

Aviation Sunshine Coast Incorporated

Aviation Sunshine Coast Inc.
PO Box 877
Buddina, QLD, 4575

The Hon Anthony Albanese MP
Department of Infrastructure, Transport,
Regional Development and Local Government
GPO Box 594
CANBERRA ACT 2601

27 June 2008

Dear Minister

**RE: Aviation Sunshine Coast Incorporated Response to the National Aviation
Policy Issues Statement**

Thank you for the opportunity to comment on the National Aviation Policy Issues Statement.

Aviation Sunshine Coast Inc. (ASC) is a not for profit organisation representing a wide cross section of the Aviation industry on Queensland's Sunshine Coast.

The region supports a diverse range of aviation activities including jet RPT traffic, fixed and rotary wing pilot training, aircraft sales and maintenance, LAME training, and fixed and rotary wing charter, and recreational aviation activities.

Please find below the views of Aviation Sunshine Coast Inc. on issues that we believe merit further consideration in the forthcoming Green Paper. I invite you to contact the undersigned should you require any further information.

Sincerely,



 Peter Renton
President
Aviation Sunshine Coast Inc.

Aviation Sunshine Coast Inc. Response to the National Aviation Policy Issues Statement

Issues

1. The Australian aviation industry

1.1. International Services

- ASC supports the unrestricted access of foreign carriers into Regional Australia and propose the disbursement of CIQ into the regions to support these emerging international operations.
- To assist in the dispersal of international visitors into Regional Australia and to support business and tourism in Regional Australia the introduction of network pricing for CIQ similar to Airservices charges or some other model should be considered.

1.2. Domestic Services

- The deregulation of the domestic market has seen the emergence of new carriers to the market and greater regional disbursement away from the traditional capital city hub and spoke models and is fully supported.

1.3. Regional Aviation

- The reliance on the airports in regional Australia for connectivity to the Capitals for business, health and tourism to name a few, is critical to the social and economic sustainability of these communities. This link and importance was once recognised as a Commonwealth activity, however, now seems to have migrated to the Local Government level without the appropriate level of ongoing Commonwealth or State funding for necessary major infrastructure investment.
- Passenger traffic has grown strongly at Regional Airports able to attract the new low cost carriers. This has taken a considerable effort by Regional Airports in terms of infrastructure investment and carries with it a risk that aircraft routes can be changed on a whim and airports left with little opportunity to recoup costly infrastructure investment. In difficult times such as now, with high fuel prices, Regional Australia is the first to suffer capacity withdrawals and the last to recover lost flights. This inequity in the market is less obvious for the major capital city airports where the natural catchments mean a less elastic market and higher yields. Investment in the long term sustainability of regional Australia through a regional airport infrastructure fund would assist to reduce this risk.
- A second tier of Regional Airports has emerged and regulatory issues relating to these ports must be treated separately from the smaller regional and remote ports and Capital city ports. These larger Regional ports such as Sunshine Coast, Newcastle, Broome, Mackay

and Rockhampton to name a few have been captured by legislation relating to the Capital City Airports however have limited resources with which to respond.

1.3.1. Regional Aviation Security

- Aviation security measures should not be imposed in a one size fits all manner but as recommended in the Wheeler Review in a measured risk base approach.
- ASC believes that the costs of aviation security should not be borne in isolation by the airports but by the wider community. The nation benefits from the aviation industry and it is the nation that is attacked by acts of terrorism not the airport. For Regional Australia, the cost of implementation of government mandated charges per passenger is a barrier to regional growth and passenger disbursement.
- There are a number of models that could be considered to normalise these costs, including, a network security charge, Commonwealth take over of security such as in the US or NZ, Commonwealth subsidisation for Regional Airports and other permutations of these.

1.4. General Aviation

- Accessibility into major capital city and regional ports has been restricted with the general growth in regular passenger transport aircraft and the increasing density of airspace around these airports.
- The ongoing viability of some GA businesses is the rise in the cost of fuel.
- The aging of the general aviation fleet remains an issue for the industry whereby capital investment in new airframes especially for pilot training remains linked to the profitability of pilot training.
- The threat to our general aviation airports remains critical to the survival of the industry. Poor planning and lack of regard by planning authorities of the value of the industry to both the region and the nation has seen the closure or immanent closure of a number of GA ports.

