



March 2019 / CE Ref J3243

TRENDS IN TOURISM IN TROPICAL NORTH QUEENSLAND

Note 2 : Aviation Statistics Market Share, Seat Capacity & Airfare Analysis

1. Introduction

Most tourists now use air transport to and from the region. The following analyses Cairns airport's comparative market share, seat capacity and airfares and their implications for tourism in the TNQ region.

2. Significant Findings

Analysis of international passenger movements into Brisbane, Cairns and Gold Coast indicate that Queensland's market share has declined 2005-06 to 2017-18 by 3.5% points and 69% of the decline is associated with the decline in Cairns airport's market share.

In domestic passenger movements, the three leading Queensland airports of Brisbane, Gold Coast and Cairns have held market share 2005-06 to 2017-18. Cairns has held. A mild decline in Brisbane's market share has been offset by an equivalent increase by Gold Coast.

Analysis of seat capacity and load factors indicates load factors on major routes to Cairns have been higher to much higher than averages for major routes.

Over the period, sharp large falls in seat capacity have resulted in rises in load factors and falls in passenger numbers and vice versa.

The sharp fall in seats available in 2017 and 2018 and rises in load factors along with evidence of a rise in airfares has been a factor in the fall in passenger numbers through Cairns airport but probably against a background of little or no increase in underlying demand for the region.

3. Market Share

International Passenger Movements

The following Table #1 gives international passenger numbers for Australia overall, Cairns, Brisbane, Gold Coast, Adelaide and Darwin airports 1985-86 through to 2017-18. The table also gives year-on-year growth recorded in passenger numbers and for the airports, their market share of the Australian total.

Table #2 gives this data for the Queensland airports of Brisbane, Cairns and Gold Coast for the period 2005-06 through to 2017-18, which is plotted in Chart #3 that gives share of Australia's market.

It can be seen from the tables and Chart #3 that over the period, Queensland has been losing market share.

Fall in market share for the three airports overall has been from 22.3% to 18.8%, ie. 3.5% points.

In South-East Queensland, growth in Gold Coast market share of 1.5% points has largely offset Brisbane's fall by 2.8% points.

Some 69% of the fall is due to the 2.4% points fall in passengers through Cairns airport, a figure that is similar to Cairns/TNQ region's 70% contribution to the fall recorded in international visitors.

Table #1: International Passenger Movements – Australia Overall, Cairns Airport & Others – Australian Market Share, 1985-86 – 2017-18

	Australia		Adelaide			Brisbane			Cairns			Darwin			Gold Coast		
1985-86	5,424,377		118,559		2.2%	527,341		9.7%	53,649		1.0%	46,551		0.9%	0		0.0%
1986-87	6,194,981	14.2%	138,883	17.1%	2.2%	625,297	18.6%	10.1%	82,380	53.6%	1.3%	53,885	15.8%	0.9%	0	..	0.0%
1987-88	7,211,743	16.4%	141,519	1.9%	2.0%	794,558	27.1%	11.0%	130,087	57.9%	1.8%	69,487	29.0%	1.0%	0	..	0.0%
1988-89	7,930,588	10.0%	138,433	-2.2%	1.7%	974,008	22.6%	12.3%	189,546	45.7%	2.4%	85,775	23.4%	1.1%	0	..	0.0%
1989-90	8,252,769	4.1%	168,259	21.5%	2.0%	1,019,289	4.6%	12.4%	240,362	26.8%	2.9%	95,737	11.6%	1.2%	0	..	0.0%
1990-91	8,424,511	2.1%	184,874	9.9%	2.2%	1,098,123	7.7%	13.0%	328,560	36.7%	3.9%	92,219	-3.7%	1.1%	0	..	0.0%
1991-92	9,042,889	7.3%	193,658	4.8%	2.1%	1,274,048	16.0%	14.1%	435,824	32.6%	4.8%	87,892	-4.7%	1.0%	0	..	0.0%
1992-93	9,759,065	7.9%	213,495	10.2%	2.2%	1,428,860	12.2%	14.6%	600,147	37.7%	6.1%	96,459	9.7%	1.0%	0	..	0.0%
1993-94	10,621,976	8.8%	216,626	1.5%	2.0%	1,599,086	11.9%	15.1%	688,115	14.7%	6.5%	113,889	18.1%	1.1%	0	..	0.0%
1994-95	11,565,753	8.9%	212,964	-1.7%	1.8%	1,838,023	14.9%	15.9%	641,377	-6.8%	5.5%	138,398	21.5%	1.2%	0	..	0.0%
1995-96	12,679,451	9.6%	206,267	-3.1%	1.6%	2,065,369	12.4%	16.3%	694,650	8.3%	5.5%	141,703	2.4%	1.1%	0	..	0.0%
1996-97	13,718,480	8.2%	205,992	-0.1%	1.5%	2,252,855	9.1%	16.4%	740,108	6.5%	5.4%	156,567	10.5%	1.1%	4,279	..	0.0%
1997-98	14,080,113	2.6%	212,530	3.2%	1.5%	2,270,089	0.8%	16.1%	704,623	-4.8%	5.0%	176,707	12.9%	1.3%	16,465	284.8%	0.1%
1998-99	14,564,061	3.4%	232,567	9.4%	1.6%	2,290,219	0.9%	15.7%	683,443	-3.0%	4.7%	171,156	-3.1%	1.2%	15,183	-7.8%	0.1%
1999-00	15,583,694	7.0%	253,900	9.2%	1.6%	2,430,019	6.1%	15.6%	655,921	-4.0%	4.2%	153,070	-10.6%	1.0%	21,256	40.0%	0.1%
2000-01	17,126,504	9.9%	263,863	3.9%	1.5%	2,538,692	4.5%	14.8%	701,025	6.9%	4.1%	172,290	12.6%	1.0%	33,799	59.0%	0.2%
2001-02	16,486,343	-3.7%	229,625	-13.0%	1.4%	2,476,511	-2.4%	15.0%	690,632	-1.5%	4.2%	127,768	-25.8%	0.8%	66,833	97.7%	0.4%
2002-03	16,108,417	-2.3%	207,128	-9.8%	1.3%	2,442,918	-1.4%	15.2%	752,526	9.0%	4.7%	89,306	-30.1%	0.6%	136,030	103.5%	0.8%
2003-04	18,131,286	12.6%	250,013	20.7%	1.4%	2,912,444	19.2%	16.1%	800,801	6.4%	4.4%	84,106	-5.8%	0.5%	137,379	1.0%	0.8%
2004-05	20,309,733	12.0%	317,971	27.2%	1.6%	3,483,857	19.6%	17.2%	858,145	7.2%	4.2%	103,215	22.7%	0.5%	159,444	16.1%	0.8%
2005-06	21,096,951	3.9%	347,064	9.1%	1.6%	3,646,891	4.7%	17.3%	855,949	-0.3%	4.1%	116,454	12.8%	0.6%	210,495	32.0%	1.0%
2006-07	22,137,767	4.9%	441,360	27.2%	2.0%	3,885,906	6.6%	17.6%	729,664	-14.8%	3.3%	134,217	15.3%	0.6%	192,820	-8.4%	0.9%
2007-08	23,264,573	5.1%	471,341	6.8%	2.0%	3,984,835	2.5%	17.1%	655,919	-10.1%	2.8%	173,243	29.1%	0.7%	261,092	35.4%	1.1%
2008-09	23,486,506	1.0%	478,288	1.5%	2.0%	4,065,720	2.0%	17.3%	495,186	-24.5%	2.1%	188,530	8.8%	0.8%	475,508	82.1%	2.0%
2009-10	25,625,654	9.1%	523,481	9.4%	2.0%	4,162,741	2.4%	16.2%	427,380	-13.7%	1.7%	207,825	10.2%	0.8%	729,934	53.5%	2.8%
2010-11	27,549,289	7.5%	547,847	4.7%	2.0%	4,340,774	4.3%	15.8%	510,977	19.6%	1.9%	252,214	21.4%	0.9%	771,700	5.7%	2.8%
2011-12	28,882,348	4.8%	618,749	12.9%	2.1%	4,520,004	4.1%	15.6%	504,200	-1.3%	1.7%	357,210	41.6%	1.2%	725,004	-6.1%	2.5%
2012-13	30,309,898	4.9%	709,469	14.7%	2.3%	4,522,979	0.1%	14.9%	517,739	2.7%	1.7%	313,032	-12.4%	1.0%	882,536	21.7%	2.9%
2013-14	32,422,133	7.0%	906,523	27.8%	2.8%	4,807,993	6.3%	14.8%	469,584	-9.3%	1.4%	338,826	8.2%	1.0%	875,310	-0.8%	2.7%
2014-15	33,864,637	4.4%	933,477	3.0%	2.8%	5,143,336	7.0%	15.2%	488,379	4.0%	1.4%	292,218	-13.8%	0.9%	878,957	0.4%	2.6%
2015-16	36,228,731	7.0%	857,202	-8.2%	2.4%	5,322,121	3.5%	14.7%	610,023	24.9%	1.7%	258,467	-11.5%	0.7%	1,022,203	16.3%	2.8%
2016-17	38,660,946	6.7%	950,943	10.9%	2.5%	5,600,083	5.2%	14.5%	648,064	6.2%	1.7%	284,136	9.9%	0.7%	1,104,987	8.1%	2.9%
2017-18	40,619,342	5.1%	998,570	5.0%	2.5%	5,903,276	5.4%	14.5%	672,167	3.7%	1.7%	251,181	-11.6%	0.6%	1,070,411	-3.1%	2.6%

