Qantas chief pushes low-cost option for second Sydney airport



Qantas chief Alan Joyce on the tarmac at Mascot Airport. (Picture Renee Nowytarger/The Australian)

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Qantas chief executive Alan Joyce has declared a second Sydney airport is vital to help drive the nation's future economic development but warned it must be low-cost to be effective.

Mr Joyce has raised the prospect of Jetstar eventually using Badgerys Creek as its main operational headquarters, which would free up prestigious spots at Sydney's Kingsford Smith Airport for Qantas flights.

Qantas (QAN) currently holds about 49 per cent of the available slots at Kingsford Smith and is keen to grow its domestic and international capacity at that airport.

In a speech to the Macquarie Conference in Sydney, Mr Joyce said the longflagged Badgerys Creek airport development should be based on London which has Heathrow and Stansted which focuses on discount travellers. "There's nothing stopping the Sydney basin having two airports working similar to what happens in Tokyo and what happens in London," Mr Joyce said.

"Heathrow is clearly a premium airport, British Airways has about 50 per cent of the slots there and has an extensive network that flies across the world and then Stansted is a low-cost airport, its pricing is a lot different, its lower.

"Is there any reason why that eventually the structure in Sydney at Kingsford Smith where slots that are being used by Jetstar now would be used by Qantas — in the long term, absolutely that could happen."

Mr Joyce said it was vital that the proposed Western Sydney airport not have a curfew which would allow a greater number of overnight and early flights in and out of the facility.

Sydney Airports chief executive Kerrie Mather earlier told the conference that up to 11 flights operate out of Melbourne airport, primarily to Bali and Thailand, during the hours when Sydney Airport is forcibly shut each night.

"You need the Western Sydney airport to be low cost ... you need to have it like Stansted."

In a warning to the federal government which will now build the city's second airport, Mr Joyce said the facility did not have to be 'Taj Mahal' to be successful.