

Minister's Foreword



The Australian Government's Aviation Green Paper is an important step in the development of Australia's first ever comprehensive aviation industry strategic plan.

Like no other country, Australia combines vast internal distances with isolation from the rest of the world. Australia's development as a nation through the twentieth century was closely linked to the development of our aviation industry.

Aviation plays a large part in connecting Australia's towns and cities, and servicing the needs of remote and isolated communities.

Our vast continent demanded new approaches to transport for essential services such as health and ambulance services. In 1928 the first flight of the Aerial Medical Service took off from . The organisation, founded by the Reverend John Flynn, later became known as the Royal Flying Doctor Service, an iconic Australian organisation.

Qantas, our largest airline, is one of the oldest in the world, and today's Australian aviation industry is at the forefront of global competitiveness and innovation.

Australians are known for their determination and ability to overcome adversity and succeed where many others have failed.

We only have to look back to the determination of Ross and Keith Smith, who completed the first flight between England and Australia nearly ninety years ago; Charles Kingsford-Smith, who made the first flight across the Pacific in 1928; Bert Hinkler, who made the first solo crossing of the South Atlantic in 1931; or Nancy-Bird Walton, once Australia's youngest woman pilot, now an Australian living treasure, whose pioneering spirit paved the way for women to fly alongside men.


These Australians and their extraordinary feats captured the imagination of the nation, and indeed the world.

The Australian aviation industry has a long history of innovation, with the development of the 'black box' flight recorder by David Warren in 1958 and the inflatable escape slide by Jack Grant in 1965. That tradition has continued more recently with innovations such as The Australian Advanced Air Traffic Systems (TAAATS) which enables air traffic control coverage of 11 per cent of the world's air space through two control centres in Brisbane and Melbourne.

Our aviation industry has grown with us and has served us well. Today, Australians make almost 50 million trips at home and nearly six million trips overseas. Our airlines have grown through challenging times to be more competitive and efficient than ever before.

The industry's growth over recent decades has been remarkable, with passenger numbers trebling over the past twenty years. Growth will no doubt continue as the global economy recovers, with the Asia Pacific becoming an increasingly important player in global aviation.

On current forecasts, in 2028, there will be more than a doubling of current aircraft fleets with new



generation Boeing 787 and Airbus A380 and A350 jets becoming the norm not the exception. The Asia Pacific Region is predicted to be the largest and fastest growing aviation market in the world - outstripping the United States and Europe.

Whilst there is good reason to be positive, the aviation industry is facing unprecedented challenges. Oil prices have been volatile and the world economy has slowed. The head of the International Air Transport Association (IATA) has called conditions in 2008 a 'perfect storm', resulting from the combined effects of falling revenue and rising fuel costs. While oil prices have recently fallen, these gains have been more than offset by softening demand and the global financial crisis. Australia's airlines are also affected by these pressures.

There are massive changes occurring in the global aviation industry. Just this year the world has seen at least 30 airlines collapse and there is a strong emerging trend towards industry consolidation which is likely to continue.

IATA's message to its members is that "Wait-and-see is not an option. Major changes are needed."

There are increasing pressures due to environmental considerations, and there are pressures on airlines, airports and all aviation infrastructure to maintain high safety standards and be efficient in a period of technological change and increasing passenger numbers. A key challenge is to find, recruit and train pilots, engineers, air traffic controllers and security screeners in a growing, very competitive world market.

To meet Australia's broader needs of national economic development the aviation industry must plan, prepare and change to meet current and future challenges - sentiment echoed in the hundreds of submissions received to the discussion paper I released on 10 April this year.

Without a coherent aviation policy framework to help us navigate rapidly changing domestic and global circumstances, the industry is flying blind.

As a response to these submissions I am releasing the Aviation Policy Green Paper, the next step in delivering a blueprint for the long-term, safe and sustainable development of Australian aviation over the next 20 years. It provides the leadership and the foundations necessary to maintain aviation's role in the day to day life of Australians.

The Government's aim is to give industry the certainty and incentive to plan and invest for the long term, to maintain and improve our excellent aviation safety record, and to give clear commitments to travellers and airport users, and the communities affected by aviation activity.

I encourage interested parties to carefully consider the Green Paper and to provide further feedback to the Government as we develop the Aviation White Paper, Australia's first ever comprehensive National Aviation Policy.

The White Paper will be released in the second half of 2009.



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