

'It's cheaper to fly private': the execs ditching Qantas

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Companies frustrated with sky-high fares, frequent cancellations and long check-in queues at airports are opting for private jets

[<https://www.afr.com/wealth/investing/private-jets-are-in-short-supply-as-billionaire-economy-booms-20211205-p59evm>] as the rising cost of travel narrows the price gap with flying commercial.

Some corporates have even been able to save money taking a private jet over a commercial carrier for group bookings, according to Travala global operations manager Radka Wilson.

The Brisbane-based executive was recently able to shave \$1000 off the cost of six travellers flying to Hamilton Island by chartering a private jet.

"They were even able to avoid the two-hour stopover in Brisbane," Ms Wilson said of the flight she arranged for cryptocurrency platform executive Daniel Alexiuc.

"We originally received a quote of \$8500 for all six to fly on Qantas and that was via Brisbane.

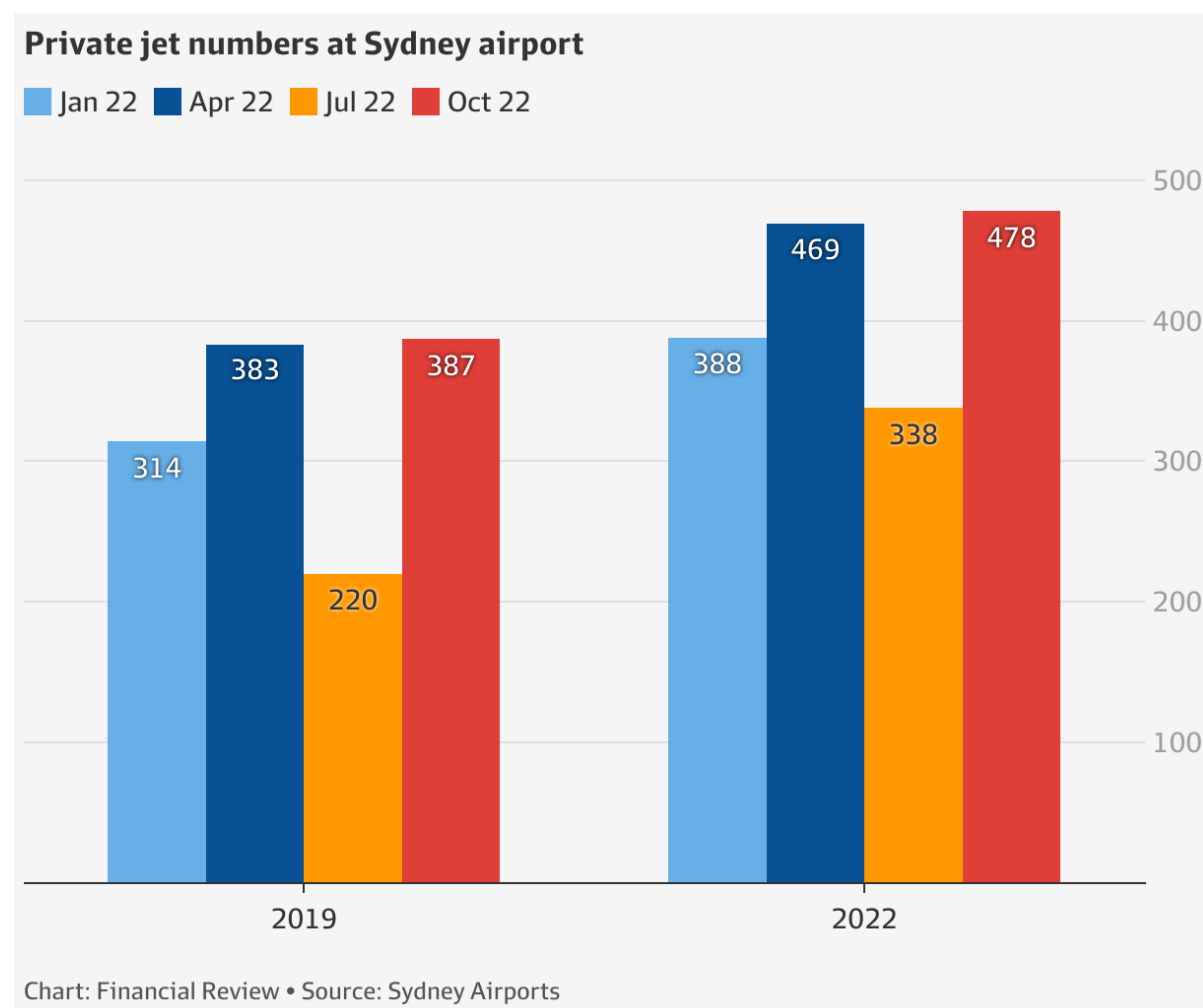
But we then looked around and we were able to put them on a private aircraft for \$1000 less, and it was a direct flight ... it's just a whole other level of flexibility."

