7. Melbourne airport

Summary

In 2006–07 passenger numbers increased, while aircraft movements remained stable and tonnes landed decreased slightly. Aeronautical and aeronautical-related prices generally increased. On a per passenger basis, aeronautical revenue, expenses and margins increased this year, as did the measures for aeronautical-related services. This contributed to an increased profitability of providing aeronautical services. In 2006–07 returns on assets for aeronautical services increased.

The value of aeronautical assets increased, predominantly as a result of net investment in property, plant and equipment. Results for the total airport were affected by Melbourne recording at fair value non-aeronautical investment property that had been previously been recorded at cost. This resulted in a considerable revaluation of this asset category in 2006–07.

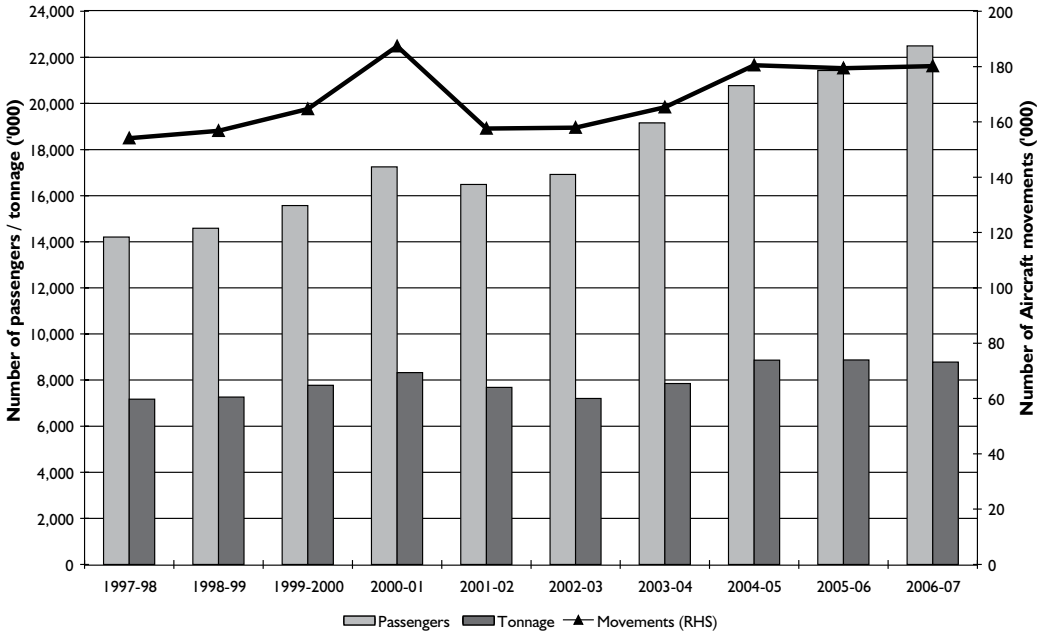
Melbourne's overall quality of service has been rated between satisfactory and good. In 2006–07 the number of passengers per inbound immigration desk decreased, corresponding to an increase in the ACS ratings for this measure. Passengers per baggage inspection desk also decreased; however, the ACS ratings of both the **availability** and **standard** of baggage inspection desks remained the same compared to 2005–06. Domestic passengers per check-in desk increased and airline ratings of availability decreased. However, airlines' rating of the **standard** of check-in desks increased and passenger waiting times decreased. Passengers per security clearance system decreased as the result of the installation of additional systems at the airport. Airline ratings of the **availability** and **standard** of airside services generally decreased. This year, runway demand increased slightly, while airlines' rating of the airport's approach to resolving quality of service issues decreased.

7.1. Melbourne airport price monitoring results

7.1.1. Activity

Chart 7.1 shows traffic volumes at Melbourne measured by passenger numbers, tonnage and aircraft movements from 1997–1998 to 2006–07.

Chart 7.1: Melbourne—volume of passengers, tonnage and aircraft movements



In 2006–07 passenger numbers increased while aircraft movements remained relatively stable and tonnage decreased slightly when compared with 2005–06.

Over the reporting period, passenger numbers have continued a general upward trend, increasing since 2002–03 after falling following the SARS outbreak, the September 2001 terrorist attacks in the USA and the collapse of Ansett. Before 2001 passenger numbers were showing positive growth; they have improved in the past five years to reach 22 495 110 passengers in 2006–07, representing a 5 per cent increase when compared to 2005–06.

Aircraft movements increased by less than 1 per cent in 2006–07 following last year's slight decrease of less than 1 per cent. Tonnes landed decreased by 1 per cent in 2006–07 following a stable result of less than 1 per cent increase in 2005–06.

More detailed operational statistics for Melbourne are contained in appendix 1.2.

7.1.2. Prices

Table 7.1 shows the schedule of charges and the indexed change in list prices for both aeronautical and aeronautical-related services at Melbourne from 2002–03 to 2006–07, with 2002–03 taken as the base year.