

# Australian Aviation Network Overview

Financial Year 2023





We acknowledge and embrace a culture that celebrates diversity, inclusion, and equality for all. In making this statement we acknowledge Aboriginal and Torres Strait Islander peoples as the Traditional Owners and Custodians of the country on which we operate, now called Australia.

# Report content

**1**

Social and economic trends

4-6

**2**

Australian aviation and regional context

7-13

**3**

Australian aviation network performance

14-19

# Executive Summary

Globally, the busiest day in commercial aviation history was recorded on 6 July 2023. This is a significant milestone considering few industries were impacted as hard and were disrupted as significantly as aviation was during the COVID-19 pandemic.

Our industry is now experiencing a rapid recovery while still facing significant volatility and the ongoing disruptive effects of the pandemic. Economic drivers including a slowing economy, high inflation, low consumer confidence and supply chain pressure highlight ongoing risks to our industry growth. Changing societal expectations around the environmental impacts of aviation as well as shifts in perspectives on work/life balance present workforce and service challenges across the aviation ecosystem.

While adjusting to these challenges, the overall Australian network performance in 2022-2023 (Financial Year 2023) has improved but is still below long-term average performance. This underscores the importance of increasing transparency and cross-industry collaboration to jointly review and drive enhanced network performance to deliver a more consistent experience for the travelling public.

Traffic patterns and the rate of recovery has not been uniform across the Australian network. Regional airports which service domestic leisure demand, interstate migration and mining regions are experiencing strong growth. In contrast, despite a high rate of recovery, international operations at the busiest capital-city airports are still 30% below pre-COVID levels.

The relationship between passenger growth and aircraft gauge selection will increasingly play a role in the future development and funding of aviation infrastructure and supporting services. Based on strong domestic recovery, Airservices expects domestic passenger growth to exceed pre-COVID levels in 2023-2024 (Financial Year 2024). International passenger growth is expected to be at a slower rate, given ongoing uncertainty in economic outlook globally.

With unprecedented net migrations, we are nevertheless seeing a return to growth in international services. Asia Pacific markets, especially Indian Subcontinent and Southeast Asia, are leading the recovery. This reinforces the important role that aviation contributes to the regional economy and society. Working with domestic and international partners in these regions is increasingly critical to enhance aviation safety and access to Australian airspace.

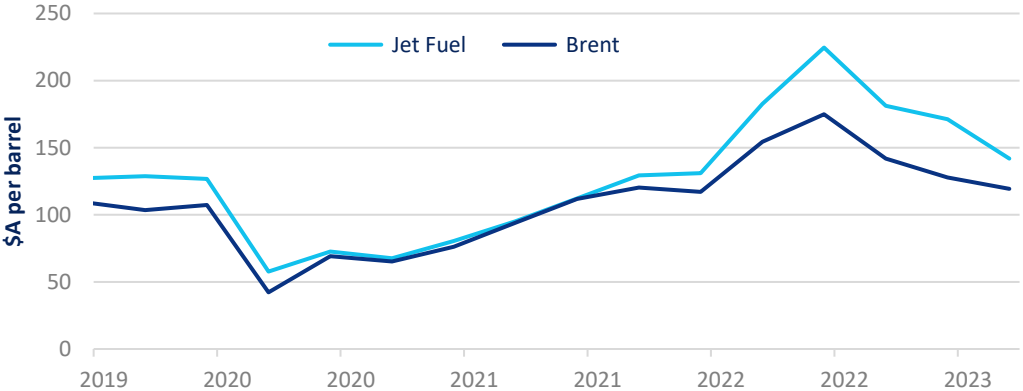
In parallel to the return of growth in the traditional aviation market, we continue to see rapid growth in the drone industry requiring ongoing development in capabilities to ensure the safety of the travelling public and our communities.

# Economic and social trends

# Economic impact and drivers

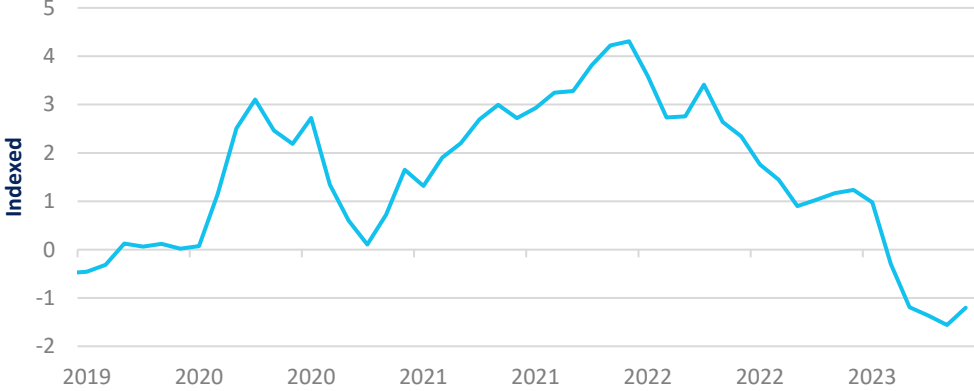
Aviation is a significant contributor to the Australian economy and society, facilitating connectivity of people and goods, knowledge and ideas. In FY2023, the aviation industry recorded its strongest-ever year of growth both in Australia and globally, despite economic uncertainty such as volatile jet fuel prices, low consumer confidence and supply chain pressure.

Figure 1. Real Jet Fuel and Brent Crude Oil Prices



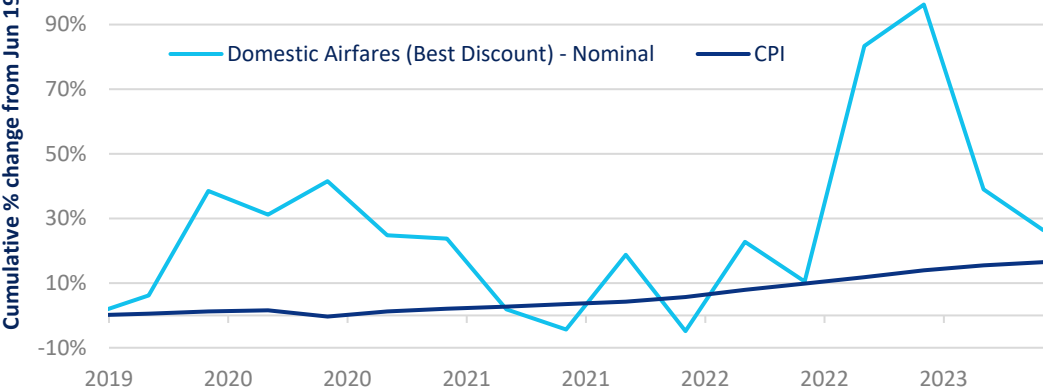
Source: Bloomberg (Singapore Jet Kero Spot used an index for Jet Fuel price)