Mr Alexiuc, who founded bitcoin bill payment platform Living Room of Satoshi, said he had been overwhelmed by "crazy expensive" flight prices but now would also consider flying private if it was close to the price of a commercial fare. "It was so seamless, the plane goes when you're ready, not the other way around ... I'm going to ask for it every time," he said.



Royce Crown; Chief Executive Officer at Monarc Global, photographed at the hangar at Archerfield, QLD. **Dan Peled**

Private jet arrivals have jumped 23 per cent on pre-pandemic levels. Sydney Airport recorded 478 private jet movements in October 2022 compared to 386 in October 2019.



Private jet operators are also reporting demand has soared 40 per cent on pre-pandemic levels as holiday-makers and corporates travelling in groups [\[https://www.afr.com/companies/transport/us-company-spending-on-private-jets-for-personal-use-hits-10-year-high-20220628-p5ax7q\]](https://www.afr.com/companies/transport/us-company-spending-on-private-jets-for-personal-use-hits-10-year-high-20220628-p5ax7q) pay a premium for the reliability and flexibility of a private jet. Passengers want to skirt long check-in queues, terminal traffic snarls and the virus risk of flying on a packed plane as the threat of COVID-19 resurfaces.

Avmin chief executive Paul O'Brien, who runs a broking service putting wealthy business people, bands and Hollywood superstars on private jets, said he was running "upwards of 80" flights per week for clients. This time in 2019, he was putting on about 30 or 40 flights per week.

"Trunk routes" such as Sydney-to-Melbourne, Brisbane and Melbourne to the Gold Coast are the most popular, he said.

Companies make up about 60 per cent of Avmin's clientele, with bands and other travelling acts making up a growing part of the business. Country star Keith Urban's crew and entourage have tapped the business for his Aussie tour, as have UK sad-music icons The Cure for their upcoming Australian concert.

"People are trying to avoid long check-in queues and reliability issues like cancelled flights, while COVID is also coming back into the equation," Mr O'Brien said.

They're also doing the sums, he added. "When you've got Qantas charging \$1600 per person [<https://www.afr.com/companies/transport/rex-accuses-qantas-of-gouging-customers-20221124-p5c10m>] for business class one-way [Sydney to Melbourne], you only need to look at those stats to see value."

Groups opting for a four or five-seater plane can fly Melbourne to Sydney and back for about \$9000 or \$10,000, according to Mr O'Brien.



Couple of people having a champagne toast inside the private jet airplane. **Istock**

Other charter groups such as Australian Air Charter are putting on six-to-eight seater flights on the same route for about \$15,000, and say the average cost of a four- or five-seater would be about \$10,000 to \$12,000.

The prices are more affordable when filling an empty leg, or if a plane needs to be returned to a destination. If groups want to stay the night in one place, they then cover the cost of pilot accommodation and meals, but the price remains the same.

For the boss of tech start-up Monarc Global, Royce Crown, the empty leg market represents the best value. The tech executive has designed a platform to connect private jet owners and operators with travel agents so they can compare private prices directly with commercial carriers.

Backpackers, families get on board

He was recently able to put a dozen backpackers on a private jet from the Gold Coast to Sydney for less than \$200 a seat each.

He said high domestic flight prices meant that in many cases the commercial pricing was “pretty darn close” to the cost of flying private with a group. “You can sometimes even fly cheaper,” he said.

For Australian Air Charter Group managing director James Baldwin, it is families and corporates that are driving demand for domestic and international flights, even though international private flights still remain a great deal more expensive than commercial options.

Mr Baldwin has booked almost a dozen private jets for families holidaying in New Zealand in the past year, costing \$45,000 for the round trip.

He has also booked two flights to San Francisco and Vancouver in the same period, for an eye-watering \$500,000 to \$600,000 round trip.

“There’s a lot of people who are prepared to spend money to fly privately at the moment ... we do about 30 quotes a day and we send out half of them thinking there’s no chance they’ll book at the price, but they do,” he said.

Passengers are opting for the headache-avoidance factor, he said.

“The beauty of a private jet is you turn up in a private terminal and parking isn’t an issue. The pilot’s waiting for you and you walk straight out the [plane] door and you’re on your way ... no crowds, no delays,” Mr Baldwin said.

There’s also the promise of reliability, he added. Last week, a family bound for the Gold Coast arrived at Sydney Airport to find their flight cancelled and scheduled for the next day.

They made a call to Mr Baldwin, who then arranged a replacement flight and had them “in the air within an hour” at a cost of \$14,000 for the trip.

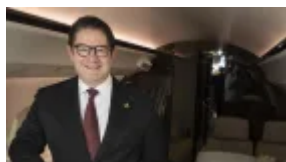
“It’s not cheap, but the difference is phenomenal– not having to line up, but also knowing you’re going to get where you want to go, on time,” he said.



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