29 July 2022

Australian Competition & Consumer Commission
GPO Box 520
MELBOURNE VIC 3001

Via email: airportsandports@accc.gov.au
Attentions: Airports & Ports

Dear Sir/Madam

Perth Airport welcomes the opportunity to provide comments as part of the consultation process to review of Airport quality indicators.

Introduction

The current system of "light-handed" regulation of airports is working well and ensures timely and efficient investment in the infrastructure required to grow aviation, create jobs, and support economic growth.

This fact is evidenced by the findings of numerous inquiries by the independent and objective Productivity Commission.

The Productivity Commission's most recent inquiry ("Economic Regulation of Airports", 2019) found that "the current approach to airport regulation benefits passengers and the community and remains fit for purpose at this time."[1]

The Productivity Commission also found that the major airports:

> "have not systematically exercised their market power in commercial negotiations, aeronautical services or car parking. … Each airport has generated returns sufficient to enable investment while not earning excessive profits, and passengers consider airports to have good service quality."[2]

Despite these findings, the Australian Competition and Consumer Commission (ACCC) has continued to express its concern that its monitoring role does not provide it with power to "intervene in airports' setting of terms and conditions of access to airports' infrastructure."[3]

The ACCC regularly exceeds both the scope and intent of the directions issued by the Federal Treasurer in relation to monitoring of Perth, Sydney, Melbourne and Brisbane airports, as evidenced in the most recent Airport Monitoring Report 2020-21.

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[1] Economic Regulation of Airports, Productivity Commission Inquiry Report, June 2019, Page 2
[2] ibid
[3] Airport Monitoring Report 2020-21, ACCC, Page 134

Airport Monitoring Report 2020-21

Perth Airport was extremely disappointed in the recent commentary by the ACCC in its "Airport Monitoring Report 2020-21" in which the ACCC sought to portray airports as having profited during the Covid-19 pandemic when data contained within the report confirmed the four major airports suffered combined total losses of $442.5million in their aeronautical operations.[4]

Throughout the report, the ACCC cherry-picked data and, in some cases, mispresented issues in support of its efforts to seek substantive change to economic regulatory arrangements found to be fit for purpose by the Productivity Commission.

The ACCC has confirmed there will be another of what it calls a "context" monitoring report before the next Productivity Commission inquiry.

This indicates that rather than seeking to present a more objective and sober analysis of the data it collects, the ACCC may once again seek to use its monitoring report to misrepresent major airports in support of its push for more regulatory intervention.

This would be a mistake as the 2020/21 report does not, to an objective reader, represent a balanced, credible analysis.

While the monitoring of airports remains an effective assurance mechanism for the community and can assist in the improvement of the delivery of aviation services, the worth and status of annual monitoring report compiled by the ACCC has been significantly devalued by the clear bias and lack of balance displayed in its compilation and presentation.

Improving on airport monitoring arrangements

The monitoring of major airports is an important and effective assurance mechanism for the community that market power is not being abused and in fact demonstrates the consistent efforts being made by airports in delivering quality services for airlines and passengers. It has also provided the regular Productivity Commission inquiries with the data required to reach its conclusion that the current system of regulation is delivering for the community.

In its 2019 Inquiry the Productivity Commission found that:

> "The ACCC's indicators of aeronautical service quality were last updated in 2013 and are due for revision. The Australian Government should direct the ACCC to consult with airports and airport users on quality of service indicators for aeronautical services, with a view to updating the set of indicators that are used in its annual monitoring reports."[5](p.25)

Perth Airport broadly supports the Productivity Commission's recommendations relating to reviewing the range of data collected, while noting the Commission's caveats around the need to protect commercially sensitive information.

Perth Airport seeks a genuinely cooperative and consultative approach to achieve the outcomes sought by the Productivity Commission.

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[4] ACCC op cit Page 52
[5] Productivity Commission op cit Page25

Perth Airport's approach to this process will be consistent with the principles outlined in this submission on Quality of Service indicators.

PRINCIPLES

While the ACCC appears to remain focussed on using the annual monitoring report to advance its call for greater economic regulation of airports, airports and airlines have instead been moving forward on providing greater transparency and accountability in commercial arrangements.

This has seen airlines and airports getting on with discussions that have resulted in real advances in service quality and standards, providing a firm basis for the necessary revisions and improvements to service quality monitoring at the major international airports.

