inconsistent with the commercial arrangements at other airports in Australia. There is significant competition between the car rental operators.

Premium Services

Premium pick-up services are provided by 15 different operators at Canberra Airport, including limousines, private buses, Comcar, H plated and Silver Service. These operators have access to dedicated pick-up zones and carpark bays in the indoor car park.

Access for People with Disabilities

Canberra Airport recognises the importance to provide adequate parking bays for persons with disabilities. As part of the terminal redevelopment additional disabled parking bays had been installed above the minimum regulatory standards.

As referenced in our Disability Access Facilitation Plan, Canberra Airport offers special needs passengers and guests access to restricted kerbside areas to arrange collection of persons with an impairment or medical condition. The service is available and approved on a pre-booked arrangement with the Airport.

In collaboration with the ACT Government, Canberra Airport has supported pre-booked services for Wheelchair Accessible Taxis (WAT) through the governments Wheelchair Accessible Taxi Centralised Booking Service (WCBS) to facilitate the collection of mobility impaired persons from the taxi rank.

Future Transport Access

Canberra Airport's terminal precinct has been designed to facilitate future transport modes at Canberra Airport, with planning allowing for future stations for both light-rail and high-speed rail at an "integrated transport hub". While neither service has been announced, Canberra Airport has publicly committed to funding the stations for both services should that eventuate. Canberra Airport's Masterplan also includes both stations, with the planned location of the integrated transport hub shown in **Attachment E**.

14. Canberra Airport's Recommendations to the Productivity Commission

In considering what recommendations the Productivity Commission might make in relation to the Economic Regulation of Airports, the key question that needs to be addressed is “What has changed in the industry that would result in the Productivity Commission forming a different position compared to previous inquiries?”. Canberra Airport's observations in relation to this question are:

- Importantly, there has been no change to the market power of airports, and no evidence of abuse of market power.
- Qantas is stronger, more profitable, and its countervailing market power has significantly increased.
- Virgin has a different shareholder base, and has also acquired 100% ownership of Tiger Australia. The Virgin Australia Group is a stronger business than in previous inquiries as a result.
- There have been no new airline entrants domestically.
- Domestic airline long-term terminal leases are coming to an end, converting to common-user terminals.
- Airports continue to invest in airport capacity, despite commercial agreement with domestic airlines becoming increasingly difficult.
- The key industry capacity bottleneck is unchanged – regulated capacity constraints at Sydney Airport, regional protection, and the current slot schemes protect dominant domestic airlines who are banking their slots.
- The aviation security environment is increasingly tighter and stricter, and the security responsibilities of airports are more complex.
- Western Sydney Airport is now under construction.

Our view is that there is no justification for substantial changes to light-handed regulation of Australian airports. And there is certainly no reason to or justification for increased regulatory intervention on Canberra Airport.

Airline calls for increased regulation are not necessary or justified, and there has been no valid argument put forward as to why any change is needed. The A4ANZ proposed “negotiate-arbitrate” model is exactly what Qantas put forward during the 2012 Productivity Commission inquiry. It was not recommended then, so why would it be recommended by the Productivity Commission now?

A4ANZ has described “negotiate-arbitrate” as a small regulatory intervention, but it is not a small intervention. It is a shift from light-handed regulation to heavy-handed regulation. Any negotiation that concludes with arbitration by a regulator is regulation. This form of regulation will result in airlines being unlikely to engage in genuine commercial negotiations, delayed negotiation outcomes and in particular, delayed investment. We believe that no matter will be concluded in a commercial negotiation

On the other hand, regulatory changes that Canberra Airport would recommend include:

- Improvements in the ability of an airport to publish and enforce terms and conditions in the absence of a commercial agreement with an airline, noting that refusal of service is not possible under airport leases.
- Airlines should be required to provide full transparency and a breakdown of airport charges, taxes and other costs on a passenger ticket. Airport charges on a passenger's ticket should only

relate to airport charges actually used for that journey (i.e. should not be a network-wide cost allocation).

- Assuming there are no material changes to the current regulatory framework, Canberra Airport recommends that another Productivity Commission Inquiry is **not** scheduled. The scheduling of PC inquiries has led to gaming by airlines and have the potential to be 'gamed' by any stakeholder including airports. Genuine commercial agreements need a certain level of good-faith behaviour and goodwill. We would recommend that the Productivity Commission is only instructed to conduct an inquiry if there is evidence of abuse of market power at airports that is not adequately addressed through existing monitoring and legislation. The monitoring regime should inform the need for a Productivity Commission Inquiry.