Figure 2. New York Fed Global Supply Chain Pressure Index



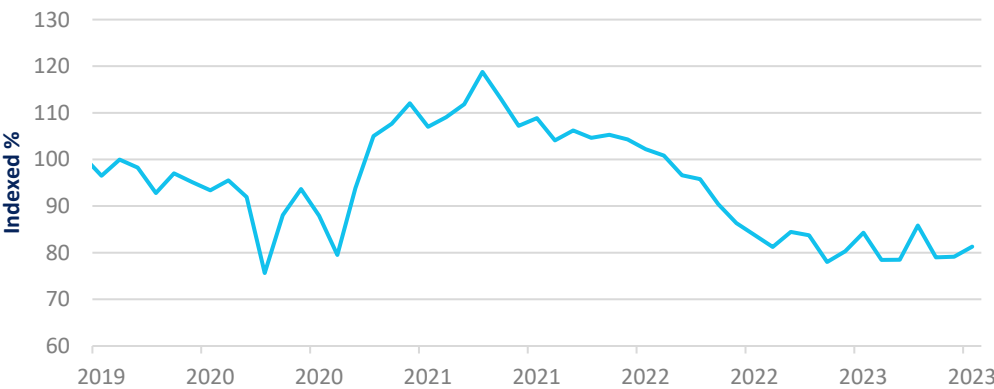
Source: Federal Reserve Bank of New York ([website](#))

Figure 3. Inflation vs Airfares



Source: ABS ([website](#)) and BITRE ([website](#))

Figure 4. Consumer Sentiment Index



Source: Bloomberg, Westpac Economics, Melbourne Institute

# Social trends

Changing societal expectations around work/life balance, as indicated by a declining preference for shift work but increased flexible work arrangements, present workforce and service challenges across the aviation ecosystem. We are also seeing heightened sensitivity to aircraft noise impact, with the average number of aircraft noise complaints per complainant almost doubled in FY2023 compared to FY2019, highlighting the need to continue to build community acceptance of the value of aviation.

Figure 5. Working arrangements

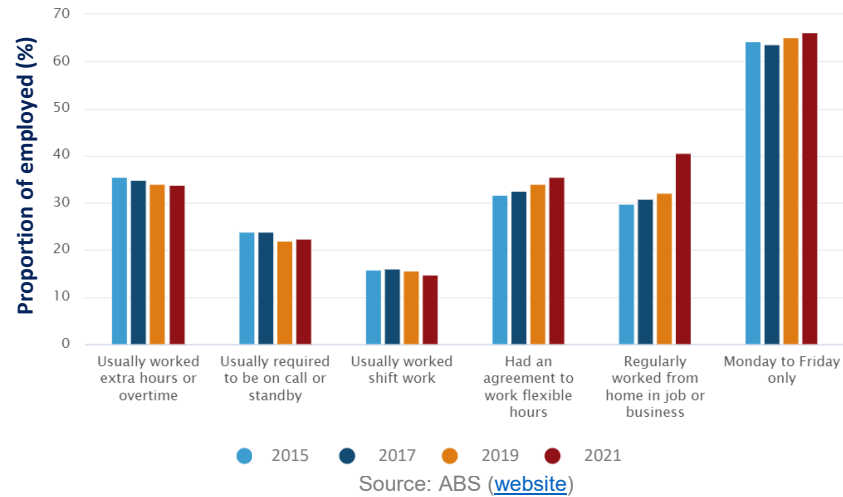
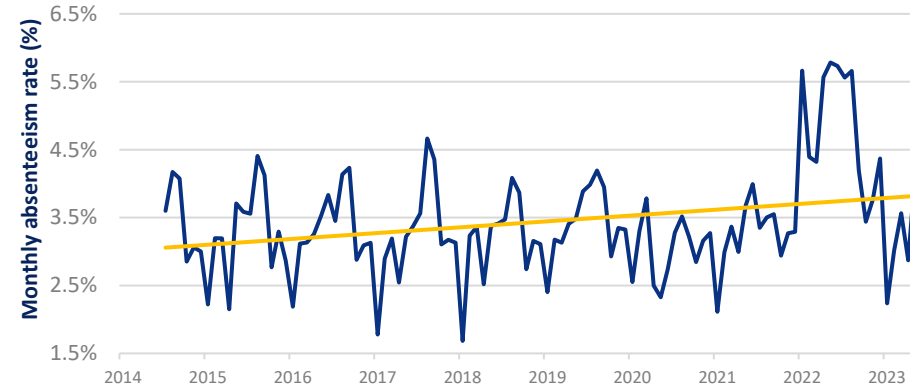
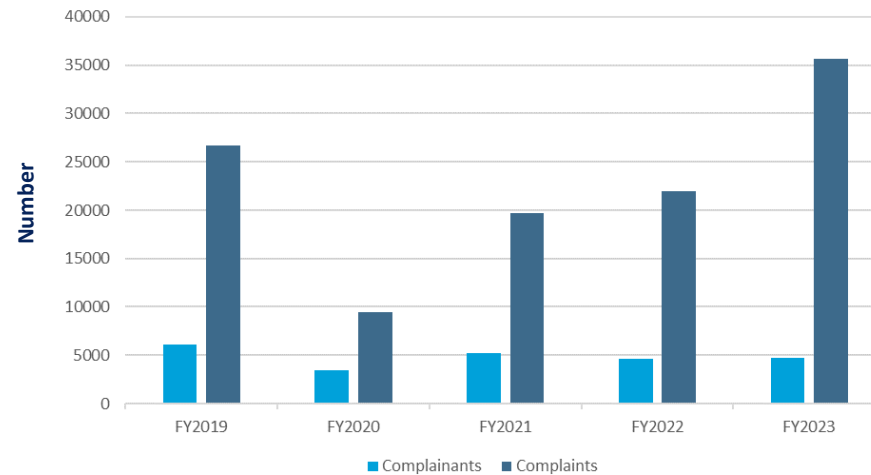


Figure 6. Monthly absenteeism rate (%) of employees who worked fewer hours than usual due to illness or injury in a month



Source: ABS Labour Force Australia Detailed EM2a ([website](#))

