

# SWITZERLAND AVIATION PROFILE

## Understanding how Swiss tourists travel to Australia

*This briefing has been prepared by the Tourism Australia Aviation & Economics Team, but was significantly assisted by the research of the Centre for Asia Pacific Aviation and data from Air Transport Intelligence, Bureau of Infrastructure, Transport and Regional Economics and Department of Immigration and Citizenship.*

### At a Glance

Arrivals Growth	End-point carriers*						Major Carriers	Seasonal Peaks	Origin Traffic
	Direct Seats		Load Factors		Aus. Ports				
2008	-4%	2008	na	2007	na	0 / 8	SQ 35% Qantas 20%	November to March	+99% almost no through traffic
2009(F)	-6%	% ch	na	2008	na	All ports serviced			
2010(F)	+3%	Rank	na	Nat. Av.	77%	indirectly			

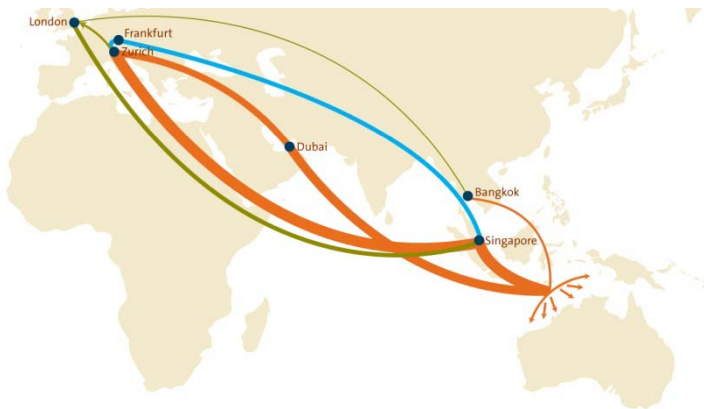
(F) Forecast. Source: Tourism Forecasting Committee, 2008 Issue 2

\*End-point carriers in this report are defined as carriers who retain the same flight number on all sectors of a Switzerland-Australia flight. There are no end-point carriers on this route, only intermediate carriers whose flight numbers change when the aircraft reaches its home country (e.g. when Singapore Airlines flies through Singapore).

There have been no direct services from end-point\* carriers between Switzerland and Australia in almost 10 years. As a result, Swiss tourists rely on a range of code share services and intermediate carriers to travel to Australia. Swiss arrivals to Australia fell four per cent in 2008 and negative growth is expected in 2009 as capacity on the route declines further. Thus the key aviation related challenge for Swiss inbound tourism is to minimise the impacts of the declining capacity and monitor load factors to ensure sufficient capacity is provided. Swiss are enthusiastic visitors to regional Australia, including the outback, so a secondary aviation related challenge is to improve access to secondary Australian airports to facilitate more open jaw itineraries.

### Coming into Australia

Zurich-Singapore is the busiest route between Switzerland and Australia (as shown in the below map). This is closely followed by Qantas' services via Frankfurt and London and Emirates Zurich-Dubai services.



Key Airlines on the route	Airports serviced in Switzerland (times per week)	Airports served in Australia (times per week)
Qantas	No ports in Switzerland. Operates services from London (26 per week) and Frankfurt (daily)	Sydney, Melbourne, Brisbane, Perth, Adelaide (total from Singapore 45)
Singapore Airlines	Zurich (12) via Singapore	Sydney, Melbourne, Brisbane, Adelaide, Perth (total 82)
Emirates	Zurich (14) via Dubai	Sydney, Melbourne, Brisbane, Perth (total 63)
Thai Airways/Swiss code share	Zurich (13) via Bangkok	Sydney, Melbourne, Brisbane and Perth (total Thai Airways 40)

There are currently no direct services from Switzerland to Australia, only services operated by intermediate carriers like Singapore Airlines and code share carriers like Thai Airways/Swiss.  
Source: Air Transport Intelligence 13-19 April 2009 schedules

Prepared: May 2009

Feedback or Suggestions?