Source: Cummings Economics from BITRE – Aviation.

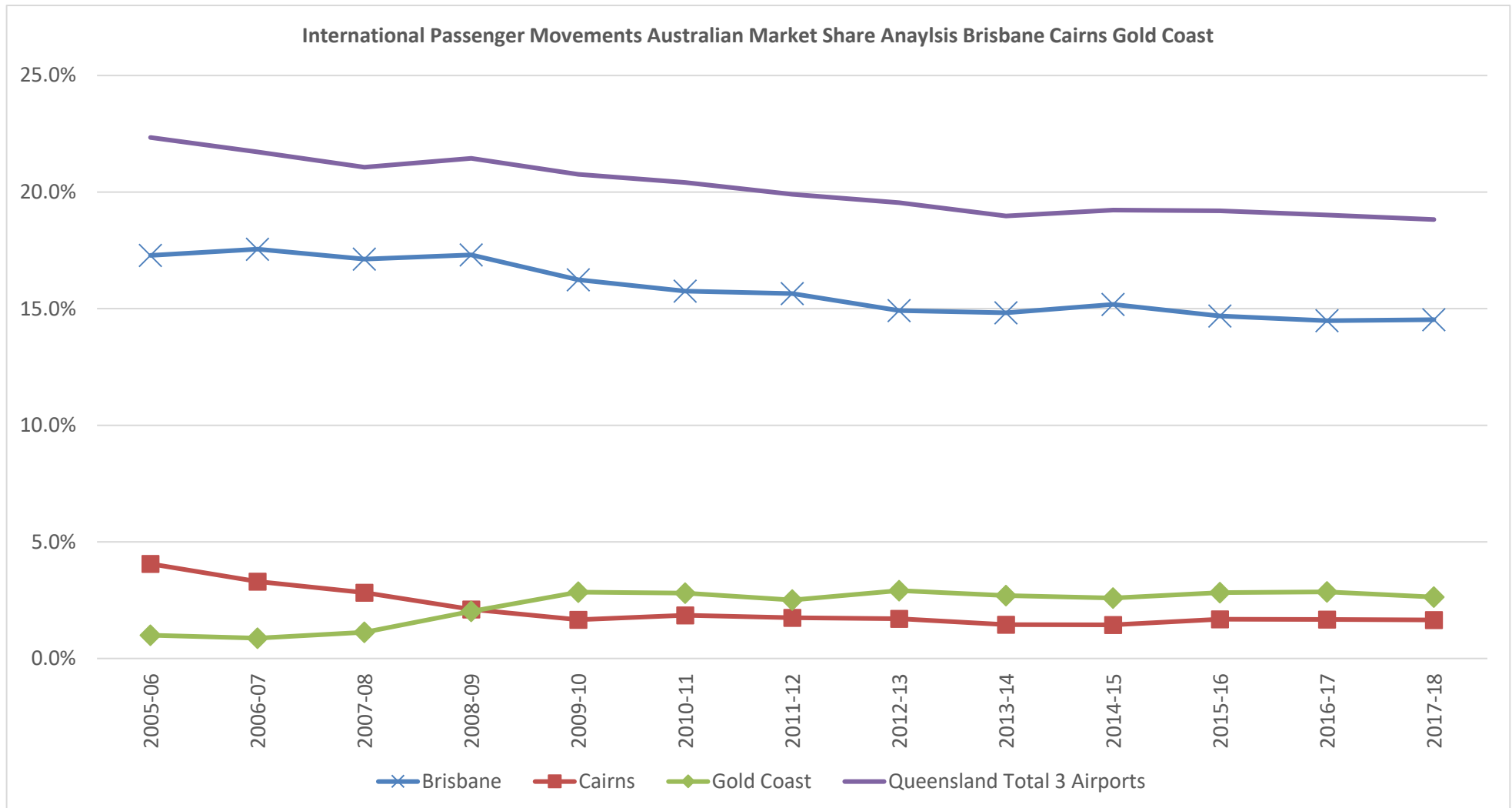


Table #2: International Passenger Numbers – Brisbane, Cairns, Gold Coast Airports & Their Overall Total – Market Share, 2005-06 – 2017-18