Attachments

Attachment A – Jetstar’s “virtual” Canberra flights.

Attachment B – Breakdown of International Fare

Attachment C – Qantas Change Fee

Attachment D – Canberra Airport Transport Map

Attachment E – Future Transport Access – planning for light rail and high-speed rail

Attachment A – Jetstar’s “Virtual” Canberra Flights

Canberra, Australia Travel Guide | Things To Do in Canberra | Jetstar

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Canberra

Australia

[Watch prices](#)

Australia's capital has shrugged off its sedate image for a cool new vision

Not so long ago, Canberra was thought to be the sole domain of politicians and public servants — more akin to a business centre than a holiday destination. But with its centenary celebrations in 2013 came a shot of cred. New and revived precincts boasting galleries, eateries and design hotels give visitors and local residents new focal points for after-hours entertainment, while the much-vaunted galleries, wide green spaces and stunning public architecture are as impressive as ever. Whether its outdoor activity you're after — the local residents are big fans of running and cycling around Lake Burley Griffin — or a taste of the nation's history and culture, you should add Canberra to your must-visit list.

[Book a flight to Canberra](#)

Images of Canberra



<http://www.jetstar.com/au/en/planning-and-booking/where-we-go/destination-informa...> 30/03/2016

☒ Return ☐ One way
 Origin
 Destination
 Depart Return Currency

Adults
 Child 2-11
 Infants <2
☐ I need to travel on this date
☐ I just want the lowest fare
 Children travelling alone

Find Flights



[Launch gallery »](#)

When to go

Its inland location means Canberra, unlike much of Australia's eastern seaboard, has four distinct seasons. Summer (Dec-Feb) is dry and hot, and winter (Jun-Aug) often very cold. Spring (Sept-Nov) and autumn (Mar-May), however, are blessed with temperate, sunny days perfect for exploring.

Spring is a very popular time of year, when visitors arrive from around the country to explore Floriade, a month-long festival (Sept-Oct) celebrating the arrival of the season. The city also tends to be busier during **Parliamentary sitting times** (http://www.aph.gov.au/about/Parliament/Sitting_Calendar) and when major traveling exhibitions arrive at the **National Gallery of Australia** (<http://nga.gov.au/home/default.cfm>).

Flying with Jetstar

Jetstar offers fares from Canberra to Bali (Denpasar) and Phuket with both routes connecting via Sydney or Melbourne. The connecting flight between Sydney or Melbourne and Canberra is operated by Garuda.

Jetstar will also be offering a bus service from Jolimont Bus Station in Canberra CBD to Sydney International Terminal which passengers can book with select connecting international flights.

The bus service is operated by Murray's Bus. See www.jetstar.com.au (<http://www.murrays.com.au/jetstar-conditions>).

Getting around

Action Buses (<http://www.actionbuses.com.au>) links major attractions and events to the city and major town centre interchanges. You can use the MyWay smartphone app to book tickets or cash. It's not a very big city, so taxis aren't expensive and your hotel will book one for you. Cycling is also very popular, and many hotels offer bicycles for guests to borrow. Otherwise you can rent one from **Mr Spokes Bike Hire** (<http://www.mrspokes.com.au>).

Airport information

CBD taxi

Travel time: 10 minutes

Taxi: Approx AU\$25

Bus: Once every hour. AU\$12 one way, AU\$20 return. Journey takes about 20 minutes.

Things to do



Face of a nation

The **National Portrait Gallery** (<http://www.nationalgallery.gov.au>) — designed by Johnson Pilton Walker and opened in 2008 — is absolutely stunning, but the exhibitions of paintings and images of the people who built Australia by leading Australian artists and photographers are also incredibly inspiring.



Walk Lake Burley Griffin

Canberra is a city for people who like the great outdoors, and central to its landscape is this man-made body of water. Surrounded by walking and cycling tracks and boasting beautiful parks with flocks of squawking cockatoos, it's a brilliant spot to relax. Take a one-hour **lake cruise** (<http://lakecruises.com.au>) (adult \$18, child \$9) to see it all, including the famous Captain Cook Memorial Water Jet, from another angle.