While Perth Airport supports the Productivity Commission's call for a broader range of data, we remain concerned that the ACCC approach as outlined in the consultation paper could leave to a more cumbersome approach that does not add true value to the monitoring process. Perth Airport will work with the ACCC to help guard against this happening.

More targeted data will assist and advance the efforts already underway between airports and airlines. It would also be of real value to the more objective Productivity Commission in its deliberations, particularly as it gives greater insight into the priority interactions between airports and airlines.

With this in mind, Perth Airport believes the review process should be driven by a number of key principles:

- The time and cost burden on airports attempting to recover from pandemic-related border closures should not be increased, and should be reduced wherever possible, especially by making use of existing service metrics agreed between airports and airlines.
- The indicators should be meaningful to the regular Productivity Commission inquiries into airport regulation.
- Indicators should be easily and consistently measurable across the major airports.
- Indicators should only measure services or service elements which are the sole responsibility of airports. Where airlines or their contractors are involved in the delivery of a service (e.g. baggage or check-in), airports should be monitored on facility standards, capacity and availability metrics only.
- Indicators for the quality of aviation services should be focused on those services that airlines and passengers value the most.
- The current practice of trying to calculate an overall quality of service rating from a disparate range of indicators is meaningless, lacks transparency, and should be discontinued.
- Current indicators that provide no useful insights into the level of service provided should be removed.
- Airline surveys should be discontinued once a meaningful list of aviation service quality indicators can be developed.
- While airports support greater transparency, the commercial sensitivity of some data provided to the ACCC must be respected, noting this is more relevant to financial data and pricing of services.

To achieve these principles, Perth Airport believes there needs to be a genuine but timely and targeted consultation process consisting of two parallel work streams:

- **WORK STREAM 1**: Department of Infrastructure, Regional Development, Communications & the Arts to facilitate workshops involving the four major airports, airlines, and the ACCC to identify the key quality of aviation service metrics and to consider how they can be measured consistently across all four airports.
    - o This work should draw and build on the service metrics already agreed between airports and airlines.

- **WORK STREAM 2**: An independent, expert market research firm should facilitate workshops with the major airports, airlines and the ACCC to determine appropriate passenger perception indicators on quality of service and a consistent and achievable data collection methodology applicable across all airports.
    - o Consistent with the above-stated principles, these indicators should focus on services directly provided by airports.
    - o Should the ACCC wish to continue performance monitoring on aspects such as the check-in process, it should obtain this through other sources than airports and report separately in the context of services provided by airlines.

WORK STREAM 1 - the quality of aviation services.

The issues with airline rating measures are well documented in the Productivity Commission's 2019 inquiry, noting that:

> "The Commission acknowledges that methodological issues and biases can limit the robustness of quality of service ratings under the monitoring regime."[6] (p. 149).

Anecdotal evidence from airlines and their representatives indicates that the current survey process on aviation services is of little if any value.

Data from the airline surveys is subjective and influenced by the role and tenure of the person completing. The problems are then compounded by the ACCC trying to compare these subjective ratings across different airports. (See Box 1 – Perth Airport baggage system performance)

Box 1   **Perth Airport's international baggage system and airline ratings**

Prior to the COVID-19 pandemic, Perth Airport's baggage system operated at 99.5% availability with less than one in a thousand bags reported missing attributable to the baggage system. This high performance standard is reflected in the data provided by the Board of Airline Representatives of Australia (BARA) to the PC's 2019 Inquiry, with a total reported mishandled baggage rate of 1.2 per thousand, which incorporates issues outside the airport's baggage system (eg the transfer of bags from the baggage system to aircraft and also baggage tag issues), further noting a suggested global average of direct check-in mishandled bags of about 2.7 per thousand (see BARA submission 7 March 2019, p. 12).

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[6] Productivity Commission op cit Page 149

The 2018–19 airline rating for Perth Airport's international baggage system for availability and standard was 'satisfactory' despite achieving mishandled baggage outcomes about a third of the global average. It is difficult to see how a 'good' or 'excellent' airline rating for the baggage system could ever be achieved given the already very high standard delivered as demonstrated in the baggage performance metrics. Perth Airport remains committed to working with airlines and ground handlers to identify reasons for mishandled bags and progress improvement initiatives when supported by airlines, especially IATA's resolution 753 on bag tracking.

As noted above, *airlines and airports have already made significant advances in agreeing and monitoring service level indicators.*

In early 2018 (and in parallel with airline pricing discussions), Perth Airport undertook workshops with International and Domestic regular passenger transport airline operators to establish a Service Standards Framework.