	Queensland Total 3 Airports			Brisbane			Cairns			Gold Coast		
	Passenger Movements	Passenger Movement Growth	Australian Market Share	Passenger Movements	Passenger Movement Growth	Australian Market Share	Passenger Movements	Passenger Movement Growth	Australian Market Share	Passenger Movements	Passenger Movement Growth	Australian Market Share
2005-06	4,713,335	36.4%	22.3%	3,646,891	4.7%	17.3%	855,949	-0.3%	4.1%	210,495	32.0%	1.0%
2006-07	4,808,390	-16.6%	21.7%	3,885,906	6.6%	17.6%	729,664	-14.8%	3.3%	192,820	-8.4%	0.9%
2007-08	4,901,846	27.8%	21.1%	3,984,835	2.5%	17.1%	655,919	-10.1%	2.8%	261,092	35.4%	1.1%
2008-09	5,036,414	59.6%	21.4%	4,065,720	2.0%	17.3%	495,186	-24.5%	2.1%	475,508	82.1%	2.0%
2009-10	5,320,055	42.2%	20.8%	4,162,741	2.4%	16.2%	427,380	-13.7%	1.7%	729,934	53.5%	2.8%
2010-11	5,623,451	29.6%	20.4%	4,340,774	4.3%	15.8%	510,977	19.6%	1.9%	771,700	5.7%	2.8%
2011-12	5,749,208	-3.2%	19.9%	4,520,004	4.1%	15.6%	504,200	-1.3%	1.7%	725,004	-6.1%	2.5%
2012-13	5,923,254	24.5%	19.5%	4,522,979	0.1%	14.9%	517,739	2.7%	1.7%	882,536	21.7%	2.9%
2013-14	6,152,887	-3.8%	19.0%	4,807,993	6.3%	14.8%	469,584	-9.3%	1.4%	875,310	-0.8%	2.7%
2014-15	6,510,672	11.4%	19.2%	5,143,336	7.0%	15.2%	488,379	4.0%	1.4%	878,957	0.4%	2.6%
2015-16	6,954,347	44.7%	19.2%	5,322,121	3.5%	14.7%	610,023	24.9%	1.7%	1,022,203	16.3%	2.8%
2016-17	7,353,134	19.6%	19.0%	5,600,083	5.2%	14.5%	648,064	6.2%	1.7%	1,104,987	8.1%	2.9%
2017-18	7,645,854	6.0%	18.8%	5,903,276	5.4%	14.5%	672,167	3.7%	1.7%	1,070,411	-3.1%	2.6%

Source: Cummings Economics from BITRE – Aviation.

Chart #3: International Passenger Movements – Brisbane, Cairns, Gold Coast Airports & Their Overall Total – Market Share, 2005-06 – 2017-18



Source: Cummings Economics from BITRE – Aviation.



Domestic Passenger Movements

Table #4 gives domestic passenger movements from 1985-86 for Australia and for various airports including Brisbane, Cairns and Gold Coast, year-on-year growth and Australia market share.

Table #5 gives this data for Brisbane, Cairns and Gold Coast and total for the three airports over the period 2005-06 to 2017-18. Chart #6 charts these figures.

It can be seen that overall, the three airports have held and slightly increased market share by 0.1% points. However, within this pattern, a fall in Brisbane’s share of 0.5% points was offset in South-East Queensland by a rise in Gold Coast of 0.5% points. The net growth was due to Cairns’ growth of 0.1% points.

Seat Capacity

Table #7 gives passenger numbers, seat capacity and load factors on domestic routes into Cairns airport from Brisbane, Sydney and Melbourne and for a range of other city pairs domestic routes, 2018 back to 2007. Chart #8 plots. The first thing to note is the high load factors on the Cairns routes as set out in the following table.

Table : Load Factors Cairns City Pairs

Year	CNS	CNS-BNE	CNS-SYD	CNS-MELB	Av Total Top Routes
2007		79.6	80.9	80.7	81.7
2008		77.0	74.9	80.9	79.1
2009		85.5	86.9	84.7	81.0
2010		82.0	81.3	83.8	80.0
2011		83.4	81.5	83.9	80.3
2012		80.5	81.9	83.0	78.5
2013		77.7	79.9	79.4	77.4
2014		81.2	83.0	81.9	77.3
2015		82.9	83.6	83.8	77.3
2016		82.7	83.6	83.4	78.6
2017		84.7	84.7	85.4	80.4
2018		87.2	83.6	84.3	81.5

Source: Cummings Economics from BITRE – Aviation.

It can be seen that only in 2007 and 2008, has the load factor on the main Cairns routes been below the average for the top routes listed. In recent years, especially in 2018, Cairns Brisbane route has had a very high load factor.

Table #4: Domestic Passenger Movements – Cairns Airport & Others – Australian Market Share, 1985-86 – 2017-18