Design discovery

The New Acton Precinct is a hub for contemporary architecture, arts and food. Head to **Monster Kitchen and Bar** (<http://www.monsterkitchenandbar.com.au>) in the foyer of the ultra-cool Hotel Moon for cocktails, before going across the street for a rustic meal at industrial-chic **A Baker** (<http://www.abaker.com.au>) (there's often music or films in the courtyard too). Chill with a massage at **Soma Day Spa** (<http://www.soma.net.au>) or catch a movie at **Palace Electric Cinema** (<http://www.palacecinema.com.au/cinema/index.cfm>).



Northern star

Just north of the CBD is the hip and evolving 'burb, Braddon. Dotted with cafes, bars and restaurants, and home to the new Ozi building, an ultra-modern retail complex on Lonsdale Street, it's a great spot.

<http://www.jetstar.com/au/en/planning-and-booking/where-we-go/destination-informa...> 30/03/2016



Australia

Canberra
Canberra Lockmont Bus Station

**Harriet Ware
Newcastle
Sydney**

Doreen
Anne Rock Gilbert

Brisbane
 Cairns
 Gold Coast
 Hamilton Island
 Hayman Island
 Mackay
 Sunshine Coast
 Townsville
 Whitsunday Coast

Aufgabe

Robert
Leventon

The Bourne

Perth

Phnom Penh
Such Mean

Qiyang
Hakow
Shenow
Wuhan

Handwritten:

Nuclei

Hong Kong

Bali
Jakarta
Medan
Palembang
Pekalongan
Surabaya

Fukuoka
Kagoshima
Kumamoto
Matsuyama
Nagoya
Osaka (Nishi)
Osaka
Ozaka
Sapporo
Takamatsu
Tokyo

Madden

Kuala Lumpur
Perang

Yarwood

Auckland
Christchurch
Dunedin
Napier
Nelson
New Plymouth
Palmerston North
Queenstown
Wellington

Manila

Gregory A. Eklund

Table 1

Bangkok
Thailand

Hilfschulungen

Buon Me Thuot
Chu Lai
Da Lat
Da Nang
Dong Hoi
Hai Phong
Hanoi
Ho Chi Minh City
Huế
Nha Trang
Phu Quoc
Pleiku
Quy Nhon
Thanh Hoa
Tuy Hoa
Vinh

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View these destinations on a map

Search

Return One way

From
Canberra

To
Bali (Denpasar)

Departing
Monday 28
March 2016

Returning
Monday 28
March 2016

Adults 1

Child (2-11 years) 0

Infants (<2 years) 0

Specific assistance required Children travelling alone

Search

Choose destination

From
Canberra

To
Bali (Denpasar)

Search...