The starting point was a list of 40 metrics covering On Time Performance, passenger facilitation, airport facilities, bussing operations, safety and airport service quality (which were being considered by Sydney Airport), with airlines rating the level of importance and relevance of those metrics. This identified an agreed list of 21 metrics to investigate further for reporting back to airlines. The Service Standards Framework includes bi-annual Industry Consultative Forum (ICF) meetings (note these have been in hiatus due to the Covid pandemic and are about to recommence) where the suitability of the reporting metrics is discussed, as well as specific outliers and investment projects

In total, 13 service metrics have been reported to airlines since May 2018 using manual data reporting formats, with the data transitioning to Microsoft business intelligence platform Power BI from July 2021. We are currently working on making the reports available via Power BI to airlines via the Perth Airport Extranet, providing easy access to continually updated performance metrics. Having to align different types of data from similar, but not the same, systems (e.g. baggage handling systems) has been a challenge, but was discussed with airlines at the ICF meetings and agreed refinements made.

In a very minor number of instances, it was recognised that there is no data for the proposed measure, and these were agreed to be removed. The remaining metrics require new or updated systems to measure the metric; e.g. IATA 753 for incoming baggage data, Xovis (or similar) for security screening wait times. As this requires capital infrastructure costs shared by airlines and the airport, these have not been pursued in the current economic climate. The planned roll-out by Airservices Australia of the Airport Collaborative Decision Making (A-CDM) system may provide exportable data for metrics in relation to runway capacity and bay utilisation, which could then be provided to airlines.

This collaborative, problem-solving approach is far more effective than the current "data for data's sake" approach which is apparent in many of the existing ACCC indicators. Not only is genuine performance data being shared with airlines, it is also fostering a better understanding of the need for new investment and/or the replacement of assets. For example, an aerobridge may be due for replacement in 2023, however the data shows it is functioning well with few faults, thus the asset's replacement could be delayed and the cost to airlines reduced. This then allays any concerns around airport investment and debunks the baseless allegations that airports are "gold-plating" their assets.

It has also helped empower airlines in their discussions with Perth Airport as it has built on our open and transparent consultation and negotiation process. For the first time, the airline pricing agreements executed in 2018 included rebates to international airlines operating in Terminal 1 for gate usage, delayed flights and mishandled bags where agreed service levels by Perth Airport infrastructure are not met. Perth Airport has genuine financial accountability to its airline customers over the delivery of the core services they use to support safe and efficient operations.

This is further evidence that the consultative and cooperative work stream approach being proposed by Perth Airport will deliver real benefits to this review of service quality indicators.

The Perth Airport approach also addresses one of the key principles outlined above – that being airports should only be monitored for services which are solely delivered by airports.

For example, passengers' baggage usually involves check-in staff (or an automatic bag drop off), airport baggage systems, ground handlers and transfer baggage arrangements, the latter often directly undertaken by airlines or through their contracted ground handler. Similarly, the timeliness and quality of the check-in process is heavily dependent on the allocation of airline staff to the check-in counters provided by airports. Availability of check-in counters can also be heavily influenced by aircraft arriving outside of their scheduled times – an issue beyond the control of airports.

As referenced in the above principles, airports should be monitored on the capacity and/or availability of those systems they provide and not final outcomes determined jointly with airlines. In the service level agreements negotiated by international airlines in 2018 with Perth Airport, airlines can seek rebates from the airport if the airport's system is at fault. So, in the case of baggage, a failure by the airline's ground handling contractor to have adequate staff resources on hand or to properly monitor the baggage belt would not be held against the airport. Similarly, reduced availability of check-in counters due to late arrival of aircraft would not see a rebate issued.

Perth Airport notes that on time performance is a metric that is influenced by factors beyond the airport's control. A more nuanced approach that identifies where delays have been beyond the control of the airport (eg. weather events, late arrival of aircraft) would be useful in providing greater context to this measure.

Perth Airport has also made major advances in the provision of facilities for airport visitors with disabilities. There is some merit in seeking a consistent and practical approach to monitoring airport activity in this area through objective indicators, albeit it should be recognised that mobility assistance for passengers with disabilities is provided by airports.