	Australia		Adelaide			Brisbane			Cairns			Darwin			Gold Coast		
1985-86	29,087,856		1,962,997		6.7%	2,929,431		10.1%	524,645		1.8%	360,283		1.2%	777,798		2.7%
1986-87	30,003,754	3.1%	1,944,129	-1.0%	6.5%	3,103,032	5.9%	10.3%	660,067	25.8%	2.2%	365,648	1.5%	1.2%	930,127	19.6%	3.1%
1987-88	32,362,710	7.9%	2,097,745	7.9%	6.5%	3,530,673	13.8%	10.9%	803,615	21.7%	2.5%	399,484	9.3%	1.2%	1,119,622	20.4%	3.5%
1988-89	32,995,575	2.0%	2,152,050	2.6%	6.5%	3,860,402	9.3%	11.7%	864,115	7.5%	2.6%	409,948	2.6%	1.2%	1,258,533	12.4%	3.8%
1989-90	23,723,163	-28.1%	1,657,168	-23.0%	7.0%	2,913,211	-24.5%	12.3%	600,030	-30.6%	2.5%	302,213	-26.3%	1.3%	659,065	-47.6%	2.8%
1990-91	33,073,534	39.4%	2,276,289	37.4%	6.9%	4,147,392	42.4%	12.5%	959,440	59.9%	2.9%	403,424	33.5%	1.2%	1,089,646	65.3%	3.3%
1991-92	41,050,386	24.1%	2,812,291	23.5%	6.9%	5,369,795	29.5%	13.1%	1,340,179	39.7%	3.3%	474,651	17.7%	1.2%	1,494,930	37.2%	3.6%
1992-93	41,846,374	1.9%	2,819,863	0.3%	6.7%	5,471,115	1.9%	13.1%	1,348,351	0.6%	3.2%	514,017	8.3%	1.2%	1,564,118	4.6%	3.7%
1993-94	45,337,824	8.3%	3,034,219	7.6%	6.7%	5,894,024	7.7%	13.0%	1,535,167	13.9%	3.4%	593,277	15.4%	1.3%	1,711,438	9.4%	3.8%
1994-95	50,182,579	10.7%	3,286,713	8.3%	6.5%	6,670,593	13.2%	13.3%	1,777,470	15.8%	3.5%	685,619	15.6%	1.4%	1,879,295	9.8%	3.7%
1995-96	53,536,084	6.7%	3,536,471	7.6%	6.6%	7,170,517	7.5%	13.4%	1,900,207	6.9%	3.5%	789,875	15.2%	1.5%	1,992,862	6.0%	3.7%
1996-97	54,612,924	2.0%	3,561,970	0.7%	6.5%	7,430,023	3.6%	13.6%	1,917,310	0.9%	3.5%	827,226	4.7%	1.5%	1,933,144	-3.0%	3.5%
1997-98	55,474,056	1.6%	3,736,259	4.9%	6.7%	7,467,388	0.5%	13.5%	1,893,860	-1.2%	3.4%	834,575	0.9%	1.5%	1,851,175	-4.2%	3.3%
1998-99	56,291,326	1.5%	3,813,023	2.1%	6.8%	7,544,120	1.0%	13.4%	1,972,206	4.1%	3.5%	856,519	2.6%	1.5%	1,848,797	-0.1%	3.3%
1999-00	59,333,046	5.4%	3,932,040	3.1%	6.6%	8,104,245	7.4%	13.7%	2,062,457	4.6%	3.5%	904,051	5.5%	1.5%	1,937,761	4.8%	3.3%
2000-01	64,801,316	9.2%	4,178,775	6.3%	6.4%	9,927,901	22.5%	15.3%	2,189,727	6.2%	3.4%	905,598	0.2%	1.4%	1,854,209	-4.3%	2.9%
2001-02	58,327,094	-10.0%	3,945,287	-5.6%	6.8%	9,297,170	-6.4%	15.9%	1,951,866	-10.9%	3.3%	834,821	-7.8%	1.4%	1,669,171	-10.0%	2.9%
2002-03	61,643,032	5.7%	4,143,708	5.0%	6.7%	9,398,278	1.1%	15.2%	2,147,946	10.0%	3.5%	895,866	7.3%	1.5%	2,041,572	22.3%	3.3%
2003-04	70,149,752	13.8%	4,643,246	12.1%	6.6%	10,867,634	15.6%	15.5%	2,421,524	12.7%	3.5%	989,334	10.4%	1.4%	2,366,622	15.9%	3.4%
2004-05	78,172,676	11.4%	5,044,788	8.6%	6.5%	11,874,173	9.3%	15.2%	2,692,849	11.2%	3.4%	1,107,519	11.9%	1.4%	2,982,327	26.0%	3.8%
2005-06	82,900,548	6.0%	5,419,440	7.4%	6.5%	12,369,032	4.2%	14.9%	2,875,229	6.8%	3.5%	1,102,924	-0.4%	1.3%	3,304,526	10.8%	4.0%
2006-07	89,945,110	8.5%	5,740,030	5.9%	6.4%	13,493,903	9.1%	15.0%	3,052,519	6.2%	3.4%	1,269,468	15.1%	1.4%	3,585,036	8.5%	4.0%
2007-08	96,856,094	7.7%	6,147,926	7.1%	6.3%	14,312,895	6.1%	14.8%	3,121,235	2.3%	3.2%	1,388,973	9.4%	1.4%	4,062,263	13.3%	4.2%
2008-09	98,528,338	1.7%	6,305,878	2.6%	6.4%	14,654,575	2.4%	14.9%	3,158,358	1.2%	3.2%	1,350,374	-2.8%	1.4%	4,142,692	2.0%	4.2%
2009-10	101,553,638	3.1%	6,492,028	3.0%	6.4%	14,734,215	0.5%	14.5%	3,122,860	-1.1%	3.1%	1,348,773	-0.1%	1.3%	4,456,213	7.6%	4.4%
2010-11	107,459,378	5.8%	6,730,919	3.7%	6.3%	15,633,972	6.1%	14.5%	3,348,362	7.2%	3.1%	1,413,464	4.8%	1.3%	4,714,372	5.8%	4.4%
2011-12	108,389,644	0.9%	6,328,243	-6.0%	5.8%	16,353,614	4.6%	15.1%	3,438,522	2.7%	3.2%	1,687,412	19.4%	1.6%	4,601,566	-2.4%	4.2%
2012-13	112,418,422	3.7%	6,461,228	2.1%	5.7%	16,621,746	1.6%	14.8%	3,640,113	5.9%	3.2%	1,589,521	-5.8%	1.4%	4,922,410	7.0%	4.4%
2013-14	114,147,730	1.5%	6,670,865	3.2%	5.8%	17,013,305	2.4%	14.9%	3,826,752	5.1%	3.4%	1,705,756	7.3%	1.5%	4,908,227	-0.3%	4.3%
2014-15	113,507,776	-0.6%	6,736,724	1.0%	5.9%	16,774,598	-1.4%	14.8%	3,902,593	2.0%	3.4%	1,765,159	3.5%	1.6%	4,988,466	1.6%	4.4%
2015-16	116,127,916	2.3%	6,920,533	2.7%	6.0%	16,998,050	1.3%	14.6%	4,100,946	5.1%	3.5%	1,782,804	1.0%	1.5%	5,251,203	5.3%	4.5%
2016-17	117,823,156	1.5%	7,048,437	1.8%	6.0%	17,053,123	0.3%	14.5%	4,250,125	3.6%	3.6%	1,808,604	1.4%	1.5%	5,352,189	1.9%	4.5%
2017-18	120,669,108	2.4%	7,275,004	3.2%	6.0%	17,334,985	1.7%	14.4%	4,296,854	1.1%	3.6%	1,778,815	-1.6%	1.5%	5,470,724	2.2%	4.5%

Source: Cummings Economics from BITRE – Aviation.