Figure 7. Aircraft noise complainants and complaints

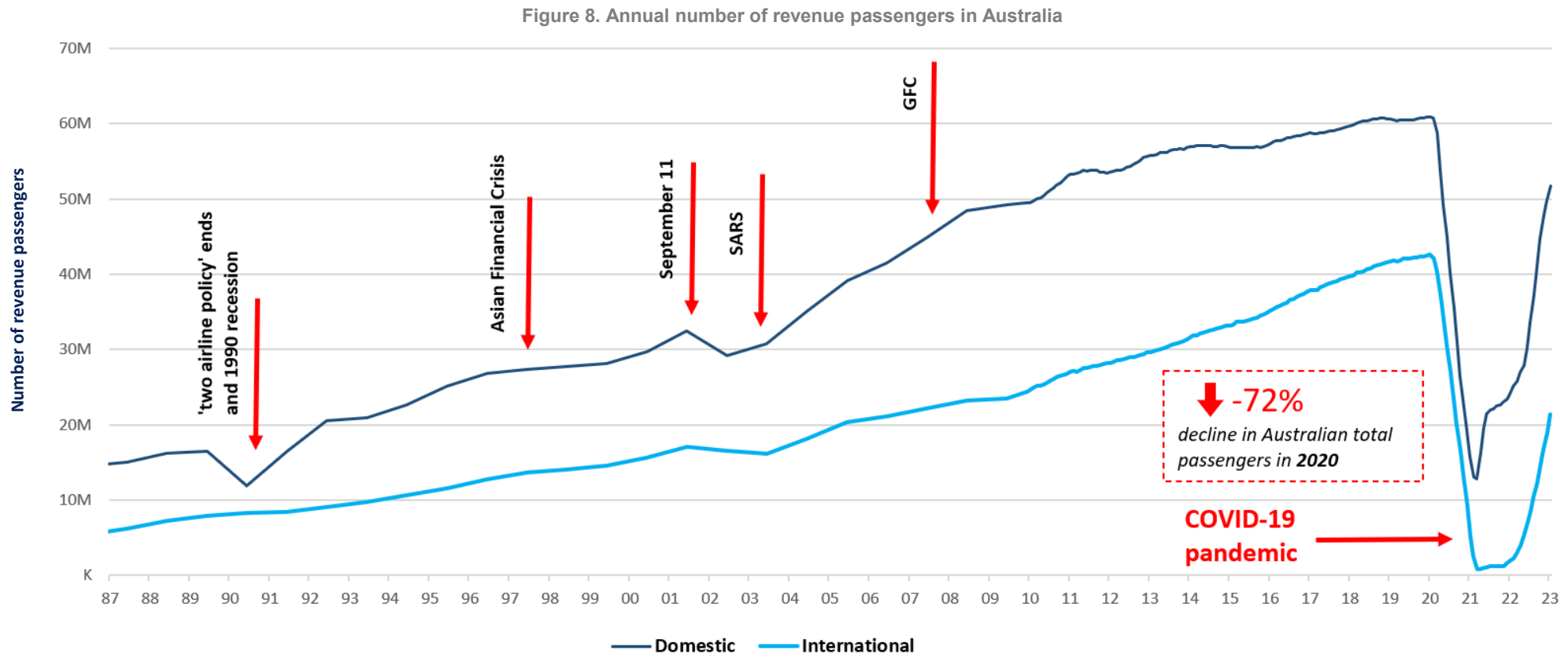


Source: Airservices Noise Complaints and Information Service (NCIS)

# Australian aviation and regional context

# Long-term passenger traffic trend in Australia

Aviation has never experienced anything like the impacts of the COVID pandemic – in recovery our industry continues to face unprecedented disruptions and volatility.



Source: BITRE (available data to 31 January 2023) ([website](#))



# State of Australian aviation growth

After the most challenging years in history, Australian aviation recorded its strongest ever year of growth in FY2023. Growth in domestic air transport and general aviation is offset by slower recovery in international traffic. The two-speed recovery has implications for the development and funding of aviation infrastructure and supporting services.

## Average daily flights

53% ↑ vs FY2022

-10% ↓ vs FY2019

## Ratio of domestic to international aircraft movements

79:21 FY2023

73:27 FY2019

## Domestic aircraft movements

41% ↑ vs FY2022

-2% ↓ vs FY2019

## International aircraft movements

123% ↑ vs FY2022

-30% ↓ vs FY2019

Figure 9. Monthly number of flights by market segments (FY2019 - FY2023)

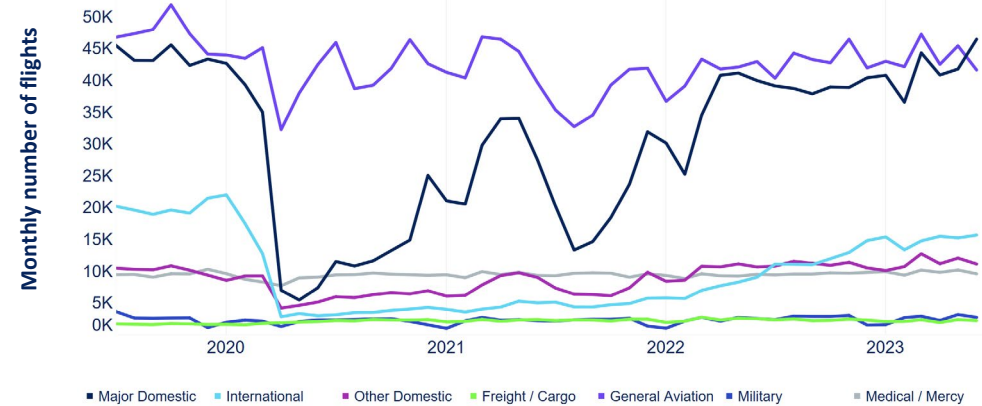
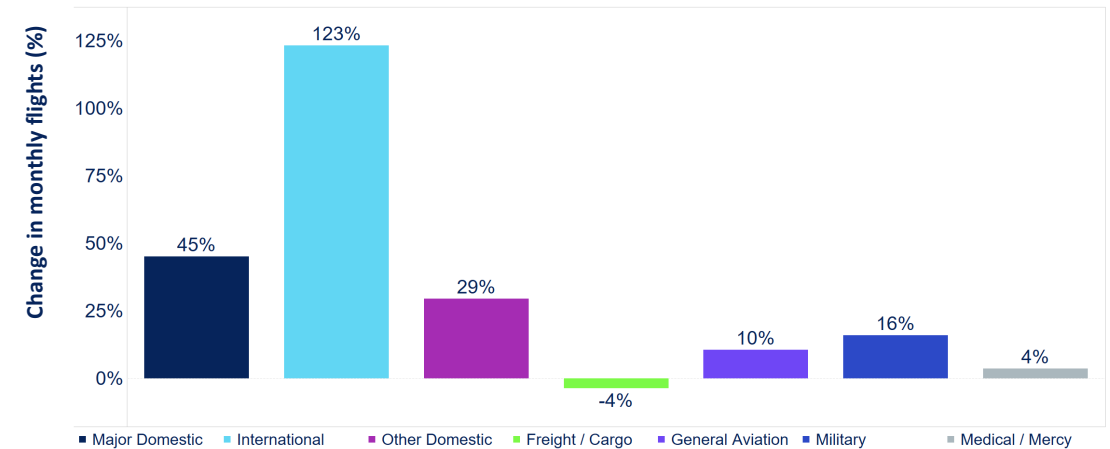


Figure 10. FY2023 vs. FY2022 - Percentage change in monthly number of flights by market segments



Source: Airservices Operational Data Analysis Suite (ODAS)

# Traffic flows from international markets

We are seeing a return to growth in international services, led by Asia Pacific markets, especially Indian Subcontinent and Southeast Asia. Working with domestic and international partners in these regions is increasingly critical to enhance safety and access to Australian airspace, with over 70% of our international flights transiting through Indonesia and the Pacific.