Tel: +61 2 9361 1374

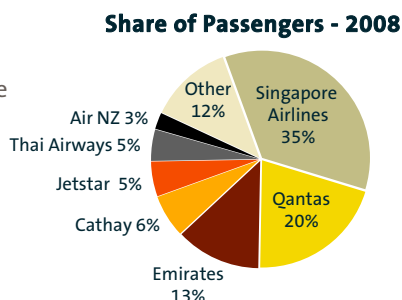
[lfletcher@tourism.australia.com](mailto:lfletcher@tourism.australia.com)

# SWITZERLAND AVIATION PROFILE

## Understanding how Swiss tourists travel to Australia

### Airlines on the Route

Around half of all Swiss tourists fly into Australia on Qantas or Singapore Airlines. In 2008, Singapore Airlines gained significant market share, largely at the expense of Qantas, Emirates and Malaysia Airlines.



Airline	2004	2005	2006	2007	2008
Singapore Airlines	25%	25%	25%	23%	35%
Qantas	24%	23%	26%	23%	20%
Emirates	10%	9%	14%	17%	13%
Cathay Pacific	4%	4%	3%	5%	6%
Jetstar International	0%	0%	1%	6%	5%
Thai Airways	3%	3%	3%	5%	5%
Air NZ	3%	3%	3%	3%	3%
Other	29%	32%	24%	19%	12%
Total	100%	100%	100%	100%	100%

### Direct Capacity: Switzerland to Australia

There are currently no direct services from Switzerland to Australia. Swiss Air is the only carrier that has operated direct services on the route albeit for a short period (September 1999 to May 2001). These services have been largely replaced by the code share services it operates with Thai Airways.

**Bilateral Capacity Restrictions:** There are currently no binding capacity constraints on direct flights from Switzerland to Australia. Under the current air services agreement, there is approval for 2,800 services per week to Australia's key gateways with Australian and Swiss carriers using none of their available capacity allocation. NB. Regional package (i.e. the ability to operate unlimited international services outside Sydney, Melbourne, Brisbane and Perth) is available on this route but there are restrictions on code shares arrangements.

### Looking Ahead

- From a capacity perspective, the outlook for 2009 on the Switzerland-Australia route has been revised downwards, with negative growth now expected in 2009. On 25 April 2009 Swiss withdrew its six weekly Zurich-Singapore services. This follows Singapore Airlines' decision to reduce its Zurich-Singapore services (from 14 to 12 per week) from 9 March 2009 and Malaysia Airlines withdrawal of its Kuala Lumpur-Zurich services in January 2008. Ideally direct services to Australia by Swiss, Switzerland's flag carrier, would strengthen Australia's market presence, however with the carriers increasing focus on short haul European destinations like Oslo, Lyon and Valencia, this option seems unlikely. Emirates has continued to maintain its current capacity of 14 services per week.
- Fuel costs affect the operating economics of very long haul routes. In mid-2008, oil and jet fuel prices peaked to record highs (US\$142 and US\$148 per barrel respectively) adding around A\$400 in fuel surcharges on a return trip from Europe to Australia. Since then fuel prices and associated fuel surcharges have largely fallen (despite a small rebound in 2009). In October 2008, Qantas reduced fuel surcharges from A\$420 to A\$380 on a return Europe-Australia flight, and further reduced in December 2008 and in May 2009 to A\$320 and A\$190 respectively.
- In 2009, Australia and the European Union are expected to continue their push towards a more liberalised bilateral agreement. In May 2007, Australia and the EU signed a horizontal agreement removing nationality restrictions in the existing bilateral agreements between EU member states and Australia. A comprehensive agreement would be expected to allow any EU Member airline to fly from any EU country to Australia and any Australian carrier to fly anywhere in the EU. Initial talks were held in January 2009 with subsequent rounds of negotiations to take place during the course of the year.