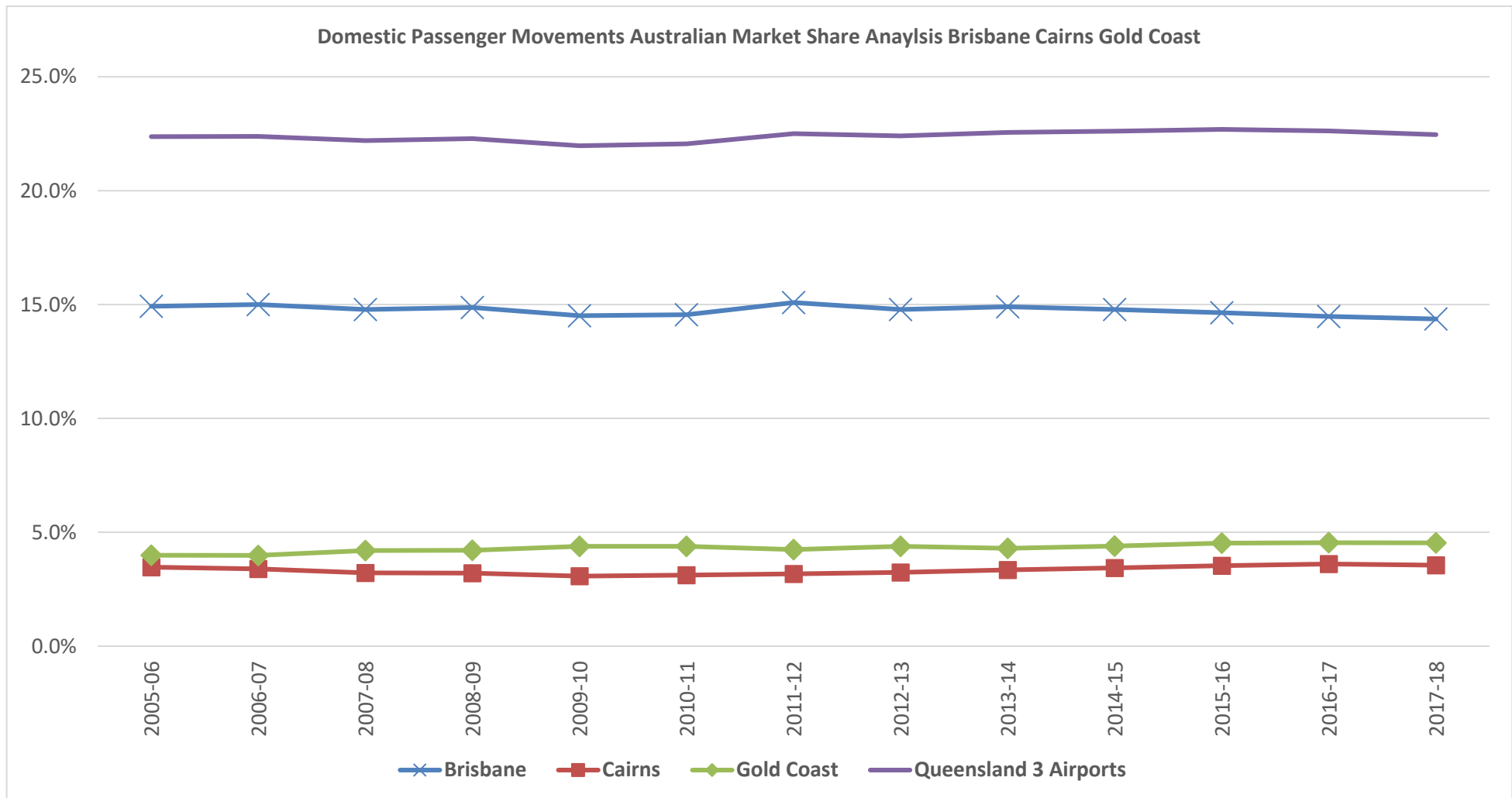


Table #5: Domestic Passenger Movements – Brisbane, Cairns & Gold Coast Airports – Australian Market Share, 2005-06 – 2017-18

	Queensland Total 3 Airports			Brisbane			Cairns			Gold Coast		
	Passenger Movements	Passenger Movement Growth	Australian Market Share	Passenger Movements	Passenger Movement Growth	Australian Market Share	Passenger Movements	Passenger Movement Growth	Australian Market Share	Passenger Movements	Passenger Movement Growth	Australian Market Share
2005-06	18,548,787	21.7%	22.4%	12,369,032	4.2%	14.9%	2,875,229	6.8%	3.5%	3,304,526	10.8%	4.0%
2006-07	20,131,458	23.7%	22.4%	13,493,903	9.1%	15.0%	3,052,519	6.2%	3.4%	3,585,036	8.5%	4.0%
2007-08	21,496,393	21.6%	22.2%	14,312,895	6.1%	14.8%	3,121,235	2.3%	3.2%	4,062,263	13.3%	4.2%
2008-09	21,955,625	5.6%	22.3%	14,654,575	2.4%	14.9%	3,158,358	1.2%	3.2%	4,142,692	2.0%	4.2%
2009-10	22,313,288	7.0%	22.0%	14,734,215	0.5%	14.5%	3,122,860	-1.1%	3.1%	4,456,213	7.6%	4.4%
2010-11	23,696,706	19.1%	22.1%	15,633,972	6.1%	14.5%	3,348,362	7.2%	3.1%	4,714,372	5.8%	4.4%
2011-12	24,393,702	4.9%	22.5%	16,353,614	4.6%	15.1%	3,438,522	2.7%	3.2%	4,601,566	-2.4%	4.2%
2012-13	25,184,269	14.5%	22.4%	16,621,746	1.6%	14.8%	3,640,113	5.9%	3.2%	4,922,410	7.0%	4.4%
2013-14	25,748,284	7.2%	22.6%	17,013,305	2.4%	14.9%	3,826,752	5.1%	3.4%	4,908,227	-0.3%	4.3%
2014-15	25,665,657	2.2%	22.6%	16,774,598	-1.4%	14.8%	3,902,593	2.0%	3.4%	4,988,466	1.6%	4.4%
2015-16	26,350,199	11.7%	22.7%	16,998,050	1.3%	14.6%	4,100,946	5.1%	3.5%	5,251,203	5.3%	4.5%
2016-17	26,655,437	5.9%	22.6%	17,053,123	0.3%	14.5%	4,250,125	3.6%	3.6%	5,352,189	1.9%	4.5%
2017-18	27,102,563	5.0%	22.5%	17,334,985	1.7%	14.4%	4,296,854	1.1%	3.6%	5,470,724	2.2%	4.5%

Source: Cummings Economics from BITRE – Aviation.

Chart #6: Domestic Passenger Movements – Brisbane, Cairns & Gold Coast Airports – Australian Market Share, 2005-06 – 2017-18



Source: Cummings Economics from BITRE – Aviation.



Table #7: Passenger Numbers, Seat Capacity & Load Factors, Selection of Top City Pair Routes, 2018 back to 2007

	2018			2017			2016			2015		
	Revenue Passengers	Available Seats	Rev PAX LF%	Revenue Passengers	Available Seats	Rev PAX LF%	Revenue Passengers	Available Seats	Rev PAX LF%	Revenue Passengers	Available Seats	Rev PAX LF%
Melbourne - Sydney	9 250 917	10 809 413	85.6	9 097 110	10 772 561	84.5	8 904 574	10 652 112	83.6	8 613 421	10 588 934	81.3
Brisbane - Sydney	4 825 718	5 774 297	83.6	4 746 256	5 749 641	82.5	4 658 129	5 705 996	81.6	4 476 161	5 603 074	79.9
Brisbane - Melbourne	3 569 218	4 338 537	82.3	3 541 071	4 367 758	81.1	3 493 317	4 343 045	80.4	3 353 756	4 333 326	77.4
Gold Coast - Sydney	2 722 796	3 141 053	86.7	2 740 745	3 170 494	86.4	2 704 358	3 143 337	86.0	2 618 335	3 133 741	83.6
Adelaide - Melbourne	2 498 317	3 083 565	81.0	2 456 426	3 053 261	80.5	2 393 636	3 029 017	79.0	2 310 950	2 965 604	77.9
Melbourne - Perth	2 113 233	2 475 544	85.4	2 033 242	2 429 229	83.7	2 072 815	2 562 901	80.9	2 138 861	2 762 558	77.4
Gold Coast - Melbourne	2 064 179	2 355 256	87.6	2 012 590	2 326 630	86.5	1 966 147	2 365 119	83.1	1 812 278	2 169 813	83.5
Adelaide - Sydney	1 906 542	2 304 650	82.7	1 898 268	2 315 750	82.0	1 871 990	2 317 139	80.8	1 831 458	2 339 510	78.3
Perth - Sydney	1 716 911	2 046 176	83.9	1 716 477	2 094 426	82.0	1 753 695	2 160 460	81.2	1 760 861	2 240 561	78.6
Hobart - Melbourne	1 652 803	2 086 711	79.2	1 630 259	1 990 585	81.9	1 555 536	1 960 904	79.3	1 493 597	1 860 169	80.3
Brisbane - Cairns	1 320 132	1 513 122	87.2	1 377 900	1 627 045	84.7	1 346 922	1 629 347	82.7	1 306 960	1 576 758	82.9
Cairns - Sydney	1 133 513	1 356 042	83.6	1 129 324	1 333 175	84.7	1 115 255	1 333 714	83.6	1 032 634	1 235 380	83.6
Brisbane - Townsville	995 970	1 274 823	78.1	960 180	1 251 188	76.7	976 573	1 313 813	74.3	965 302	1 340 664	72.0
Brisbane - Perth	956 828	1 139 920	83.9	969 064	1 183 684	81.9	984 102	1 229 420	80.0	1 007 842	1 246 400	80.9
Cairns - Melbourne	854 481	1 011 538	84.3	841 314	984 770	85.4	823 392	986 816	83.4	770 578	919 446	83.8
Adelaide - Brisbane	846 516	1 082 136	78.2	849 643	1 108 960	76.6	830 335	1 108 481	74.9	792 810	1 049 675	75.5
Brisbane - Mackay	743 317	948 477	78.4	697 915	879 901	79.3	678 478	913 487	74.3	696 442	1 000 934	69.6
Brisbane - Canberra	643 328	871 999	73.8	594 258	846 598	70.2	576 133	794 642	72.5	558 235	750 136	74.4
Brisbane - Darwin	376 602	468 854	80.3	406 183	504 799	80.5	407 688	518 970	78.6	396 204	512 187	77.4
Darwin - Sydney	310 700	425 128	73.1	321 654	434 595	74.0	318 761	439 957	72.5	319 798	426 991	74.9
Total top routes	55 420 191	68 796 085	81.5	54 509 308	68 527 829	80.4	53 914 864	69 255 591	78.6	52 362 198	68 032 705	77.3
All Others	5 661 604	8 539 145	72.2	5 469 549	8 621 562	69.7	5 012 872	8 040 281	70.0	5 131 211	8 797 653	68.7
Total Domestic Network	61 081 795	77 335 230	80.6	59 978 857	77 149 391	79.4	58 927 736	77 295 872	77.8	57 493 409	76 830 358	76.5