Figure 11. FY2023 vs. FY2019 - Percentage change in total flights\* by markets

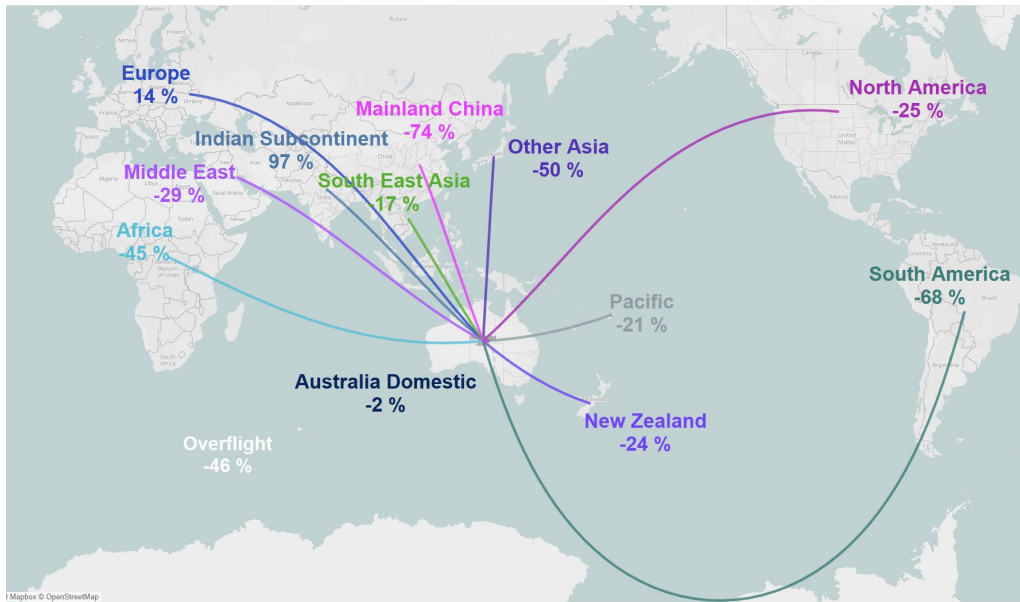


Figure 12. FY2023 vs. FY2022 - Percentage change in total flights\* by markets

	Regions - Total Flights (FY 2023)	% Change From FY 2022
1	Australia Domestic	619,615 42 %
2	South East Asia	56,949 153 %
3	New Zealand	36,420 357 %
4	Pacific	15,232 134 %
5	Overflight	13,679 56 %
6	Other Asia	11,482 35 %
7	Middle East	10,225 61 %
8	North America	9,031 82 %
9	Mainland China	4,561 -4 %
10	Indian Subcontinent	3,306 73 %
11	Africa	899 332 %
12	Europe	833 -1 %
13	South America	264 2,833 %

Source: Airservices ODAS (\*excludes general aviation, cargo, military, medical/mercy flights)

# Top aircraft operators

The top three domestic airlines constitute over 80% of flights in FY2023 across the Australian network. Domestic regional aviation continues to grow, driven by fly-in/fly-out and charter operations for the mining sector. Airlines across the Pacific and Southeast Asia are leading the international recovery.

Figure 13. FY2023 vs. FY2019 - Top aircraft operators ranked by percentage change in average daily flights\*

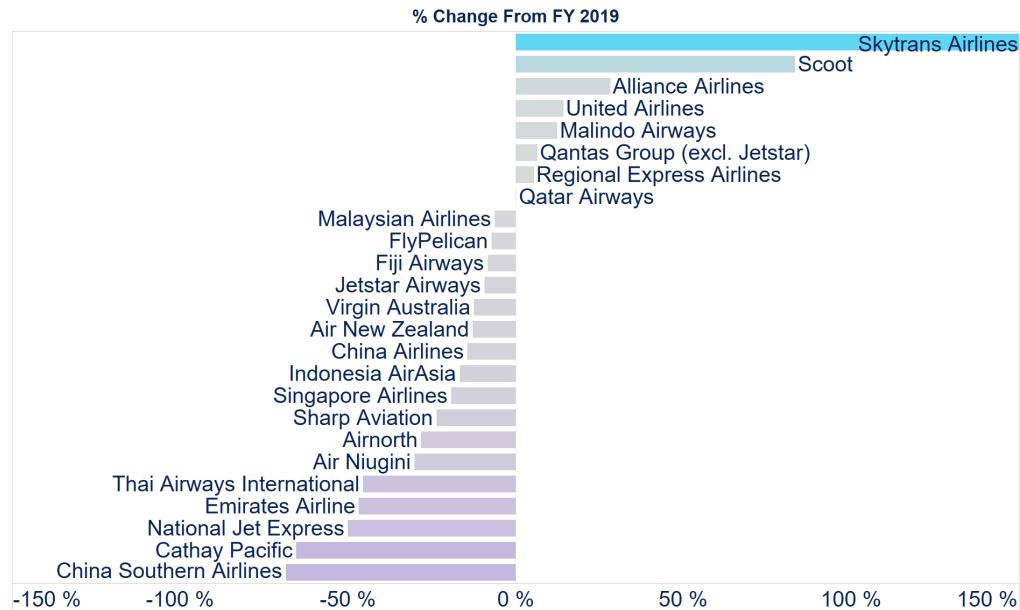


Figure 14. FY2023 vs. FY2022 - Top aircraft operators ranked by average daily flights\*