Throughput rates are not always an appropriate performance metric for airports. An approach which focuses on "passenger churn" (or passenger wait time) through Security Screening fails to acknowledge the reality that the expectations of both government and the community around airport security have risen exponentially in the post 11 September 2001 era - and will continue to do so. Security screening officers need to take whatever time it takes to ensure a thorough and proper screening process. This can be impacted by genuine security concerns, passengers requiring additional support and explanation through the process (such as passengers with hidden disabilities), uncooperative passengers, and other factors beyond the control of the airport. This again highlights the need for objective measures that focus on the delivery of capacity and availability.

To assist the ACCC in establishing the facilitated workshops for Work Stream 1, we have included a more detailed list of comments on various service metrics at Appendix 1.

WORK STREAM 2 – Quality of passenger services

Perth Airport prides itself on the delivery of a high-quality travel experience for passengers passing through our terminals. Perth Airport considers the ongoing engagement with its customers to be a top priority and invests in a rigorous passenger surveying programme to ensure our performance standards are monitored and maintained.

Perth Airport considers passenger perception monitoring to be important. We believe, however, the current passenger performance indicators within the monitoring report are inappropriate and should be made more relevant to the services provided by airports and the priorities of passengers, while the flawed benchmarking mechanism currently used by the ACCC should be abandoned.

Perth Airport strongly believes there would be great value in engaging an independent, objective market research expert to work with airports, airlines and the ACCC to restructure and refocus the passenger perception strand of Quality of Service monitoring.

The collection of objective data on the quality of aviation services should be the foundation of the monitoring process. Passenger perception survey data provides a useful sense check and context to that analysis. This approach is consistent with the views of the International Air Transport Association (IATA), as stated in its Service Level Agreements (SLAs) – Best Practice paper.

The current system is incapable of delivering this important piece of the puzzle because many of the current metrics are simply irrelevant to the services expected of and delivered by airports (for example, the waiting times in outbound immigration – a service delivered and resourced by the Australian Government.)

Perth Airport believes this work stream could continue to focus on aspects such as airport access (but excluding public transport and rideshare), departures processing, information & signage, terminal facilities, and arrivals.

This is the opportunity for the ACCC to work together with airlines and airports to develop a set of passenger perception indicators which is relevant to air travel today and the needs of the modern traveller.

In developing a new, more meaningful set of objective indicators, and consistent with the approach advocated by this submission, Perth Airport believes that airports should only be monitored on services and facilities under their direct control. For 2018-19, Perth Airport's Terminal 1 International was 'performance monitored' on 21 passenger perception indicators. Six of these indicators (29%) related to services not under the airport's control. Consequently, Perth Airport's rating was a conflation of performance ratings for airline ground handlers, Australian Border Force, the Department of Agriculture, and Perth taxi companies.

Passenger perception indicators should measure the outcomes important to passengers and airlines. We can identify what outcomes are most important to travellers globally using the Airports Council International (ACI) Airport Service Quality (ASQ) dataset and airports' own analysis.

Our airlines have told us their four priorities for passenger perceptions of quality of service in our Industry Consultative Forum. Prior to Covid disruptions, Perth Airport reported to airlines on a quarterly basis on these four priorities: passenger satisfaction with cleanliness of washrooms, ease of wayfinding, flight information screens and overall satisfaction. Other airports and airlines may identify other areas of priority.

The review is an opportunity to align passenger perception monitoring with market research best practice. An independent market research agency can help guide an achievable and consistent data collection methodology across all airports and a clearer, simpler list of indicators for survey respondents.

Confusing indicators on passenger surveys lead to meaningless results. For example, many survey respondents have told our independent fieldwork agents that they are not sure how to rate their 'satisfaction' with "Crowding in lounge area".

Queue times and processing efficiencies should be monitored through objective indicators whilst passenger perception surveys are better placed to focus on ease of use, availability and standards. Waiting times and processing efficiencies are not most accurately measured by peoples' perceptions. There is a wealth of peer-reviewed research published which shows that people cannot accurately estimate their wait times.

As noted in the principles outlined at the start of this submission, the well-intentioned attempt by the ACCC to amalgamate a range of scores collected by a range of different means from a range of different passenger mixes on a range of different issues into one simple overall quality of service rating is a meaningless exercise. It simply has no basis in logic and lacks any credibility. It should be discontinued.

We would welcome the opportunity for our Customer Insights Manager to brief the ACCC on these views in more detail.

To assist the ACCC in developing the workshops for Work Stream 2, Perth Airport has provided more detailed comments on passenger perception monitoring at Appendix 2.

