

Airline Operators' Committee Hong Kong
Submission to The Legislative Council Panel on Economic Development
On the Third Runway Project in the Hong Kong International Airport

The Airline Operators' Committee is an industry body that represents 87 companies operating at Hong Kong International Airport. These include not only 67 airlines, but also ground handling agents, catering companies, engineering and maintenance companies and security firms with operations in Hong Kong. Altogether over 45000 employees fall under its remit.

The Hong Kong International Airport (HKIA) is one of the fastest growing airports in the world. In 2013, it was the world's leading airport for international freight, third largest for international passenger traffic after London and Dubai in the world, but the first in Asia.

According to Airport Authority of Hong Kong's annual report for 2013-2014, passenger volume and aircraft movements at HKIA set new records of 60.7 million and 377,476 movements respectively, representing year-on-year growth of 6.1% and 6.3%. Cargo throughput rose 3.4% to 4.2 million tonnes, sustaining the airport's status as the world's busiest cargo airport for the fourth consecutive year.

However, HKIA is a victim of its own success. The two-runway airport is now operating close to capacity. AOC fully supports the plan to build a third runway to maintain Hong Kong's status and competitive strength as a premier aviation hub.

We believe that Hong Kong's connectivity with the rest of the world is crucial in ensuring the city's longstanding position as an international centre of finance, trading, logistics, tourism and professional services.

Environmental Considerations

AOC welcomes the completion of the Environmental Impact Assessment study. Airlines are mindful of the impact the aviation industry has on the environment and have been doing a great deal to minimise its impact.

IATA has formulated a plan to reach a number of challenging targets including an average improvement in fuel efficiency of 1.5% annually from 2009 to 2020, a reduction in CO2 emissions of 50% by 2050 (relative to 2005 levels) and to put a cap on aviation CO2 emission from 2020, i.e. carbon neutral growth).

Home carriers of Hong Kong and many other airlines operating at HKIA have been making substantial investments in modern and environmentally friendly aircraft. Modern aircraft are 75% more fuel efficient and 20dB quieter than comparable aircraft four or five decades ago. The noise footprint of a modern jet aircraft is 15% less than the aircraft it replaces.

Apart from the investment on aircraft, together our members have pro-actively worked together in making the airport greener, the replacement of GSE with LPG/electrical, the reduction of waste by recycling etc.

AOC acknowledges the importance of achieving a balance between the environmental considerations and economic benefits of developing a new runway. We will continue to work with the authorities on the mitigation measures.

Capacity saturation

The primary concern of not only AOC members but all who operate at the airport is to ensure a smooth and enjoyable passenger experience at HKIA. However, the current saturation of the two-runway system impinges tangibly upon the experiences of many passing through. Delays are a daily occurrence and are brought about by a number of factors that often overlap.

Within the terminals, limited space in the check-in areas, gates and security check-points lead to long queues.

On the airfield, the lack of parking bays with aerobridges connecting directly to the terminal requires passengers to transit by bus from their aircraft, necessitating longer transfer times and an inevitable longer baggage-handling process. In addition, the increased frequency of Air Traffic Control-induced delays is a matter of great concern; it is already common for arrival flights to sit on the apron waiting for parking bays to become available.

Towing aircraft – whether from hangar to terminal or between different parts of the airfield – is a process made more time consuming as a result of apron congestion; towing vehicles must compete with buses and a multitude of other catering, refuelling and baggage vehicles, which all vie for priority in limited space around the apron.

As a consequence, arriving passengers encounter late delivery of bags whilst transiting passengers risk missed connections or must travel onwards without their luggage in some cases. With approximately 50% of all passengers transferring, this should be of great concern to all who wish to maintain Hong Kong's status as the primary hub airport of Asia, connecting passengers from all over the world.

Insufficient capacity and limited space would hinder the growth of our member airlines and potential carriers operating to and from HKIA, and also limit effective service recovery after major flight disruptions such as typhoons. Yet the perception that HKIA faces severe challenges during typhoon, lightening storm and other weather disruption overlooks the fact that everyday operations, in of themselves, represent a great challenge to all those working there. We must act now to alleviate this significant pressure.

Summary

AOC welcomes the authorities' initiative to increase the number of the landing/take-off slots during some peak hours from the current 65 to 68 by 2015, and to provide more parking bays through the construction of a mid-field terminal. However, these are just interim relief measures. Any delays on an expansion of HK International Airport will damage the customer experience it currently offers, and place increased stress on those that work on the frontline. HKIA requires a third runway to maintain its reputation as both a passenger and cargo hub and to ensure long-lasting economic benefit to Hong Kong.

*AOC
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