

10 March, 2023

Rex response to request for comment on the Aviation White Paper's proposed Terms of Reference

Please find below our response to the draft Terms of Reference as outlined in Minister King's letter of 6 February, accompanying documents and her Media Release of 7 February, 2023.

Draft Terms of Reference:

- aviation's role in economic development, trade and the visitor economy - general, domestic, regional and international aviation;
- how to maximise the aviation sector's contribution to achieving net zero carbon emissions including through sustainable aviation fuel and emerging technologies;
- changing aviation technologies and ways to position our policies, regulations and systems to encourage uptake and manufacturing of new, more efficient, transport technologies;
- airport development planning processes and consultation mechanisms that consider the impact and changing nature of aircraft noise and related expectations on the role of noise sharing and noise mitigation;
- how to support and regenerate Australia's general aviation sector;
- future industry workforce skills and training requirements;
- appropriate consumer protections and access to services;
- maintaining fit-for-purpose aviation safety, air navigation and aviation security systems and service delivery agencies;
- the role of airlines and airports in supporting regional economies; and
- other significant issues raised during the consultation process.

Rex's response

Rex is concerned the Terms of Reference (T of R) are vague and could mean all things to all people – and at the same time nothing to everyone.

1. FAILURE TO MENTION THE IMPORTANCE OF AIRLINE PROFITABILITY

There is no mention of the airline industry being profitable. While the word 'sustainable' is used fleetingly, it is a term that means different things to different people. It should be clearly stated in the T of R that the industry plan is such that airlines should be profitable in order for them to be sustainable and to incite investment for the future.

2. FAILURE TO MENTION AIR FREIGHT

There is no mention of Air Freight in the T of R. Air Freight is a very important and vital part of the airline industry. It should be included in the T of R for the White Paper.

3. FAILURE TO MENTION REVIEWING AIRPORT REGULATIONS

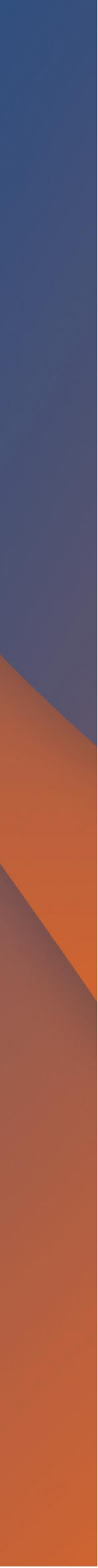
There is no reference to reviewing Airport Regulations. Airports are a vital part of the airline industry. Airport pricing and behaviour has a very significant effect on the economics of the sector. In the past Airport Regulations have been a significant part of previous White Papers and is, by any measure, a vital part of the airline industry's future. It should be included in the T of R.

4. FAILURE TO MENTION PILOT TRAINING

The Terms of Reference should also include a focus on developing pilot training as an export industry for Australia. There is a world-wide, chronic shortage of pilots. Training pilots is a significant export opportunity that the White Paper should address. Additionally, training pilots for our own local airlines is desperately needed due to an historic short fall of training over the years. This issue should be included in the T of R.

5. FAILURE TO MENTION SLOTS SYSTEM AT SYDNEY AIRPORT

There is also no reference to how to better manage the slots system at Sydney Airport. Currently there is clear evidence of airlines squatting on slots to reduce competition. If there is to be any new, meaningful, competition in the market, there needs to be a review of the way slots at Sydney Airport are managed. This should be included in the T of R of the White Paper.



Members of the Rex Group