1.5. Skills Needs in the Aviation Industry

- In the Airport industry the need for skilled airport operational personnel is critical, especially in regional Australia particularly with the growing number of complex Regional Airports.
- General aviation has been the nursery of our industry for both pilots and aircraft engineers. Whilst it is acknowledged that recent changes have assisted advanced pilot training, the issue of high costs and a lack of a formal HECS type structure for ab-initio student pilots remains a barrier to entry for aspiring student pilots.

- Further to the above the lack of Pilot Instructors has contributed to the current pilot shortage and this will continue until there is a fundamental change in the way students are able to access assistance to train.

2. Aviation Infrastructure

2.1. Airport Planning and Development

- Land use and planning continues to be a threat to the aviation industry. Unless there are appropriate levels of protection for the airports in terms of preserving noise corridors it is inevitable that more airports will be forced to restrict operations or close.
- Urban encroachment and the lack of adequate protection for Airports remains a critical issue for Regional and GA airports. Consideration of a national legislation to protect airports of significance needs to be considered.
- Future Airport needs in terms of protection of airspace and noise corridors for ultimate capacity needs to be incorporated into planning schemes.

2.2. Air Traffic Management

- The current network pricing policies are supported for both Air Traffic Services and Rescue and Fire Fighting Services.

3. Aviation Safety

- The ongoing reform of Aviation Safety regulation is supported and should be extended to include Aviation Security

4. Customer and community protection

4.1. Aviation emissions and climate change

- Aircraft emissions are a growing challenge for the industry and the need for international guidelines to monitor and report will assist our competitiveness. Many aviation businesses are already monitoring and offsetting their carbon footprint.
- Accreditation of local projects to offset emissions should be more easily accessible to regional communities affected by the emissions.

4.2. Aircraft noise

- The AS 2021 ANEF system used and mandated for core regulated airports has long been the measure for use by planning authorities and the use of the acceptability table within the standard has been used as the benchmark for planning approval. The failure of this system to protect airports from encroachment, noise complaints and operational restrictions are evidence enough that a better model must be developed and adopted to both inform the community and protect the approaches to airports.
- Planning in the vicinity of airports needs to ensure that potential buyers in a noise affected area fully aware of the consequences of their purchase or occupancy.

5. Aviation Security

- The management of Aviation Security in Australia in relation to Regional Airports is the responsibility of the Department of Infrastructure Transport, Regional Development and Local Government. This Department has failed to consult with industry effectively over issues of strategic importance.
- The application of aviation security measures in Australia have been applied to regional aviation and airports in a seemingly arbitrary manner with little if any consultation.
- Information in relation to the increased risks at Regional Airports in relation to CBS have not been made available to industry, however airports have been forced to fund this measure at a cost of millions of dollars per port.
- Further costs in relation to airside inspections at Regional Airports have been discussed by Government and will result in enormous costs for Regional Airports and Operators with little real security outcomes.

5.1. Threat

- In order to participate effectively, a transparent and robust threat assessment prepared for each Airport and Operator will provide a good basis for the application of security measures. This concept seems not to have been applied to Regional Aviation in Australia where one size fits all has been the policy of the Government.

5.2. Efficiency and cost

- As previously discussed the cost of Aviation Security is disproportionately more expensive at Regional Airports than Capital City Ports due to the volume of passengers. Models for network pricing of security charges need to be examined along with the funding of aviation security by the Commonwealth.

- Standardisation of cost models for mandatory charging should be examined.

5.3. Growth and industry development

- Consideration of the charging regime in relation to appropriate future planning for aviation security is an issue in relation to cost recovery from airlines.

5.4. Technology

- Appropriate technology needs to be considered in light of the threat, risk and required outcomes. A cost benefit analysis must be demonstrated by the regulator prior to mandating measures.