

Aviation White Paper

Minister for Infrastructure, Transport, Regional Development and Local Government, Hon Catherine King MP, announced the release of the Aviation White Paper on 26 August 2024.

The Paper includes significant reforms to Australia's aviation sector, focusing on improved rights for consumers and enhanced competition, as well as ensuring support for regional aviation and general aviation. Furthermore, the Aviation White Paper ties into the Albanese government's Future Made in Australia agenda, by promoting domestic capabilities for low carbon liquid fuels, to support decarbonization efforts.

It also sets out a timeline for reform of the administration and management of Australian airspace by 2030, in order to better account for the presence of drones, and any other new technologies.

Improved Passenger Experience

The Paper describes the current system for resolving customer complaints, under the Airline Customer Advocate, as "ineffective" and suggests the need for both a new regulatory body, and a new set of principles and rights for customers.

The government has committed to legislating a new regulatory body, called the Aviation Industry Ombuds Scheme, which will be empowered to investigate complaints, mediate their outcomes, and direct airports and airlines to provide remedies.

This scheme will establish an Aviation Customer Rights Charger, which establishes reasonable conduct in the eyes of the Ombudsperson, and in line with Australian Consumer Law.

A show cause arrangement will be implemented in the case of cancellations, meaning that when a flight is cancelled, the airline needs to provide a reason to BITRE, who are able to ask further questions about specific flights.

Aviation Specific Disability Standards

A number of submissions to the Paper highlighted circumstances where, though people with a disability have an equal right to public air travel, those rights were not always upheld. In an effort to correct this, the government has committed to create new disability standards specifically for aviation, as a schedule to the *Disability Standards for Accessible Public Transport 2002*. Airports and airlines will need to coordinate passenger disabilities for passengers with a disability.

Among these will be a requirement that airlines offer people with a disability to ability to communicate their assistance needs online, through new 'assistance profiles'. There will also

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be increased compensation for people who have had mobility devices, such as wheelchairs, damaged or destroyed in travel.

Further to this, Leased Federal Airports will need to demonstrate that they provide disability access to a certain level, in airport master plans and major development plans.

Enhancing Competition

The Aviation White Paper aims to enhance competition between airlines, including through reforms to the slot system at Sydney Airport and reforms to the ACCCs powers to regulate the aviation sector, especially with respect to negotiations between airports and airlines.

With respect to slot management at Sydney Airport, the government has adopted the recommendations of the Harris Review, aimed at increasing transparency, tightening definitions of slot misuse, and rebalancing slot allocation to new entrants. The Harris Review also calls for reform of the Slot Manager and Compliance Committee, specifically, giving it powers to more effectively enforce slot rules.

The government will also consult on whether pricing agreements between airlines and airports should not be allowed to include certain anti-competitive clauses, and whether airports should provide particular data to airlines as part of pricing negotiations.

In addition, the government will also ask the Productivity Commission to review airport regulation and advise on possible changes, arising from concerns that airports are misusing market power, and that large airlines are able to use current regulation to delay airport expansion that may not be in their interest.

Regional Aviation

The Aviation White Paper describes a number of issues facing regional aviation, namely, passengers facing high prices and a lack of options, commercial challenges for airlines aiming to service regional communities profitably, and climate risks impacting infrastructure and services.

Central to the Paper's solution for the first two problems is the commissioning a Productivity Commission report into the determinants of regional airfares, and possible policy options to maintain and improve connectivity.

Furthermore, the government will extend both the Regional Airstrip Upgrade program and the Regional Airports Program, improving connectivity while also providing opportunities for infrastructure to adapt to climate risks.

As regional aviation plays an important role in delivering services to First Nations people, the government will update program guidelines for regional and remote aviation programs to better report against Closing the Gap outcomes.

Workforce and Skills

Aviation faces a number of skills shortages across the spectrum of jobs available in the sector. These shortages, which include pilots, maintenance personnel, cabin crew and air traffic controllers, hinder the industry's growth prospects and reduce connectivity and dispatch reliability. The Paper also outlines that the attraction and retention of a skills base is important to supporting the introduction of new technologies.

On a training front, the government will simplify and streamline the training licensing processes for maintenance engineers and will introduce targets for airlines to train their pilots internally. The Paper also proposes a levy on airlines to fund government provided training for pilots, if these targets are not met.

The Paper outlines three ways the government will explore to improve training and accreditation of maintenance personnel, modular licensing, recognition of overseas licences, and improved alignment of licences with VET qualifications.

The Gender Equity Charter for Aviation will also be introduced, a commitment to close gender pay gaps and increase the employment of women. Signature to this charter may be a requirement for government contracts.

Aircraft Noise

Among a number of changes, the central reform in reducing the impact of aircraft noise is the new Aircraft Noise Ombuds Scheme, intended to independently investigate Airservices Australia's handling of noise complaints.

Airservices Australia will examine its Noise and Flight Path Monitoring System, in order to improve transparency. It will also publish a quarterly report on non-compliance with noise abatement procedures.

The government will develop new guidance on 'Flying Considerately' to minimise noise impacts on residential areas, when flying under visual flight rules or outside of controlled airspace.

Low-Carbon Liquid Fuels and a Future Made in Australia

Aviation will be a difficult industry to carbonise, given the issues associated with batteries and their suitability to aircraft. Given this, the Aviation White Paper outlines that while new, fuel-efficient aircraft can significantly contribute to Australia's net zero commitments, sustainable aviation fuel is needed to reach our emissions goals.

The government has designated the low-carbon liquid fuel industry as a priority Future Made in Australia sector, and therefore is able to receive support for its development, initially focusing on sustainable aviation fuel and renewable diesel. Notably, this support largely comes from the Future Made in Australia Innovation Fund, though there is additional policy development in this space, including a possible production incentive for low-carbon liquid fuel.

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Consultation will take place with industry and the community regarding low-carbon liquid fuel demand side measures.

The government has also made funding available under the National Reconstruction Fund for the development of an aviation technology and manufacturing sector in Australia. Furthermore, the government will release an Advanced Air Mobility Strategy in 2024, outlining long term policy options to encourage investment in new aviation technologies.

Airport Planning Reform

The government will impose additional requirements on airport master plans and major development plans around disability access, climate resilience and decarbonisation.

It also states that the government expects Leased Federal Airports to prioritise new infrastructure, including infrastructure for General Aviation. This expectation will be a consideration in the approval of future airport master plans.

International Aviation

The Aviation White Paper considers Australian owned and controlled long haul carriers to be an important part of sovereign capacity, as they can be called on to assist in times of need, such as natural disasters.

The government will continue to pursue additional capacity, either through bilateral air service agreements, or through 'open skies' style agreements, where in the national interest.

The government will develop new approaches to cargo screening for border control purposes, improving scalability, adaptability and security.

The Aviation White Paper also commits Australia to fund aviation capacity building through DFAT in the Asia-Pacific.

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