Summary

Perth Airport supports the current system of light-handed regulation of airports and has led the way in developing stronger, more open and more transparent relationships with its airline partners.

The open and transparent process of consultation and negotiation with our airline partners on new aeronautical service agreements in 2018 saw deals reached with 24 out of the 25 airlines operating at Perth Airport at the time.

At the time Covid struck, Perth Airport had deals with 26 out of the 27 airlines operating through our airport.

The inclusion of service metrics and rebate facilities into some agreements is a significant step forward and is being built on through further discussions and ongoing cooperation with airline partners.

Perth Airport urges the ACCC to use this review of metrics to learn from what has been happening cooperatively between airlines and airports and to develop a set of metrics that is modern, meaningful and objective.

Perth Airport wishes to assist the ACCC in this effort and our Team can be contacted via our General Manager Corporate Affairs Matt Brown on ███████████████████████ or ██████████ .

Yours sincerely

Matt Brown
GENERAL MANAGER CORPORATE AFFAIRS

APPENDIX A - Schedule 2 comments

Item	Airport service/facility	Airport to keep records for	Comments on existing records	New measure
1a	Airport access facilities (taxi facilities, kerbside space for pick-up and drop-off)	1. Total area (international and domestic) at terminal kerbside for passenger pick-up and drop-off to landside operators such as taxis, and providers of other off-airport parking services, measured in terms of the number of standard car park spaces 2. Total area (international and domestic) at terminal kerbside and at designated waiting areas for passenger pick-up and drop-off provided to the public at no charge measured in terms of the number of standard car park spaces	• Wording could be clearer • Rideshare more important than taxis	• Number of bays available to landside operators at terminal kerbside for passenger pick-up and drop-off • Number of bays available to the public at no charge at terminal kerbside for passenger pick-up and drop-off
1	Car parking service facilities	1. Number of car parking spaces available to the public in the vicinity of the airport (including disabled parking) on 30 June in the financial year 2. Distance (in metres) between the nearest public car park and the terminal entrance nearest to that car park on 30 June in the financial year 3. Number of days the car park was open during the financial year 4. Number of vehicles that used the car park in the financial year 5. Number of car parking spaces for staff of airport clients on 30 June in the financial year	• Maximum occupancy, minimum occupancy, and number of days when occupancy reaches =>85% are better performance measures • Perth Airport operates mixed car parks used by both passengers and staff so cannot report data on staff parking with confidence • Trip frequency & duration varies significantly between airports, so it is not meaningful to benchmark.	• Maximum occupancy • Minimum occupancy • Number of days when occupancy reaches =>85%
(Added in FY21 Report	Car park occupancy	1. Maximum occupancy 2. Average peak period occupancy 3. Average occupancy Reported for: a) T1/T2 short-term (T1 & T2 separately) b) T1/T2 long-term c) T3/T4 short-term d) T3/T4 long-term e) T3/T4 fast-track parking f) General Aviation	• T1 Short-Term and T2 Short-Term car parks should be reported separately. • General Aviation should be excluded from measurement (not RPT, there is no forecourt). • Average peak period occupancy provides no meaningful insight given passenger peaks and how car parks are utilised. • Airports must build car parks to provide capacity to cater for peak demand so that no one who wants to park their vehicle is turned away. These metrics do not provide useful measures of performance nor highlight when investment is needed.	• Maximum occupancy • Minimum occupancy • Number of days when occupancy reaches =>85%