Source: Cummings Economics from BITRE – Aviation.

Table #7 Cont'd: Passenger Numbers, Seat Capacity & Load Factors, Selection of Top City Pair Routes, 2018 back to 2007

	2014			2013			2012			2011		
	Revenue Passengers	Available Seats	Rev PAX LF%	Revenue Passengers	Available Seats	Rev PAX LF%	Revenue Passengers	Available Seats	Rev PAX LF%	Revenue Passengers	Available Seats	Rev PAX LF%
Melbourne - Sydney	8 322 254	10 079 323	82.6	8 244 013	10 054 887	82.0	8 056 012	10 170 605	79.2	7 727 484	9 339 928	82.7
Brisbane - Sydney	4 447 948	5 592 079	79.5	4 425 077	5 595 843	79.1	4 390 386	5 502 090	79.8	4 405 966	5 391 568	81.7
Brisbane - Melbourne	3 317 132	4 200 741	79.0	3 198 839	4 101 546	78.0	3 189 447	4 017 481	79.4	3 090 354	3 821 864	80.9
Gold Coast - Sydney	2 596 355	3 188 095	81.4	2 559 125	3 181 182	80.4	2 442 895	3 008 803	81.2	2 244 777	2 644 268	84.9
Adelaide - Melbourne	2 272 037	2 907 783	78.1	2 195 119	2 824 904	77.7	2 085 161	2 589 449	80.5	2 186 650	2 602 772	84.0
Melbourne - Perth	2 160 701	2 821 733	76.6	2 209 725	2 871 023	77.0	2 130 739	2 739 247	77.8	1 855 898	2 249 309	82.5
Gold Coast - Melbourne	1 754 186	2 046 537	85.7	1 675 353	1 948 346	86.0	1 790 823	2 131 213	84.0	1 671 298	1 972 011	84.7
Adelaide - Sydney	1 813 027	2 325 964	77.9	1 751 942	2 188 811	80.0	1 751 207	2 220 291	78.9	1 722 650	2 073 709	83.1
Perth - Sydney	1 798 860	2 267 485	79.3	1 800 409	2 193 354	82.1	1 811 442	2 283 632	79.3	1 731 696	2 203 031	78.6
Hobart - Melbourne	1 400 213	1 779 643	78.7	1 388 839	1 783 327	77.9	1 239 642	1 566 278	79.1	1 157 946	1 349 236	85.8
Brisbane - Cairns	1 256 146	1 547 688	81.2	1 199 581	1 545 120	77.7	1 187 161	1 474 589	80.5	1 108 017	1 327 768	83.4
Cairns - Sydney	1 000 914	1 205 643	83.0	978 557	1 225 433	79.9	937 577	1 144 680	81.9	894 298	1 096 893	81.5
Brisbane - Townsville	948 227	1 350 440	70.2	957 494	1 330 142	72.0	994 164	1 273 059	78.1	977 400	1 213 248	80.6
Brisbane - Perth	1 061 959	1 312 039	80.9	1 017 697	1 270 638	80.1	951 547	1 140 283	83.4	867 536	1 087 228	79.8
Cairns - Melbourne	713 243	871 222	81.9	677 649	852 952	79.4	581 773	701 224	83.0	504 766	601 283	83.9
Adelaide - Brisbane	776 650	1 006 652	77.2	747 489	950 848	78.6	729 163	910 201	80.1	679 827	814 462	83.5
Brisbane - Mackay	746 431	1 066 276	70.0	863 521	1 281 325	67.4	964 748	1 254 339	76.9	908 907	1 108 594	82.0
Brisbane - Canberra	560 155	762 951	73.4	582 988	832 627	70.0	605 381	827 612	73.1	620 464	831 255	74.6
Brisbane - Darwin	391 467	553 955	70.7	375 871	454 816	82.6	375 938	456 884	82.3	366 005	451 455	81.1
Darwin - Sydney	327 262	454 578	72.0	356 968	464 207	76.9	263 859	344 736	76.5			
Total top routes	51 756 864	67 246 259	77.3	51 528 289	67 414 585	77.4	36,479,065	45,756,696	78.5	47,031,364	58,969,705	80.3
All Others	5 758 316	9 834 362	66.8	6 022 132	10 027 430	68.7	20,069,330	29,033,846	70.3	7,238,280	10,868,206	70.7
Total Domestic Network	57 515 180	77 080 621	76.3	57 550 421	77 442 015	76.5	56,548,395	74,790,542	77.5	54,269,644	69,837,911	78.9

Source: Cummings Economics from BITRE – Aviation.



Table #7 Cont'd: Passenger Numbers, Seat Capacity & Load Factors, Selection of Top City Pair Routes, 2018 back to 2007