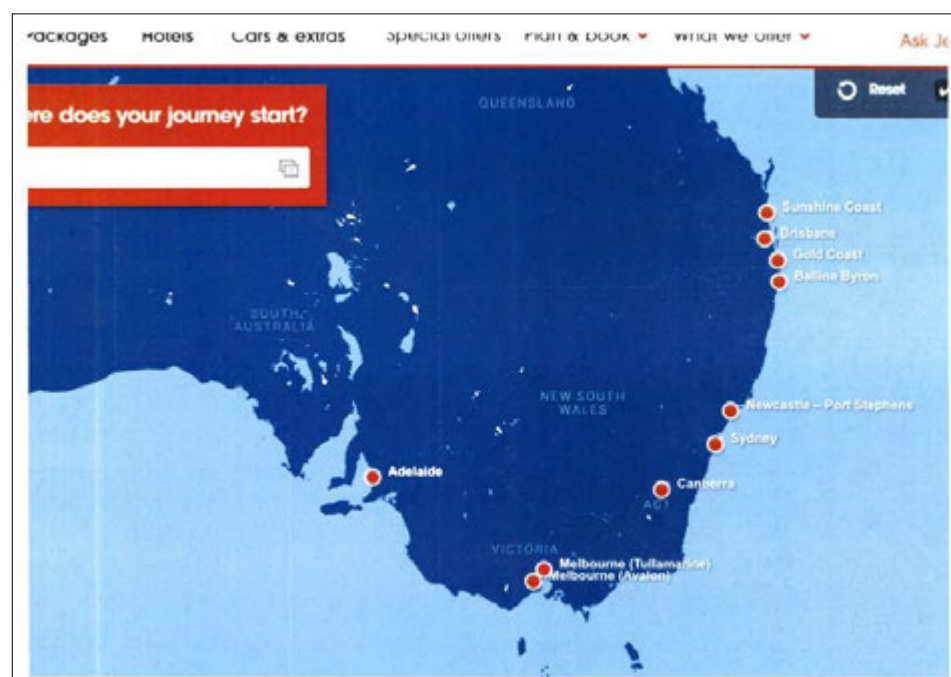
INDONESIA, REPUBLIC OF

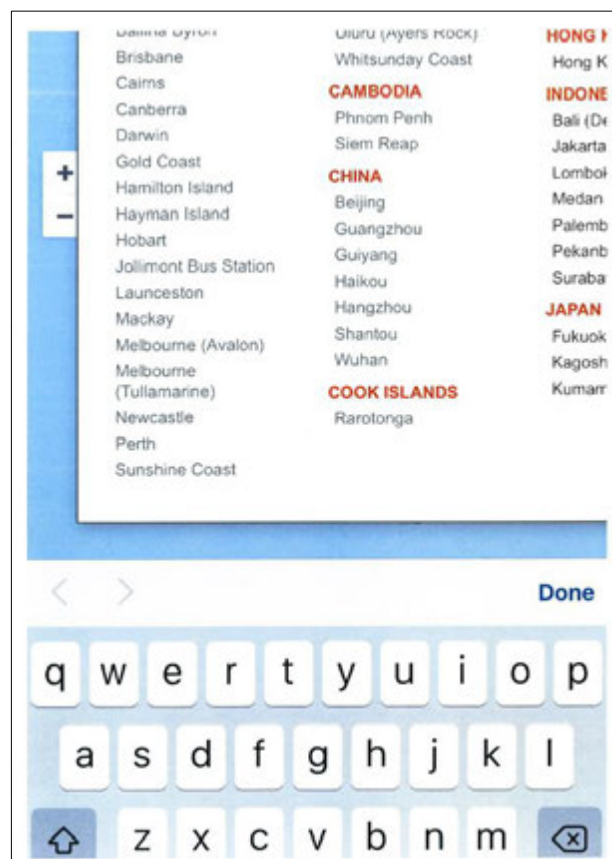
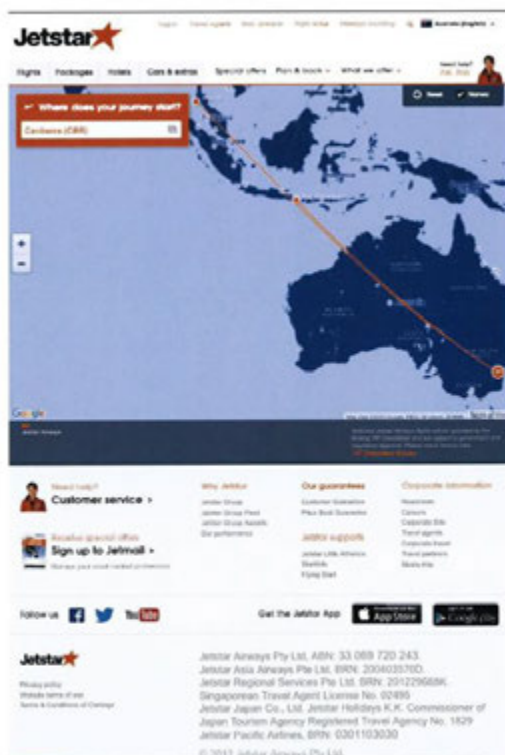
Bali (Denpasar) DPS