Item	Airport service/facility	Airport to keep records for	Comments on existing records	New measure
2	Baggage trolleys	1. Average number of passengers for each baggage trolley during peak hour in the financial year 2. Number of baggage trolleys on 30 June in the financial year	• Different reporting for each terminal. • Free in Int, paid in Dom • How does this show that we are a 'satisfactory', 'good' or 'excellent' airport? • Only a measure on a specific day across the year.	• Remove completely due to changes in luggage (rolling luggage).
3	Check-in services and facilities	1. Number of check-in desks on 30 June in the financial year 2. Number of bag-drop facilities on 30 June in the financial year 3. Number of spaces provided for check-in kiosk facilities on 30 June in the financial year	• Unclear how these show how airports are providing what the airline requires. • No real measure here. • Better metric would be based on availability, noting each airport would have their own determination on how many counters for each aircraft type.	• Better metric could focus on provision and availability
4	Security inspection	1. Number of departing passengers for each security clearance system during peak hour in the financial year 2. Number of security clearance systems, including equipment required to process passengers and baggage, in use on 30 June in the financial year	• Change wording from 'security clearance system' to 'passenger screening point'. • No real measure here.	• Better metric could be to measure asset availability – eg. # times/FY security lane goes down due to equipment issue. May not fully restrict service delivery but may slow screening.
5	Outbound baggage system	1. Average number of bags handled by the outbound baggage system during peak hour in the financial year 2. Total number of bags handled by baggage handling equipment in the financial year 3. Total number of hours during the financial year for which baggage handling equipment was in use 4. Capacity of baggage handling equipment (in bags per hour) on 30 June in the financial year	• Reporting on average number of bags or total number of bags does not talk to system availability, or when not working. • Capacity of the system cannot be measured on basic Baggage Handling Systems (BHS). Only the more complex systems report this data. • No real measure here. • The operation of the BHS is reliant upon a number of factors which are the responsibility of the airline/GHA: • correctly injecting bags into the system and having sufficient staff at the end to remove bags from the system and load onto dollies or into ULD's. If the bags are not removed in a timely manner, the system backs up, then stops. • bags with straps/soft bags being put into tubs. And in turn, having the recirculation of tubs from back of house back to front of house. Have seen many BHS lines stopping in the last few due to lack of tubs.	• Metric could look to measure line downtime (noting this does not necessarily mean the whole system is unavailable.)

Item	Airport service/facility	Airport to keep records for	Comments on existing records	New measure
6	Baggage make-up, handling and reclaiming services and facilities	1. Total number of bags handled by baggage handling equipment in the financial year 2. Total number of hours during the financial year for which baggage handling equipment was in use 3. Capacity of the baggage handling equipment (in bags per hour) on 30 June in the financial year 4. Capacity of the baggage reclaim system on 30 June in the financial year 5. Average number of bags handled by the inbound baggage system during peak hour in the financial year 6. Total number of planned interruptions to inbound baggage system in the financial year 7. Total number of hours of planned interruptions to inbound baggage system in the financial year 8. Total number of unplanned interruptions to inbound baggage system in the financial year 9. Total number of hours of unplanned interruptions to inbound baggage system in the financial year 10. Total area (in square metres) provided by the airport operator for baggage reclaim on 30 June in the financial year	• All data in this metric is unable to be captured by system data and is manually supplied by reviewing CCTV footage. • IATA 753 is a possible solution to provide data. • Planned interruptions should not be measured as planned works are undertaken during times where arrivals won't be impacted. • There is no data available from the reclaim system for unplanned interruptions. • Total area of reclaim as a measure has no value. • The time customers wait for arriving baggage is not an airport operator measure as it is reliant upon airline/GHA delivery and unloading of bags. • Items 1 & 2 seem to focus on outbound BHS?	• Better metric could focus on provision and availability of facilities (based on scheduled arrival).
7	Facilities to enable the processing of passengers through customs, immigration and quarantine	1. Average number of arriving passengers during peak hour in the financial year 2. Number of inbound Immigration desks on 30 June in the financial year 3. Number of baggage inspection desks on 30 June in the financial year 4. Number of outbound Immigration desks on 30 June in the financial year	• No real measure as number of desks does not mean they are manned and all processing pax off each flight. • Does not take into account smart gates for arrivals or departures.	• This is not an airport operator function. Should be removed from ACCC reporting on airport operators. If retained, should be in a separate section with ABF and DAFF being the accountable agency.

Item	Airport service/facility	Airport to keep records for	Comments on existing records	New measure
8	Flight information, general signage and public-address systems	1. Average number of passengers (whether arriving or departing passengers) during peak hour in the financial year 2. Number of flight information display screens on 30 June in the financial year 3. Number of information points on 30 June in the financial year	• Unclear how the number of FIDS and information points relates to the average number of pax during peak. • The location of the FIDS is more important than the number, and that the screens are displaying current information. • Information on boarding, delays etc is input by airlines/GHA's. There are instances where airlines are reluctant to publish a flight is delayed/cancelled. • FIDS info on mobile devices now likely changes the level of importance of FIDS screens.	• Would be better to report when there was a FIDS outage or issue with the information published on FIDS, noting information on boarding, delays etc is input by airlines/GHA's.
8a	Public areas in terminals and public amenities (washrooms and garbage bins), lifts, escalators and moving walkways	1. Number of washrooms on 30 June in the financial year	• No real measure here.	• Should be aligned to IATA level of service requirements of x washrooms in y sqm space and # pax. BCA also has requirements in this space. Note which IATA level designed to.
9	Gate lounges and seating other than in gate lounges	1. Average number of departing passengers during peak hour in the financial year 2. Number of gate lounges on 30 June in the financial year 3. Number of seats in gate lounges on 30 June in the financial year 4. Total gate lounge area (in square metres) on 30 June in the financial year 5. Number of airport-operator-managed gate lounges on 30 June in the financial year 6. Number of seats in airport-operator-managed gate lounges on 30 June in the financial year 7. Number of seats in airport-operator-managed waiting areas (other than in gate lounges) on 30 June in the financial year		• Should be aligned to IATA level of service requirements for gate lounges. Determine which level of capacity designed for and report if above or below the designed capacity.