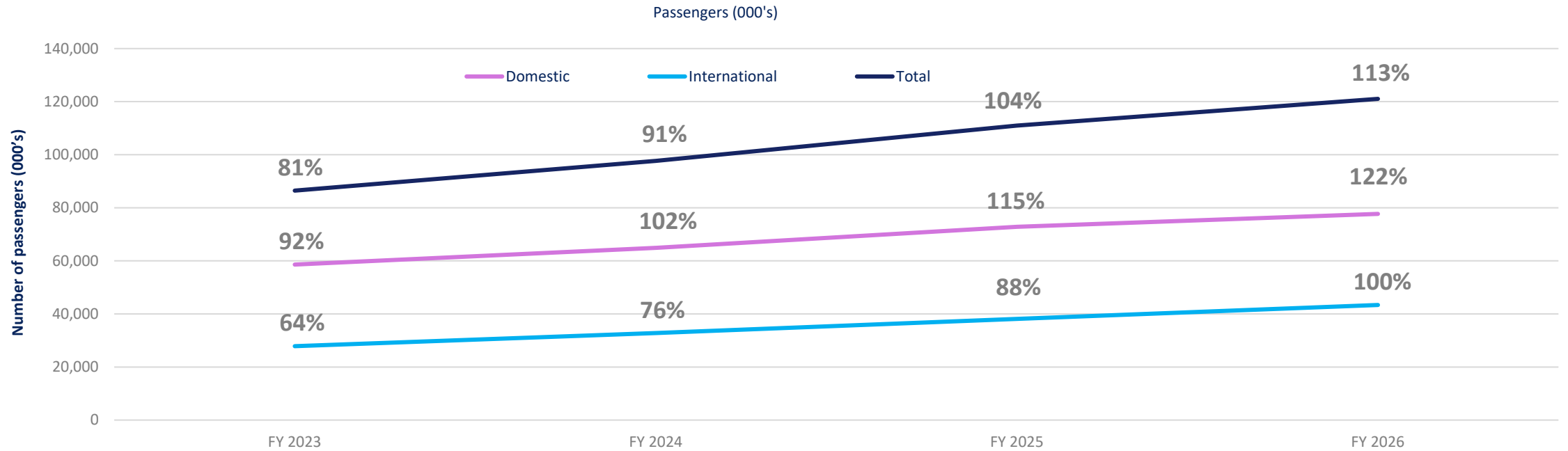
Top Operators - Average Daily Flights (FY 2023)		% Change From FY 2022	
1	Qantas Group (excl. Jetstar)	783	49 %
2	Virgin Australia	424	59 %
3	Jetstar Airways	256	75 %
4	Regional Express Airlines	210	48 %
5	Alliance Airlines	59	-3 %
6	Air New Zealand	48	182 %
7	Singapore Airlines	38	27 %
8	Sharp Aviation	26	-4 %
9	Airnorth	23	-15 %
10	Skytrans Airlines	23	188 %
11	Emirates Airline	16	60 %
12	Malaysian Airlines	15	67 %
13	Qatar Airways	14	75 %
14	FlyPelican	13	30 %
15	Fiji Airways	11	83 %
16	Scout	11	57 %
17	National Jet Express	10	-9 %
18	Cathay Pacific	9	13 %
19	Malindo Airways	9	
20	United Airlines	8	100 %
21	Air Niugini	7	75 %
22	China Airlines	6	-14 %
23	China Southern Airlines	6	0 %
24	Thai Airways International	6	200 %
25	Indonesia AirAsia	5	

Source: Airservices ODAS (\*excludes general aviation, cargo, military, medical/mercy flights)

# Traffic forecast

Based on strong domestic recovery, it is expected that domestic passenger growth will exceed pre-COVID levels in FY2024. International passenger growth is expected to be at a slower rate, given ongoing global economic uncertainty. This forecast is broadly in line with the International Air Transport Association's latest passenger forecast for the Asia Pacific region ('Update on COVID-19 impact and Recovery', 23 June 2023).

Figure 15. Traffic forecast for FY2024 to FY2026 and percentage of FY2019



Source: Tourism Futures International (TFI) – June 2023 forecast

# Aircraft deliveries and change in active fleet in FY2023

With the recovery of international air travel in FY2023, there has been an uplift in capacity across Asia Pacific as airlines reactivate stored aircraft and reinvigorate fleet renewal programs that focus on new-generation fuel and operationally efficient aircraft.

Figure 16. Change in active fleet and new aircraft deliveries in Australia and Asia Pacific in FY2023

	Aircraft type	Change in active fleet		New aircraft deliveries	
		Australia	Asia Pacific	Australia	Asia Pacific
Narrow-body	717	-3	-3		
	737	13	185	5	83
	A220		2		2
	A32X	7	448	8	230
	E190	10	22		
Wide-body	747	-1			
	757		3		
	767	1	3		
	777		87		17
	787	2	33	2	18
	A300		-1		
	A330	2	96		6
	A350		63		33
	A380	3	28		
<b>Total Active Fleet</b>		<b>Australia</b>	<b>Asia Pacific</b>		
30 June 2022		401	8853		
30 June 2023		433	9832		
Change		+ 32 (+ 8%)	+979 (+ 11%)		

Figure 17. Change in active fleet high density domestic and international airlines in FY2023

Airlines	Narrow-body					Wide-body						
	717	737	757	A32X	E190	747	767	777	787	A330	A350	A380
Qantas Group	-3	1		7		-1	1		2	2		3
Virgin Australia		8										
Rex		1										
Bonza		4										
Air New Zealand				1				5		1		
Singapore Airlines		4						5	2		2	1
Emirates								-2				18
Qatar Airways		9		-2				5	4		20	
Malaysian Airlines												
Fiji Airways												
Cathay Pacific				11				15		9	8	

Figure 18. Change in active Australian regional fleet in FY2023

SAAB	Embraer	Fokker	Fairchild	Swearingen	Bombardier	de Havilland	British Aerospace
-8	8	-5	0	0	5	-2	-1

Source: CAPA Fleet data ([website](#))

# Australian aviation network performance

# On-Time Performance (OTP)

Industry OTP has improved over FY2023, but still below long-term average performance expectations.

