CHAMBERS IRELAND
IN BUSINESS FOR BUSINESS

Chambers Ireland Transport Users Council

Commission for Aviation Regulation Notice	CN 2/2009
Title	Booz & Co. report on the operating costs associated with opening a new passenger terminal at Dublin Airport.

About Chambers Ireland

Chambers Ireland, Ireland's largest business organisation representing some 13,000 members and some 60 member chambers welcomes this opportunity to contribute to this latest discussion document from the Commission for Aviation Regulation.

About Chambers Ireland Transport Users Policy Council

Transport is a key component of Chambers Ireland's lobbying priorities, as it is crucial that Irish enterprises are able to move goods both internally and to and from external markets. Chambers Ireland firmly believes in the need to provide a modern transport network for the future and a fundamental aspect of this is the enhancement of connectivity at national, regional and local levels.

The network's policy is influenced by two policy councils which meet collectively as the Transport Users' Council. The Transport Users' Council deals with all forms of ground transport while the Air Transport Users Council (ATUC) focuses on air transport.

Context

Chambers Ireland Air Transport Users Council contributed to CP3/2009: Draft Determination of Maximum Levels of Airport Charges at Dublin Airport in June 2009. In that particular submission, we made reference to the need to ensure Value for money in return for capital investment at Dublin Airport and ensuring that a rise in service delivery commensurate with a rise in airport charges. We still believe that any charging regime must recognize the cost of previous investments while facilitating future investments.

Observations

As the capital city airport, Dublin is of vital economic importance to the country both from a tourism and business perspective. In addition to maintaining the array of destinations currently available from Dublin airport, new services must be established, particularly in the context of Open Skies and future demand for increased services to and from Asia. Such essential services cannot be developed without supporting infrastructural investment both airside and landside.

This infrastructure cannot be provided without sufficient funding to being put in place to pay for it. We note that according to the Commission for Aviation Regulation's own data and that of Airports Council International, Dublin Airport's current charges are amongst the lowest in comparison to other European capital city airports.

Furthermore, a second runway in Dublin Airport would open up additional slotting capacity and competition while further incentivising Asian airlines and others to fly direct to Dublin. We need to continue a charging regime that facilitates investment and future proofs Dublin Airport's infrastructure requirements.

We note that Terminal 2 of Dublin Airport is scheduled to be completed by April 2010 and open in November 2010 with some 40% of Dublin Airport's traffic transferring to T2 at that time. In our view, aeronautical charges should make a significant contribution towards the provision of airport infrastructure. The idea that an industry that pays no taxes on fuel now wants to remove an albeit poorly structured air passenger tax and fight infrastructure investment charges needed to underpin tourism and business connectivity is not credible and does not stand up in an era when this society must contemplate social welfare cuts.

Furthermore, we note that while some airlines continually complain about the charging regime in Dublin Airport, they themselves are continually introducing and or increasing ancillary charges for baggage, web check in, credit card payments and so forth. This will in turn continue to have an impact on the cost of flying into and out of Dublin Airport.

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