Item	Airport service/facility	Airport to keep records for	Comments on existing records	New measure
10	Aerobridge usage	1. Number of passengers who used aerobridges for embarkation in the financial year 2. Total number of passengers who embarked in the financial year 3. Number of passengers who used aerobridges for disembarkation in the financial year 4. Total number of passengers who disembarked in the financial year 5. Number of aerobridges on 30 June in the financial year 6. Percentage of passengers who used aerobridges for embarkation in the financial year 7. Percentage of passengers who used aerobridges for disembarkation in the financial year	• No real measure here. Does not tell you if the aerobridges were available and working when required.	• This metric could look to measure availability, noting that availability is often impacted by flights arriving/departing off schedule. • Also needs to consider that a high percentage of faults resulting in an aerobridge being unavailable are due to the operators, which should not be counted as an airport failure.
10a	Runways, taxiways and aprons	1. Total area of aprons available (in square metres) on 30 June in the financial year 2. Total area of runways (in square metres) on 30 June in the financial year	• No real measure here. Does not talk to capacity or utilisation of runways • Whilst we own and maintain the asset, arrivals/departures coordinated by Airservices which is influenced by slot management	• Metric should look to measure capacity as opposed to square metreage.
11	Aircraft parking facilities and bays	1. Number of aircraft parking bays on 30 June in the financial year 2. Total area of aircraft parking bays available (in square metres) on 30 June in the financial year	• Uncertain what outcome is being measured here.	• Metric difficult to determine as bays may not be available because the airline has arrived too early or too late (off-schedule). • Other factors impact availability such as tow team availability, unavailable due to a spill etc. • Could only measure complete unavailability due pavement failure or lighting failure.

APPENDIX B - Proposed passenger perception indicators

Perth Airport believes that analysis of objective data should form the foundation of the airport quality of service monitoring process. Passenger perception subjective data has an important role to play in providing a narrative and context to the objective data. Perth Airport urges the ACCC to engage an independent, expert market research agency to engage all stakeholders to determine appropriate passenger perception indicators on Quality of Service and a consistent and achievable data collection methodology applicable across all airports.

Perth Airport supports the monitoring of airports using passenger perception indicators relating to four aspects of quality of service. These aspects are ground transport / airport access (excluding public transport and rideshare), departures processing, information and wayfinding, and terminal facilities. They are the aspects most important to our passengers, which we have identified using regression analysis of customer satisfaction data (current and historic, dating back to 2010). What we have identified also aligns with the passenger experience aspects highlighted by IATA in its *Service Level Agreements (SLAs) – Best Practice* paper.

Perth Airport subsequently proposes 11 passenger perception subjective indicators which would more appropriately and accurately add to the wider airport monitoring regime than the ACCC indicators currently in use. These relate to the services and facilities directly under airports' control and they remove any ambiguity in wording. We also propose that airports monitor overall customer satisfaction with their airport experience.

Table 1. Priority aspects for monitoring

Priority aspects for airport quality of service monitoring	Proposed indicators
Ground transport / airport access (excluding public transport and rideshare)	1. Standard of car parking facilities 2. Ease of finding a bay in the drop off & pick up area 3. Standard of the drop off & pick up area
Departures processing	1. Standard of check-in facilities (specifically, check-in kiosks, counters, automated baggage drop machines) 2. Efficiency at security screening
Information & wayfinding	1. Standard of Flight Information Display Screens (FIDS) 2. Standard of signage and ease of wayfinding through the airport

Priority aspects for airport quality of service monitoring	Proposed indicators
Terminal facilities	1. Cleanliness of toilets 2. Overall terminal cleanliness 3. Standard of public departure lounge & waiting areas 4. Standard of free airport Wi-Fi
Overall Satisfaction with airport experience	

