

Construction House, Canal Road, Dublin 6. Tel: 01-4066000. Fax: 01-4966953. E-mail: cif@cif.ie. Website: www.cif.ie

Mr Cathal Guiomard Head of Economic Affairs Commission for Aviation Regulation 3<sup>rd</sup> Floor Alexandra House Earlsfort Terrace Dublin 2

1 July, 2005

## Dear Mr Guiomard

I refer to your Draft Determination of Airport Charges in respect of Dublin Airport and Explanatory Memorandum Commission Paper CP2/2005 in which you invited submissions with respect to the current process of determining airport charges at Dublin.

The CIF is the representative body for the construction industry in Ireland, with 3,000 members. It's now the largest business sector in the country, with 233,000 people now working in construction, according to the latest CSO figures.

Major firms in the industry have substantial businesses in the U.K. and in Continental Europe, and as such, are substantial users of the facilities at Dublin Airport.

It has become increasingly evident that under-investment in recent years is adversely affecting service quality and comfort levels at the airport. This is unacceptable for a country which is moving up the value-added chain, from being a low cost manufacturing location to a high-tech, knowledge-based service economy. The construction industry has been a significant part of this upskilling, by constructing – to the highest level of specification and tolerance – the buildings which house the world class multinational and indigenous companies based in Ireland.

My members are frustrated to note in their international travels the high level of specification, comfort and design exhibited by the landmark buildings which leading airports represent in other countries and our comparatively spartan, uncomfortable and inadequately scaled facilities at Dublin Airport. On a recent trip to Brussels, the contrast between Dublin Airport and Brussels Airport could not be starker. At Dublin, there were queues at check-in, for sandwiches, for coffee, and even for a newspaper. Brussels, by contrast, was a haven of calm and order. Returning from Brussels, with a landing gate in Terminal A, the picture was just as disorderly as on the way out some days previously. (It was Sunday evening June 19<sup>th</sup>, and there were traffic delays in the U.K.). However, I was forcibly struck, on the walk from Terminal A to the baggage area, by the hundreds of people sitting on the floor or on their baggage in Terminal A (because all the seats were full), and by the melee of people still walking or going by travelator into Terminal A, while we sought to move in the other direction.



Clearly, the capital investment scenarios necessary must be at the strongest possible end of the spectrum. I understand that the cost differentials are less than €1 per passenger. It's inconceivable for the business community that a charge differential of less than €1 per passenger should be allowed to inhibit the provision of urgently needed infrastructure investment. In this context, I note that the Chief Executive of a multi-national based in Ireland, surveyed for the 2005 IMI survey of MNC's, described aviation facilities in Ireland as "primitive".

The CIF urges you to place the provision of adequate and appropriate capacity as the most important objective in setting the airport charges at Dublin for the next 5 years. Furthermore you should ensure that success in delivering the capacity will be rewarded and failure to do so penalised in whatever formula you adopt. All facets of the Irish economy will be impacted by your final decision.

Yours sincerely,

LIAM KELLEHER DIRECTOR GENERAL