## On Time Arrivals

**69.5%** **7.3%↓** **9.9%↓**  
 FY2023 vs FY2022 (76.8%) vs FY2019 (79.4%)

## On Time Departures

**69.5%** **6.6%↓** **11.1%↓**  
 FY2023 vs FY2022 (76.1%) vs FY2019 (80.6%)

## Cancellations

**3.7%** **4.6%↓** **1.6%↑**  
 FY2023 vs FY2022 (8.3%) vs FY2019 (2.1%)

Figure 19. Total Industry OTP by month (since OTP data were collected)

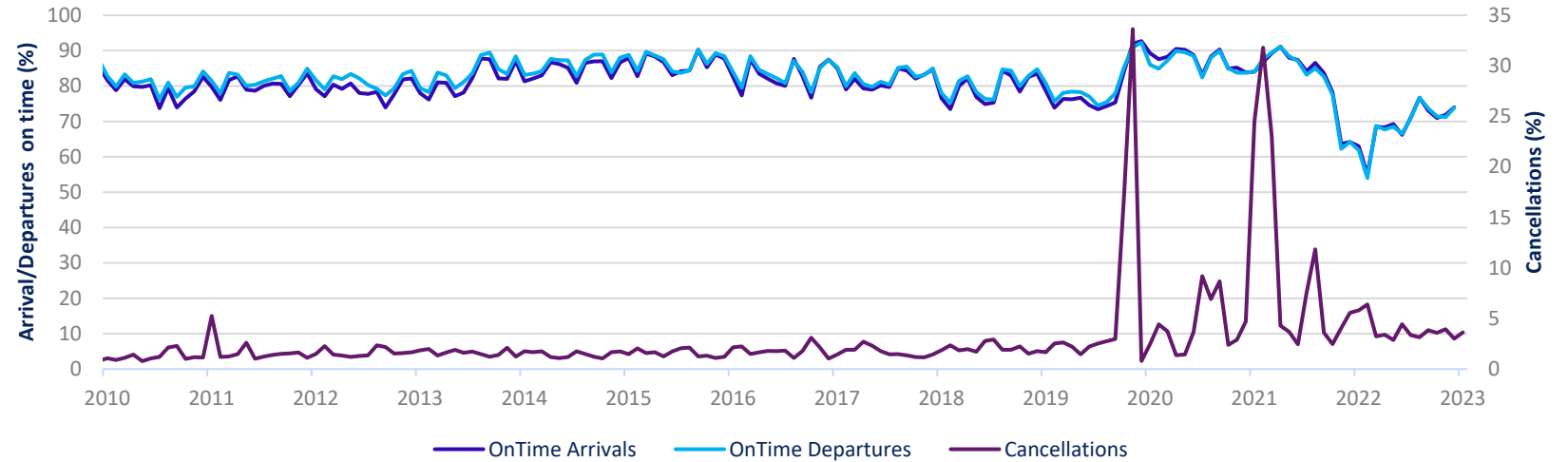
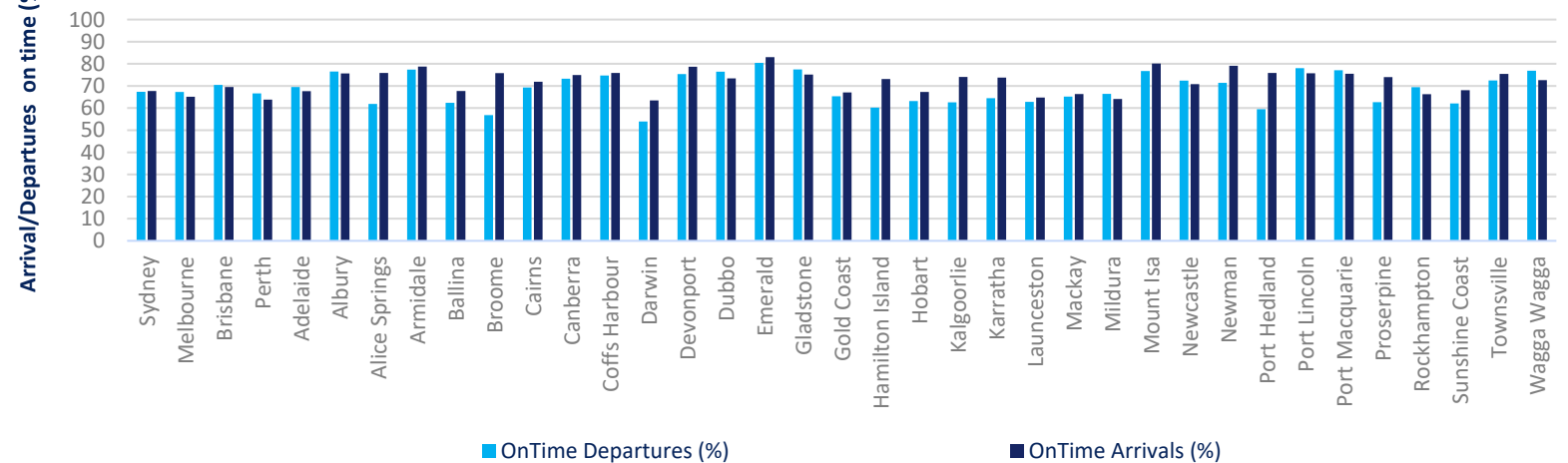


Figure 20. OTP by airport in FY2023



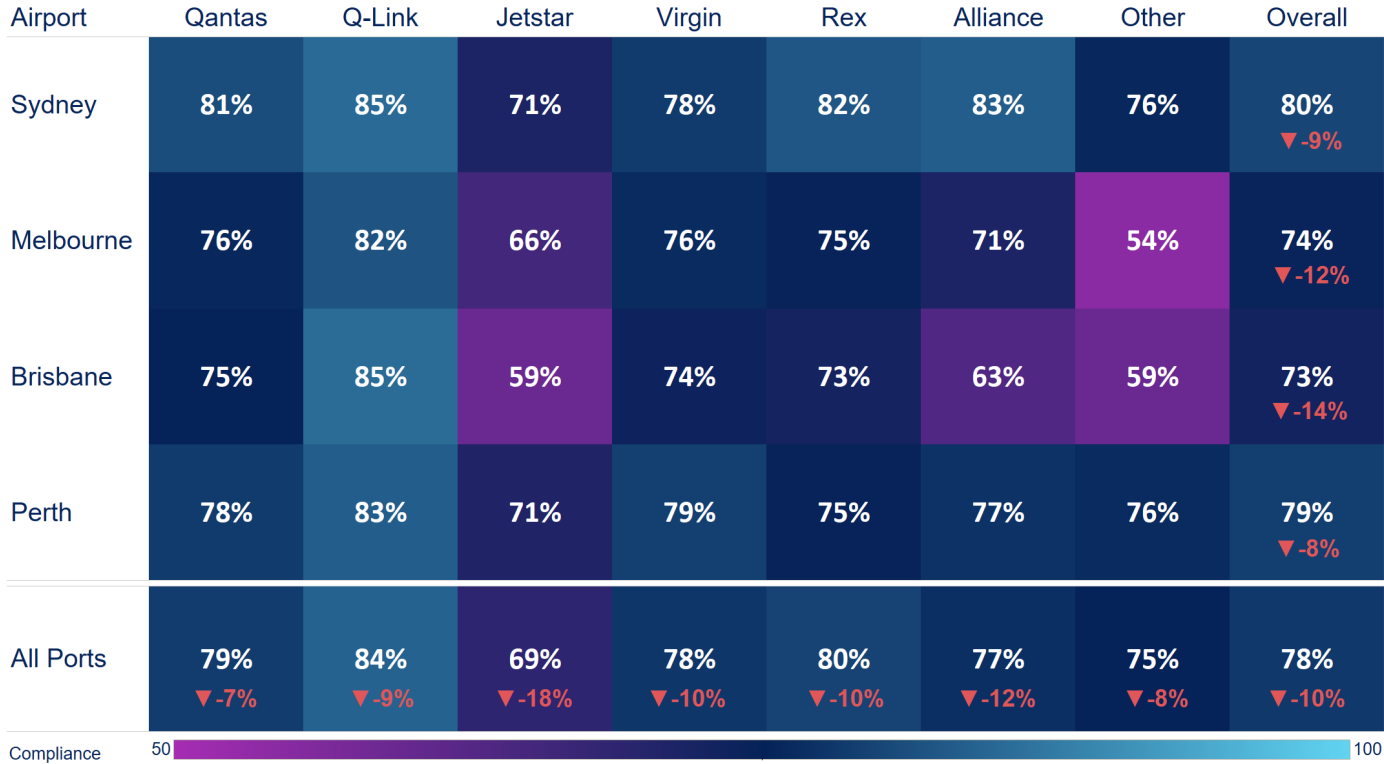
Source: BITRE ([website](#))

