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Title of Paper

Airline Cost Comparisons

Abstract

Regulators, the public and the media in Australia, regularly take Australian domestic airlines to task because Australian costs and fares are said to be higher than those applying in other countries. The country most often compared with Australia is the United States of America.

Dominance in the Western Australian regional market place, coupled with high governmental and public visibility peculiar to the air transport industry, requires Skywest to be able to confirm or deny these accusations.

This has required the development of accurate and convincing comparison techniques which compare similar airlines and which account for differences in the statutory, geographical, organisational, technical and employment ambiances in each country.

The paper describes the methodology that has been developed and makes a number of comparisons with US regional airlines, some of which operate precisely similar equipment. Comment is offered on a number of variances in US and Australian costs.