	2010			2009			2008			2007		
	Revenue Passengers	Available Seats	Rev PAX LF%	Revenue Passengers	Available Seats	Rev PAX LF%	Revenue Passengers	Available Seats	Rev PAX LF%	Revenue Passengers	Available Seats	Rev PAX LF%
Melbourne - Sydney	7 901 054	9 594 271	82.3	7 088 601	8 688 945	81.6	7 007 955	8 768 718	79.9	6 796 332	8 336 799	81.5
Brisbane - Sydney	4 397 500	5 397 416	81.5	4 295 766	5 221 250	82.3	4 306 485	5 581 847	77.2	4 085 885	5 179 330	78.9
Brisbane - Melbourne	3 020 158	3 703 432	81.5	2 706 166	3 260 118	83.0	2 688 485	3 442 069	78.1	2 699 623	3 205 545	84.2
Gold Coast - Sydney	2 405 005	2 871 131	83.8	2 148 028	2 545 990	84.4	2 164 753	2 635 342	82.1	2 138 962	2 603 285	82.2
Adelaide - Melbourne	2 271 406	2 763 369	82.2	2 103 815	2 487 929	84.6	2 122 705	2 804 795	75.7	1 877 055	2 430 964	77.2
Melbourne - Perth	1 736 356	2 093 520	82.9	1 724 897	2 055 929	83.9	1 772 190	2 199 041	80.6	1 606 256	1 988 227	80.8
Gold Coast - Melbourne	1 767 638	2 122 635	83.3	1 615 773	1 850 449	87.3	1 673 507	2 046 217	81.8	1 325 322	1 530 480	86.6
Adelaide - Sydney	1 785 702	2 167 322	82.4	1 600 217	1 953 795	81.9	1 589 085	2 009 363	79.1	1 531 359	1 968 561	77.8
Perth - Sydney	1 622 703	2 022 895	80.2	1 465 124	1 796 758	81.5	1 439 201	1 691 086	85.1	1 364 321	1 609 996	84.7
Hobart - Melbourne	1 231 876	1 504 988	81.9	1 202 339	1 426 212	84.3	1 157 834	1 512 189	76.6	1 007 196	1 246 127	80.8
Brisbane - Cairns	1 153 753	1 407 369	82.0	1 154 786	1 350 735	85.5	1 196 510	1 554 032	77.0	1 193 099	1 498 968	79.6
Cairns - Sydney	876 758	1 078 371	81.3	832 851	958 609	86.9	940 251	1 255 719	74.9	930 740	1 150 761	80.9
Brisbane - Townsville	941 072	1 204 291	78.1	942 580	1 221 436	77.2	968 665	1 255 785	77.1	874 039	1 037 263	84.3
Brisbane - Perth	755 123	892 337	84.6	717 984	853 120	84.2	683 361	842 871	81.1	602 896	691 741	87.2
Cairns - Melbourne	451 142	538 271	83.8	389 828	460 188	84.7	482 159	596 045	80.9	447 357	554 632	80.7
Adelaide - Brisbane	717 098	874 807	82.0	636 988	759 602	83.9	660 299	788 230	83.8	658 232	818 877	80.4
Brisbane - Mackay	798 044	1 016 753	78.5	735 876	910 283	80.8	727 110	924 477	78.7	648 880	830 721	78.1
Brisbane - Canberra	612 674	822 700	74.5	604 546	836 066	72.3	609 527	882 432	69.1	617 721	826 517	74.7
Brisbane - Darwin	367 202	463 053	79.3	381 627	488 056	78.2	341 564	429 766	79.5	331 532	415 467	79.8
Darwin - Sydney												
Total top routes	47,279,175	59,427,421	80.0	32,347,792	39,125,470	81.0	42,561,614	54,816,189	79.1	39,902,823	49,782,031	81.2
All Others	6,687,746	10,203,623	72.2	18,115,053	25,670,170	71.9	7,896,792	11,563,729	72.4	7,292,849	10,686,214	72.7
Total Domestic Network	53,966,921	69,631,044	79.0	50,462,845	64,795,640	79.7	50,458,406	66,379,918	77.9	47,195,672	60,468,245	79.9

Source: Cummings Economics from BITRE – Aviation.



Table #8 shows year-on-year growth for the three major Cairns routes and for comparison, Gold Coast and Brisbane Darwin, 2018 back to 2007.

Chart #9 plots the year-on-year change for the Cairns Brisbane route.

Examination of the chart indicates two extreme downward movements in seat capacity, 2009 and 2018.

In 2009, this sharp downward movement saw load factors rise strongly and passenger numbers fall. In 2017 and 2018, the seat capacity fell off strongly, load factors rose strongly and passenger numbers fell. Conversely in 2012, seat capacity rose strongly, load factors fell and passenger numbers grew strongly.

In these cases, it is evident that seat capacity has had a bearing on passenger numbers. If in these cases, the cause of the drop was lack of demand, the load factors would not have risen. However, in 2018, the figures indicate that seat capacity went down by 7%, load factors up by 3% to over 87% and passenger numbers fell by 4%.

If underlying demand was steady, ie. no growth, and reduced seat capacity had no effect on demand, then the drop of 7% in seat capacity load factors would have risen by about 6% to 90%. If there had been an underlying increase in demand of 3%, the load factors would have risen to 93%. It is likely that the rising load factors, if accompanied by airfare rises, would have had an effect in suppressing passenger numbers.

Just what that suppression factor would have been is difficult to tell.

However, it is unlikely that the actual 4% decline in passenger numbers with load factors of over 87% would have occurred if there had been any underlying strong growth in demand.

It would seem consistent with the figures, that the fall in passenger numbers has been substantially affected by the reduction in seat numbers and rise in load factors, but against a background of little or no increase and possibly some small fall in underlying demand.

Table #8: Year-on-Year Growth - Passengers, Seat Capacity & Load Factors, Cairns City Pair Routes & Selected Others, 2018 back to 2007