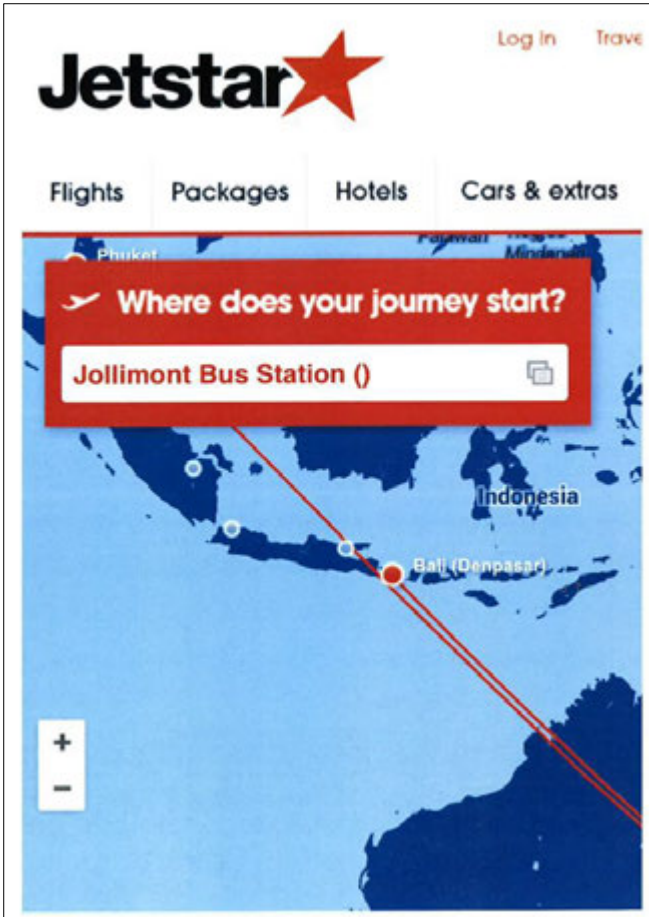
THAILAND, KINGDOM OF

Phuket HKT

From	To
Canberra (Jolimont Bus Station)	Choose destination
<input type="text" value="Search..."/>	
FIJI, REPUBLIC OF THE FIJI ISLANDS	
Nadi	NAN
INDONESIA, REPUBLIC OF	
Bali (Denpasar)	DPS
NEW ZEALAND	
Auckland	AKL
Christchurch	CHC
Queenstown	ZQN
THAILAND, KINGDOM OF	
Phuket	HKT
UNITED STATES OF AMERICA	
Honolulu	HNL







Attachment B – Breakdown of International Fare

Payment details

Total Cost

AUD 7,409.16

(including taxes and surcharges)

Form of payment

Card Holder:

Cost break down

Total fare	AUD	3,392.00
Airport/government taxes	AUD	1,176.76
Carrier surcharges	AUD	2,840.40
Amount paid	AUD	7,409.16

Full cost breakdown

Airport/Government taxes include the following:

Tax charges per passenger

	Currency	Adult	Child
Passenger Service Charge - (Domestic/International) (UB)	AUD	72.50	72.50
Passenger Service and Security Charge (SG)	AUD	22.50	22.50
Air Passenger Duty (APD) (Domestic/International) (GB)	AUD	130.50	NA
Passenger Movement Charge (AU)	AUD	55.00	NA
Passenger Service Charge - Dom (QR)	AUD	24.09	24.09
Safety and Security Charge (Domestic/International) (WG)	AUD	4.53	4.53
Passenger Services Charge - Intl (WY)	AUD	60.92	60.92
Aviation Levy (OP)	AUD	6.00	6.00
Passenger Security Service Charge (OO)	AUD	10.90	10.90

Sub-total (per passenger)

AUD 386.94 201.44

Number of passengers

2 2

Total taxes

AUD 773.88 402.88

\$1,176.76

Carrier surcharges include the following:

Surcharge per passenger

	Currency	Adult	Child
Airline Insurance (YQAD)	AUD	26.40	26.40
Airline Fuel Surcharge (YQAC)	AUD	668.70	668.70
Airline Fuel and Insurance Surcharge/Payment Transaction Fee (YR)	AUD	15.00	15.00

Sub-total (per passenger)

AUD 710.10 710.10

Number of passengers

2 2

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Important update

New Qantas change fees

Qantas is implementing changes to fees for Red eDeal Flight Changes, Flex Fare Name Changes and Cancellations.

The changes will come into effect for tickets issued on or after 14 March 2017 and will be applied as follows:

Fare Type	Fee Type	Tickets issued on/before 13 March 2017 (incl GST)	Tickets issued on/after 14 March 2017 (incl GST)
Red eDeal	Flight Change	AUD\$88.00	AUD\$99.00*
Flex	Name Change/ Cancellation	AUD\$88.00	AUD\$99.00*

* The new AUD\$99.00 flight / name change and cancellation fee level will apply per passenger per ticket to:

- new Red eDeal and Flex tickets issued on/after 14 March 2017; and
- subsequent reissues of existing retail and wholesale tickets purchased on/before 13 March 2017 which have been reissued on/after 14 March 2017.

For the first change on a Domestic ticket, the change fee charged is the fee that was applicable on the date of original ticket issue.

For subsequent changes on a Domestic ticket, the change fee charged is the fee that was applicable on the date of the most recent reissue. All Flex fares retain the ability to change right up until day of departure with no flight change fee.



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Attachment D – Canberra Airport Transport Map



Attachment E – Future Transport Access – planning for light rail and high-speed rail