Table 2. Proposed subjective indicators

Passenger outcome (ranked in order of Perth Airport customer stated importance)	Passenger experience indicator as identified by IATA	Existing passenger perception indicator used by ACCC	Commentary	Proposed metric for airport performance monitoring
Efficient and easy check-in process	Not defined in IATA's SLAs - Best Practice paper	Check-in waiting time Average check-in waiting time per passenger during peak hour (in minutes)	Check-in processing is under the control of airlines and their ground handlers, not airports. Whilst processing speeds are important to passengers, this indicator is more appropriate for monitoring the performance of airlines. Additionally, peer-reviewed research shows that people cannot accurately estimate or recall wait times, most often overestimating wait times (sometimes to a considerable degree). Wait times are better monitored through objective, rather than subjective, data.	Standard of check-in facilities (specifically, check-in kiosks, counters, automated baggage drop machines)

Passenger outcome (ranked in order of Perth Airport customer stated importance)	Passenger experience indicator as identified by IATA	Existing passenger perception indicator used by ACCC	Commentary	Proposed metric for airport performance monitoring
Ease of wayfinding	Wayfinding	Flight information display screens Signage and wayfinding	Wording should remove any ambiguity as to what is being measured by each indicator and relate to the core performance areas of efficiency, ease of use, standard, and availability.	Standard of Flight Information Display Screens (FIDS) Standard of signage and ease of wayfinding through the airport
Cleanliness	Cleanliness – overall & toilets	Standard of washrooms	'Washrooms' is unclear in an airport environment as showers are also a commonly offered amenity.	Cleanliness of toilets Overall terminal cleanliness
Reliable and fast airport Wi-Fi	Wi-Fi (free use or free at least for a limited minimum eg. 2 hours)	[Not currently monitored]	Data from Perth Airport's FY22 Quality of Service passenger monitoring shows that Wi-Fi speed and reliability is a hygiene factor for overall satisfaction. Free Wi-Fi is offered by all Australian capital city airports.	Standard of free airport Wi-Fi
Efficient security screening	Passenger and baggage screening is a critical service requirement	Quality of security search process	Wording should remove any ambiguity as to what is being measured by each indicator and relate to the core performance areas of efficiency, ease of use, standard, and availability.	Efficiency at security screening

Passenger outcome (ranked in order of Perth Airport customer stated importance)	Passenger experience indicator as identified by IATA	Existing passenger perception indicator used by ACCC	Commentary	Proposed metric for airport performance monitoring
Ground transport / airport access	No indicators for passenger experience defined in IATA's SLAs - Best Practice paper	Availability of car parking facilities Standard of car parking facilities Time taken to enter car park Congestion at kerbside taxi pick-up and drop-off Facilities for kerbside taxi pick-up and drop-off Standard of facilities for taxis Waiting time for taxis	Indicators for airport performance monitoring on ground transport / airport access should be unambiguous and monitor only services and facilities within the airports' control. Specifically, this is on-airport parking facilities and forecourt areas. Indicators should reflect modern travel, acknowledging that rideshare has a larger market share of private transport in Australia than taxis. The weighting on ground transport in ACCC monitoring and reporting, most notably on car parking, does not reflect passenger importance factor rankings nor the relatively small proportion of airport users who park at the airport. In 2019, only 13.97% of passengers used Perth Airport car parks (excluding GA). This includes free period parkers (2.19%).	Standard of car parking facilities Ease of finding a bay in the drop off & pick up area Standard of the drop off & pick up area

Passenger outcome (ranked in order of Perth Airport customer stated importance)	Passenger experience indicator as identified by IATA	Existing passenger perception indicator used by ACCC	Commentary	Proposed metric for airport performance monitoring
Pleasant ambience and comfortable waiting areas	No indicators for passenger experience defined in IATA's SLAs - Best Practice paper	Crowding in lounge area	Availability of seating (as well as ratios of facility or service to passenger numbers) are most appropriately monitored with objective data. Perth Airport considers an ambience and comfort indicator to be important as it will help monitor the impact of airport investment in improvements such as lighting upgrades, upgraded amenities, and new amenities (such as children's play areas or Changing Places facilities for passengers with disabilities). Measures relating to 'lounges' and 'waiting areas' should be clear to exclude areas outside of airport control, such as airline lounges.	Standard of public departure lounge & waiting areas