# Airline Ground Delay Program (GDP) compliance

Industry GDP compliance is still below FY2019 levels. Lower compliance with GDPs reduces the predictability of arrival times into major airports likely causing increases to airborne delays across the network.

A GDP is an agreed industry plan to balance the demand (based on airline schedules) to the available runway capacity that is collaboratively agreed by Airservices, airlines and the Bureau of Meteorology based on weather and other operating constraints (refer to [GDP Fact Sheet](#)).

Figure 21. Airline GDP compliance in FY2023 and percentage change vs. FY2019



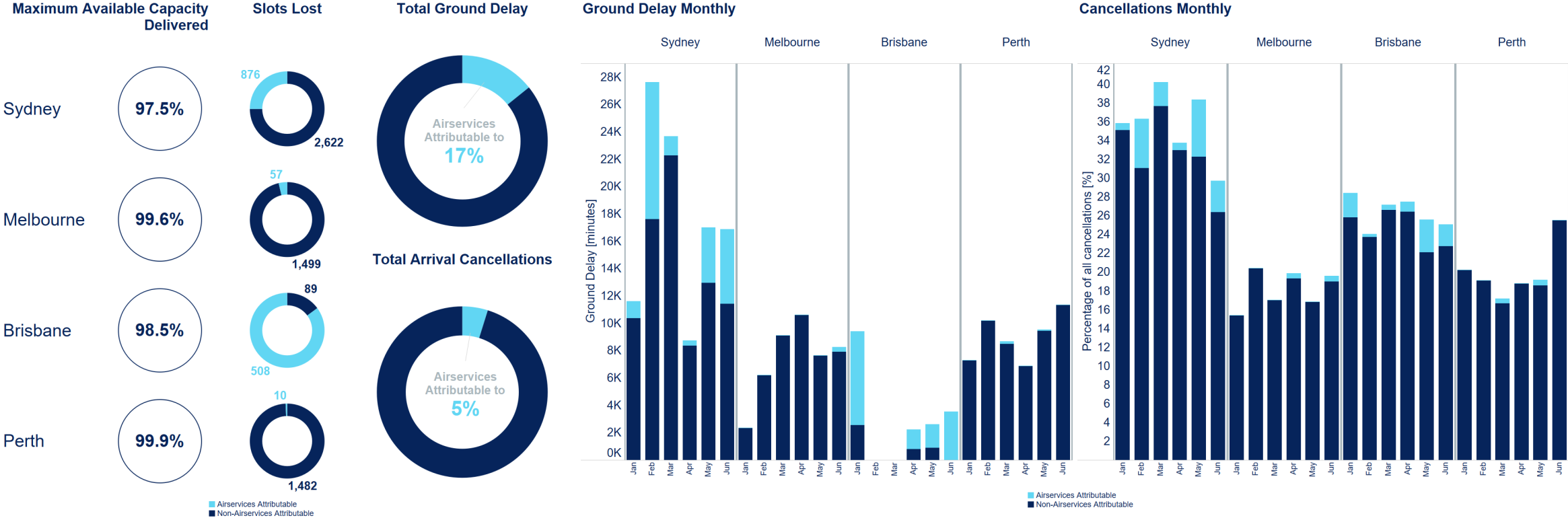
Source: Airservices ODAS



# Monthly aviation network performance at major airports

Airservices operating performance in both January and June 2023 declined due to workforce deployment issues. The Performance and Customer Experience (PACE) program is underway to strengthen workforce utilisation, resources supply and network capacity to enhance service resilience and deliver reliable experience for our customers.

Figure 22. Air traffic management outcomes at major airports (January – June 2023)