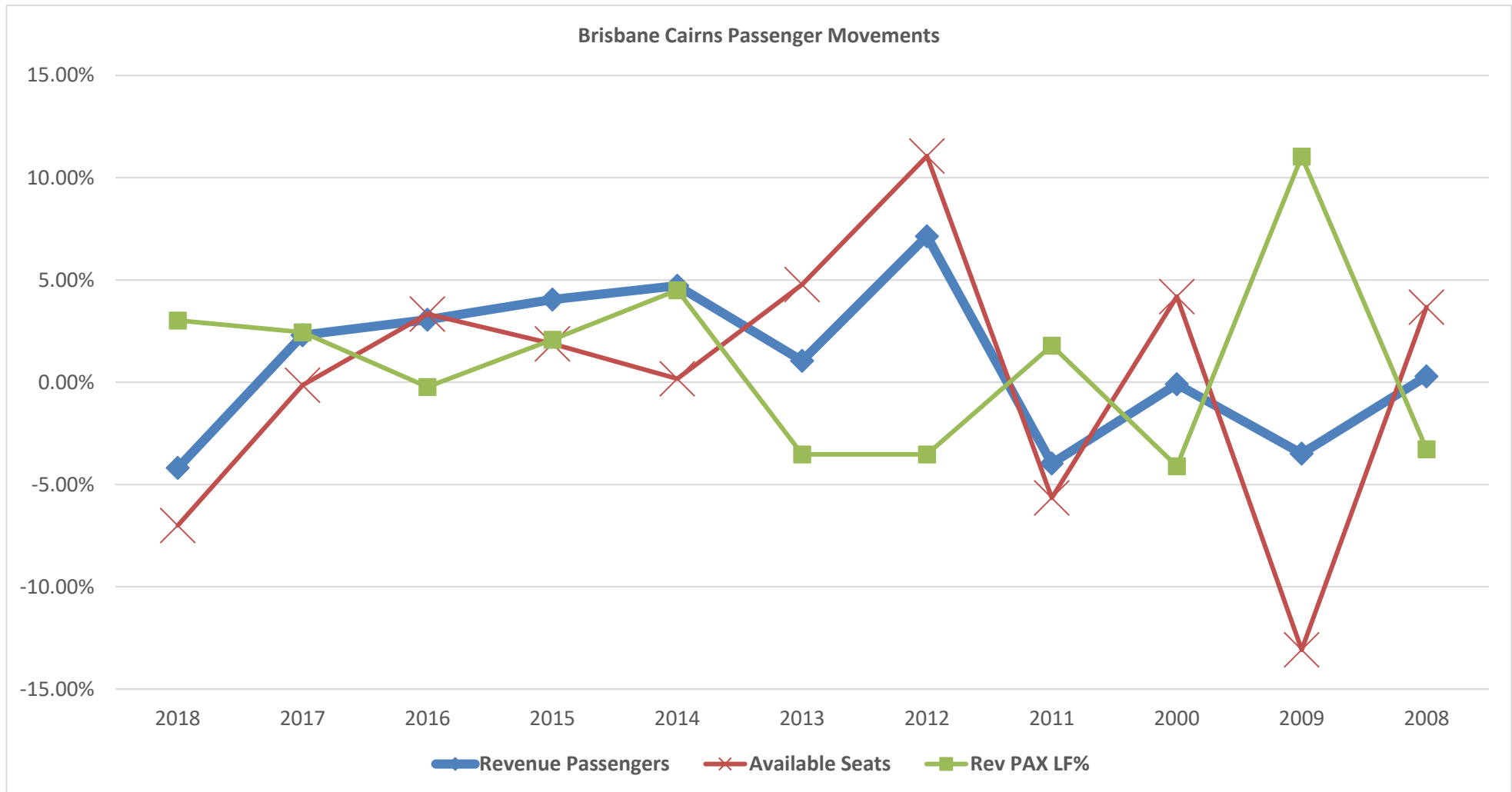
	2018			2017			2016			2015			2014			2013		
	Rev PAX	Available Seats	Rev PAX LF%	Rev PAX	Available Seats	Rev PAX LF%	Rev PAX	Available Seats	Rev PAX LF%	Rev PAX	Available Seats	Rev PAX LF%	Rev PAX	Available Seats	Rev PAX LF%	Rev PAX	Available Seats	Rev PAX LF%
Brisbane – Cairns	-4.19%	-7.00%	3.02%	2.30%	-0.14%	2.44%	3.06%	3.34%	-0.23%	4.05%	1.88%	2.09%	4.72%	0.17%	4.50%	1.05%	4.78%	-3.53%
Cairns – Sydney	0.37%	1.72%	-1.32%	1.26%	-0.04%	1.30%	8.00%	7.96%	0.04%	3.17%	2.47%	0.69%	2.28%	-1.61%	3.97%	4.37%	7.05%	-2.51%
Cairns - Melbourne	1.57%	2.72%	-1.28%	2.18%	-0.21%	2.39%	6.85%	7.33%	-0.44%	8.04%	5.54%	2.37%	5.25%	2.14%	3.05%	16.48%	21.64%	-4.24%
Gold Coast - Sydney	-0.65%	-0.93%	0.28%	1.35%	0.86%	0.48%	3.29%	0.31%	2.97%	0.85%	-1.70%	2.60%	1.45%	0.22%	1.23%	4.76%	5.73%	-0.92%
Gold Coast - Melbourne	2.56%	1.23%	1.32%	2.36%	-1.63%	4.06%	8.49%	9.00%	-0.47%	3.31%	6.02%	-2.56%	4.71%	5.04%	-0.32%	-6.45%	-8.58%	2.33%
Perth – Sydney	0.03%	-2.30%	2.38%	-2.12%	-3.06%	0.96%	-0.41%	-3.58%	3.29%	-2.11%	-1.19%	-0.94%	-0.09%	3.38%	-3.35%	-0.61%	-3.95%	3.48%
Brisbane - Darwin	-7.28%	-7.12%	-0.17%	-0.37%	-2.73%	2.43%	2.90%	1.32%	1.55%	1.21%	-7.54%	9.46%	4.15%	21.80%	14.49%	-0.02%	-0.45%	0.44%
Total top routes	1.67%	0.39%	1.32%	1.10%	-1.05%	2.27%	2.97%	1.80%	1.70%	1.17%	1.17%	-0.03%	0.44%	-0.25%	-0.11%	41.25%	47.33%	-1.36%

	2012			2011			2010			2009			2008			2007		
	Rev PAX	Available Seats	Rev PAX LF%	Rev PAX	Available Seats	Rev PAX LF%	Rev PAX	Available Seats	Rev PAX LF%	Rev PAX	Available Seats	Rev PAX LF%	Rev PAX	Available Seats	Rev PAX LF%	Rev PAX	Available Seats	Rev PAX LF%
Brisbane - Cairns	7.14%	11.06%	-3.53%	-3.96%	-5.66%	1.79%	-0.09%	4.19%	-4.11%	-3.49%	-13.08%	11.04%	0.29%	3.67%	-3.27%			
Cairns - Sydney	4.84%	4.36%	0.46%	2.00%	1.72%	0.28%	5.27%	12.49%	-6.42%	-11.42%	-23.66%	16.03%	1.02%	9.12%	-7.42%			
Cairns - Melbourne	15.26%	16.62%	-1.17%	11.89%	11.71%	0.16%	15.73%	16.97%	-1.06%	-19.15%	-22.79%	4.72%	7.78%	7.47%	0.29%			
Gold Coast - Sydney	8.83%	13.79%	-4.36%	-6.66%	-7.90%	1.35%	11.96%	12.77%	-0.72%	-0.77%	-3.39%	2.71%	1.21%	1.23%	-0.03%			
Gold Coast - Melbourne	7.15%	8.07%	-0.84%	-5.45%	-7.10%	1.77%	9.40%	14.71%	-4.64%	-3.45%	-9.57%	6.76%	26.27%	33.70%	-5.55%			
Perth - Sydney	4.61%	3.66%	0.91%	6.72%	8.90%	-2.01%	10.76%	12.59%	-1.63%	1.80%	6.25%	-4.19%	5.49%	5.04%	0.43%			
Brisbane - Darwin	2.71%	1.20%	1.49%	-0.33%	-2.50%	2.23%	-3.78%	-5.12%	1.42%	11.73%	13.56%	-1.61%	3.03%	3.44%	-0.40%			
Total top routes	-22.44%	-22.41%	-2.28%	-0.52%	-0.77%	0.34%	46.16%	51.89%	-1.17%	-24.00%	-28.62%	2.42%	6.66%	10.11%	-2.64%			

Source: Cummings Economics from BITRE – Aviation.



Chart #9: Year-on-Year Change – Passenger Numbers., Seat Capacity & Load Factors, Cairns Brisbane Route, 2018 back to 2007



Source: Cummings Economics from BITRE – Aviation.



Airfares

The following charts show Real (CPI adjusted) discount airfares (cheapest available fare). They indicate that there was a fall through to 2016 but a rise in 2017 with some moderation in 2018. It is likely that this has tended to work with the rise in load factors to moderate demand for seats to Cairns.

4. Overall Conclusion

The fall in passenger numbers to Cairns in 2017 and 2018 is likely, in a substantial way, to have been affected by higher airfares and a restriction in seat capacity against a background of no or little growth in underlying demand.

Chart #10: Real (CPI adjusted) Discount Airfares by Calendar Year – Brisbane Cairns

Average of cheapest fare by calendar year



Source: Cummings Economics from BITRE – Aviation.

