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ALAANZ Conference
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James Goodwin



ACKNOWLEDGEMENT OF COUNTRY

In recognition of the deep history and culture, the Australian Airports Association acknowledges and pays respect to all Aboriginal people, the past and present custodians of this island.

We acknowledge and pay respect to Aboriginal Elders, past and present.



Policy on a Page

1. A long-term strategy for the airport sector

- Aviation White Paper (mid-2024)
- Network Access and connectivity
- International connectivity

2. Transition to Net Zero

- Jet Zero Council
- Sustainable Aviation Fuel - need to develop local industry and mandate
- Electrification for regional aviation

3. Protecting remote, regional and mid-sized airports

- Unlocking tourism and freight connectivity
- Infrastructure and security funding support
- Resilient infrastructure for natural disaster response

4. Attracting, training and sustaining the workforce

- New Skills Clusters – Industry Skills Australia
- New approaches to recruitment, retention and leadership pathways
- MyAirportCareer.com.au

5. A proportionate and sensible regulatory environment

- Planning and safeguarding airspace and land-use
- Proposed new environmental regulation
- ACCC Monitoring – Airports and Airlines
- Productivity Commission review – last review 2019
- New CASA standards

Policy Update

- The aviation industry remains a crowded policy area.

- A range of Australian Government inquiries and reform processes are running this year affecting airports, including:
 - Aviation White Paper
 - Jet Zero Council
 - Competition Review
 - Transport Security reforms
 - Federal Budget

Policy Update

- Other emerging issues include:
 - Disability Standards for Accessible Public Transport
 - Senate inquiry into aircraft noise
 - New draft environmental legislation
- Maintaining constructive relationships with key Government stakeholders are also important, including:
 - Airservices Australia
 - CASA
 - ACCC
 - Infrastructure and Home Affairs



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Expectations from the Aviation White Paper



Green Paper Theme	Convergence	Somewhat	Divergence
Airline, Airports and Passengers	-Against EU style compensation	-Disability: how to standardise DAFP (who pays?) -UK style of compensation on passenger bill of rights	-Competition: 1. ACCC review 2. APP mandates 3. PC review 4. Slots 5. Cabotage
Regional and Remote Aviation Services	-Government subsidies for intrastate aviation	-RAP and RAUP schemes	-Security Screening Costs
Net Zero	-Government support for domestic SAF industry	-SAF mandates	
Airport Development Planning and Consultation Processes	-Growth of secondary airports -Alternates to ANEF -ANO separation from ASA	-Airport leasing extensions -Efficiency in planning consultations and processes	-MDP thresholds
General Aviation	-ADS-B mandate -Regional airport innovation hubs for AAM		
Fit-for-purpose agencies and regulations	-NASF Review -OneSky Needs	-ASA, CASA review -Reinvesting PMC revenue into increasing ABF at airports	
Emerging Aviation Technologies	-ADS-B, eVTOL, Space based VHF -Need for policy direction and regulation on AI in safety critical systems	-SBAS	
Future Industry Workforce	-Govt subsidy in aviation education (focus on including women and First Nations people) -Simplified immigration for specialised sector roles		
International Aviation	Liberalising BASA and creating transparency around its negotiations	-FIRB framework	



Competition

- Consumer
 - Focus on a consumer protections
 - Compensation scheme
 - Airline Ombudsman

Country	Compensation scheme legally mandated	Compensation to be provided if delay/cancellation within airline control	Compensation to be provided if delay/cancellation outside airline control	Airline-independent ombudsman to review compensation claims	Government actively proposing stricter guidelines on compensation	Compensation Law Impact on <u>Domestic</u> Airfares	Do they have independent and competitive (frequency, routes) <u>Low Cost</u> Carriers?
United States	Yes	Yes	No	Yes	Yes	No	Yes
Canada	Yes	Yes	No	Yes	Yes	No	Yes
Australia	No	No	No	No	No	Not Applicable	No
New Zealand	Yes	Yes	No	Yes	No	No	Yes
European Union	Yes	Yes	Yes	Yes	No	No	Yes
United Kingdom	Yes	Yes	No	Yes	Yes	No	Yes



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Industry Competition

- Incentivising new entrants
- Sydney Slot management reforms
- Aeronautical Pricing Principles



- Bonza – does this change things?

Regional and Remote Aviation

- Connectivity
- Productivity Commission Review recommended



Net Zero - some more clarity can be expected on the transition to net zero on how Australia will move towards adopting Sustainable Aviation Fuel



Development Planning and Consultation Processes

- Flight path design and noise
- Clarity is expected on MDP thresholds and environmental regulations.



Fit for purpose agencies + regulation

- Airservices Australia



Disability Standards and Disability Access



International Aviation

- Bilateral Air services Agreement (BASA)
- Cabotage

Case Study: Gold Coast-Melbourne Route

- 54.4% decrease in airfares offered by competing low-cost carriers, like Virgin Australia.
- There will be stiff competition between Bonza and Virgin on this route, especially on days when Bonza is servicing it.
- Conversely, when Bonza doesn't fly it, prices return to previous levels.

Gold Coast-Melbourne Lowest Fares (AUD)								
	18/12/2023	19/12/2023	20/12/2023	21/12/2023	22/12/2023	23/12/2023	24/12/2023	25/12/2023
Bonza	\$119	No flight	No flight	Sold out	No flight	\$189	\$129	\$89
Virgin	\$119	\$99	\$99	\$185	\$206	\$185	\$99	\$135
Rex	\$159	\$159	\$179.01	\$189	\$249	\$249	\$179	\$159
Jetstar	\$173	\$173	\$173	\$186	\$249	\$226	\$173	\$163
Qantas	\$242	\$185	No flight	\$242	\$242	\$242	\$185	\$242



Airport leaders five year outlook?

28 airport CEOs/managers

Major airports

Opportunities

- Expansion through new international routes (71%) and infrastructure investment (57%) present an opportunity

Challenges

- Regulation of aviation/airfield site (86%) and capacity (86%) are major challenges

Areas of focus

- Revenue growth (57%) and improving sustainability (57%) have been identified as focuses by major airports

Large regional airports

Opportunities

- Opportunity to expand through new domestic routes (80%) and infrastructure investment (60%)

Challenges

- Skills shortages are a persistent challenge (100%) alongside issues with capital investment

Areas of focus

- Revenue growth (60%) and cost control (60%) are key focuses for large regional airports

Minor regional and remote airports

Opportunities

- Increased movements on existing domestic routes present an opportunity (75%)

Challenges

- Regulation (79%) and raising capital (83%) are major challenges

Areas of focus

- Sustainability (61%) and employee engagement (45%) are focuses for regional and remote airports

CONTACT US

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