Source: Airservices ODAS

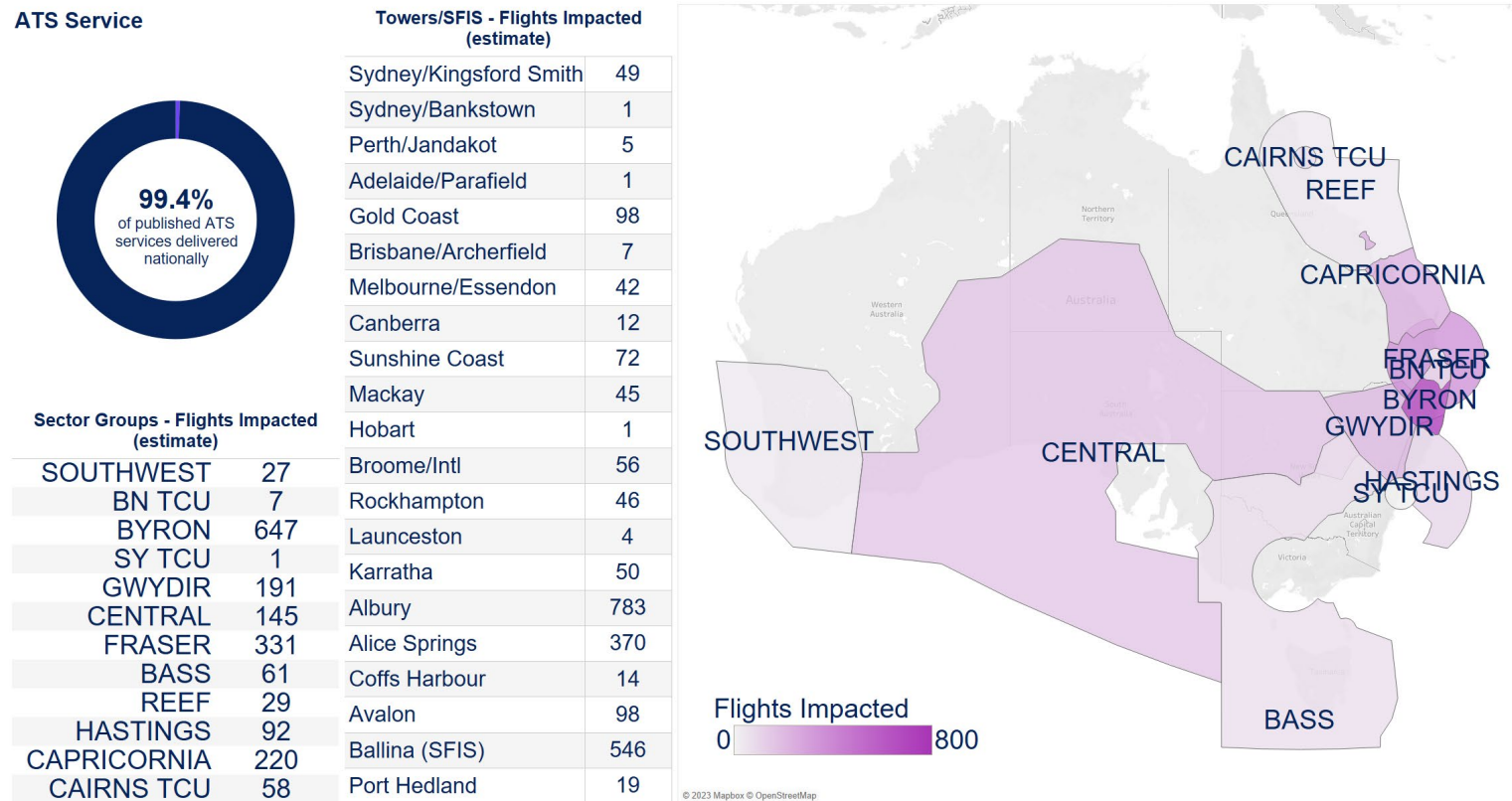
Note: Airservices attributable ground delay and flight cancellations are only estimated for flights arriving at Sydney, Melbourne, Brisbane and Perth Airports, including measuring the flow-on effects into the subsequent hours at the arrival airport. Data only available from 1 January 2023. Airservices is working with airlines, airports and stakeholders to refine the estimation method and identify complementary data to better understand causes of delays and cancellations.

# Air traffic management outcomes in FY2023

In FY2023, Airservices delivered 99.4% of published air traffic service levels nationally. While safety performance of the network has been maintained, efficiency and consistency of the aviation network has been constrained and impacted at times due to these service variations.



Figure 23. ATS published service delivered nationally in FY2023 and estimated flights impacted by service variations (i.e. delays, cancellations or re-routing directly attributable to Airservices)



Source: Airservices ODAS

Note: Flights impacted are estimated by historic airline, charter, cargo and medical flights. Not included are impacts on general aviation, military and government flights. Not included are joint user airports, not managed by Airservices Australia.

# Rapid growth in drone activities

There has been an increase in detected drone activities in no-fly zones around Australian airports with air traffic services. This highlights the importance of continuing to develop comprehensive capabilities to enhance network resilience and ensure safety of all customers and communities.

187%  
increase

In remote pilot licences since FY2018

Source: Civil Aviation Safety Authority

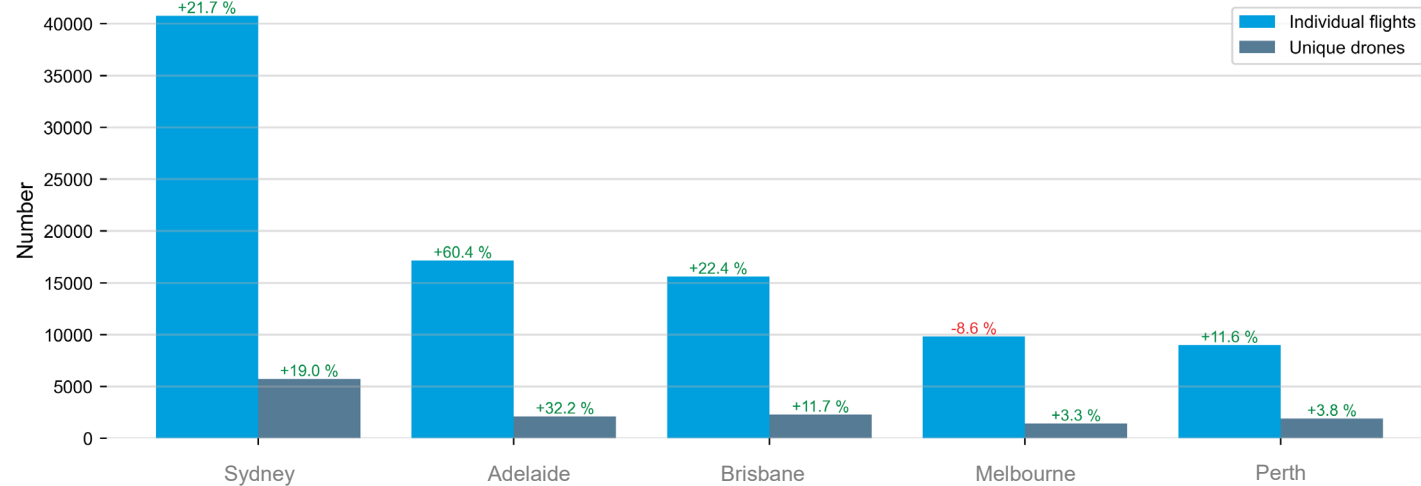
16.3%  
increase

In average daily drone flights in FY2023 vs FY2022

December  
2022

Highest month of detections, with 5,258 drone activities near airports

Figure 24. Drones\* within No-Fly Zones\*\* at major capital-city airports per month (1 January 2021 to 30 June 2023)



\*Data is limited to drone activity detected by drone surveillance equipment installed at 29 controlled civil aerodromes, and does not distinguish approved or allowed operations.  
\*\*No-Fly Zones refer to the 5.5 km boundary, and inner and outer runway splays. Percentage changes are calculated relative to the previous Financial Year.

Source: Drone detection equipment

For more information  
[stakeholder@airservicesaustralia.com](mailto:stakeholder@airservicesaustralia.com)