



## **Airport Feature – by Steve Creedy**

### **Norris Carter's Perspective of the Aviation Industry**

Norris Carter has looked at airports from both sides of the airline equation and believes it gives him a better perspective of how the aviation partners — and occasional adversaries — interact.

The North Queensland Airports (NQA) chief executive spent 14 years at Qantas, 10 of them running the frequent flyer program before moving to network and revenue planning in the Flying Kangaroo's international business.

Then came two years leading airline business development at Auckland International Airport, much of the time as the Kiwi company's representative on the board of privately-held NQA, before his appointment as chief executive last December.

"I can see the perspectives of both an airline and an airport in various interactions, so it's easier for me to put myself in my customers' shoes," he says.

"For example, when I was running network planning at Qantas, I had airports pitching new routes to me, so I could see what worked well and what didn't. Because of this I can have better conversations with airlines about both new routes and making their existing routes more successful."

Norris says he jumped at the opportunity to run airport operations with the kind of growth prospects facing NQA, which runs facilities in tourism hotspot Cairns and resources-oriented Mackay.

It also didn't hurt that the airports were in a region where it was 27C and sunny in the middle of winter.

Yet it is a long way from the university studies in electrical engineering and computer science that saw him starting his career with technology giant IBM before completing an MBA and joining Boston Consulting Group.

The airport executive's new home already has unique natural drawcards in the Great Barrier Reef and the local rain forests.

But it is also moving to capitalise rising global tourism growth with projects such as the new Cairns Aquarium, the expansion of the convention centre as well as upgrades to the Esplanade and central business district.

Carter observes there are also at least three hotels being built in Cairns as the city positions itself for a period of strong growth.

“There’s a sense in the city that things are starting to take off,” he says.

This works in well with Carter’s aim to grow the airports in Cairns and Mackay with direct international travel a key focus.

Like many airport chiefs, Carter sees China’s burgeoning middle class as a great tourism opportunity but he says visitors are currently well balanced between China, Japan, Europe and North America. The most recent publicly available passenger statistics for NQA show Cairns catered for almost 48,000 flights as international passengers over the 12 months to May grew by 7.6 per cent to just over 659,000. That was accompanied by a 4 per cent growth in domestic passengers, to 4.24 million and a 17.5 per cent growth in transfer and transit traffic to 314,240.

Jetstar remains the airline with the biggest international capacity including twice daily Boeing 787 flights heading to Tokyo and Osaka.

This means four out of five Japanese visitors fly directly in and out of Cairns. But the reverse is true for other nationalities who arrive via domestic flights and find themselves wasting time backtracking for part of their trip.

Carter is keen to change this.

“I particularly want to open up the FNQ region’s international connections so that international visitors and locals can fly directly into Cairns and spend more time on holiday and less time travelling,” Carter says.

A slew of recent announcements suggests the new CEO’s reign is off to a good start.

China Southern announced that it would operate three weekly flights between Guangzhou and Cairns from December, providing a direct link to Cairns from the fast-growing Chinese market.

Singapore Airlines subsidiary SilkAir will boost its year-round direct flights to Singapore from four to five from November while Korea’s Jin Air will operate 12 seasonal flights to and from Seoul in December and January.

Hong Kong’s Cathay Pacific is also replacing its one-stop service to Brisbane with three direct flights a week between October and March, while Hong Kong Airlines is increasing to daily flights over the Chinese New Year peak season.

The growth comes as Cairns’ international terminal, which Carter says is well equipped to cope with the additional traffic, has added a new duty-free operator, Aelia Duty Free.

“We’re pretty good in Cairns because you’ll remember there was the Japanese tourism boom back in the nineties,” he says. “So we’ve got a lot of capacity in the international terminal and certainly with the aprons and runways and so forth.

“We get a little bit congested in the domestic terminal and that’s partly what’s driving us to look at the retail mix in there and how we can rearrange things to decongest it at the peak times to give people a better experience.”

While the mainstay in Cairns is domestic leisure travellers, the metallurgical coal industry around Mackay means the smaller town is more business oriented. Mackay may have come off the end of the mining boom but Carter says it is seeing some tourism growth thanks to attractions such as the kangaroos frequenting the beach at Cape Hillsborough.

“It’s not as big as Cairns obviously, it’s only 48,000 international visitors, but it’s growing with the top markets Germany and New Zealand,” says Carter.

And there are also “green shoots” in terms of business activity, according to the airline chief. “The talk around the town is that business is coming back and they’re starting to think about recruiting, there’s a bit more activity going on around the region there,” he says.

Both airports also serve as regional hubs, hosting regional carrier QantasLink, rescue services and tourism flights, while Cairns also has smaller airlines such as Skytrans, Alliance, Rex and Airnorth, plus the flying doctor and border patrol.

There are also maintenance businesses looking after aircraft around the regions, including a large Hawker Pacific operation in Cairns. Three major helicopter services, two of them operating tourism flights over the Great Barrier Reef, operate from Cairns Airport.

Carter says the NQA airports are also “pretty big” on environmental initiatives and getting involved in its communities, sponsoring events such as Cairns Airport Adventure Festival, Cairns Indigenous Art Fair, and Mackay Airport Beach Horse Races.

Overall, Cairns Airport and aviation-related activities support about 30,000 jobs and about \$2.5 billion in economic activity per year. In Mackay, it’s about 13,600 jobs and \$1.2 billion in activity.

Carter wants to grow that contribution but in a way “that’s economically, socially and environmentally sustainable”.

“If we do a good job we’ll help create amazing memories for travellers, growth for the regions we live in, and contribute to secure retirements for our ultimate owners who are super fund members,” he says.