



5 August 2021

The Hon Barnaby Joyce  
Deputy Prime Minister  
Minister for Infrastructure, Transport and Regional Development

Dear Deputy Prime Minister

The Australian Aviation Ground Handlers Industry Alliance (AAGHIA) seeks an urgent meeting with you to discuss the exclusion of our workforce from the Australian Government's support for aviation workers announced this week.

We represent 70 per cent of all aviation ground handlers, or more than 9,800 workers across 51 Australian capital city and regional airports.

In the last 20 years, international and domestic airlines have increasingly outsourced their ground handling operations to specialist third party providers like us.

We are an integral and critical part of the aviation industry. Without ground handling operations, planes cannot fly and airports cannot operate.

We simply ask for the same treatment as airlines have received.

Without it, the consequence could be labor shortages that see flights unable to occur in November, December, January and February at precisely the time the Australian economy is trying to recover.

### **Background**

As you know, aviation is essentially made up of three sectors:

1. Airports
2. Airlines
3. Aviation ground handlers.

Aviation cannot exist in Australia without all three. Aviation ground handlers provide at least 15 services, that are critical to the functioning of Australia's aviation industry. We help sustain the \$69 billion air transport industry, that directly and indirectly supports 716,000 jobs.

While some airlines retain a limited number of in-house ground handling staff, overwhelmingly these functions are outsourced to independent providers like us, who may wear airline branded uniforms. This is a worldwide trend that is becoming standard practice.



**Table 1:** The 15 aviation ground handling roles

Aircraft handling	Passenger handling
1. Aircraft safety inspections before takeoff	9. Operating passenger check-ins
2. Ensuring that baggage and cargo are weight-checked and distributed evenly, to confirm every aircraft is correctly balanced and safe to fly	10. Security assessment of passengers at check-in
3. Communicating with aircraft control towers	11. Identification of possible security, safety or terrorism threats by passengers
4. Managing all aircraft movement on the ground	12. Reconciliation of all passenger records with travellers on-board prior to takeoff – for safety and terrorism reasons
5. Towing aircraft across live runways	13. Inflight catering
6. Ground engineering	14. Operating airline passenger lounges
7. Aircraft cleaning	15. Driving passenger buses across tarmacs
8. All baggage and cargo handling	

### The problem

We acknowledge the Australian Government’s support for airlines announced this week, which includes support for their inhouse ground operations staff.

However, it specifically excludes ground operations staff employed by specialist providers like ours who do the same job and service other Qantas, Virgin Australia, Jetstar, Rex Airlines flights and those of international carriers.

This inequity has not been explained and presumably is the unintended consequence of a worthy policy initiative.

### Current situation

Owing to reduced services caused by COVID lockdowns, Qantas and Virgin Australia have this week announced they will stand down a combined 3,500 workers, including ground operations staff.

Those workers will enjoy the protection of \$750 a week financial support from the Australian Government. As a result, they are likely to choose to remain in the industry.

However, our 9,800 specialist ground handlers will be denied the same financial support from the government for doing the same work, at the same airport for the same airline.



If that protection is not extended to all aviation ground operations personnel, it will inevitably mean a large proportion of our workforce will pursue other more financially secure work in the weeks ahead, after almost 18 months of diminished or no work.

The risk is real.

In 2019, prior to COVID, 16,000 ground handling personnel were employed across Australia. That dropped temporarily to as little as 4,000 earlier this year, with approximately 12,000 personnel supported by the Government's JobKeeper scheme, to ensure they remained attached to their employers and essential skills were retained.

But the most recent phase of border lockdowns could be enough to force thousands of highly trained and professional ground operations personnel out of the industry for good, because the government's support package for inhouse ground handlers specifically excludes outsourced ground handlers doing the same jobs, in many cases at the same airports, on the same aircraft.

### **Consequences for the Australian economy**

If this scenario is realised, we will need to spend up to six months going through a three stage process when state restrictions are lifted:

1. **Recruitment** - potentially recruiting thousands of workers. This will not be easy as the experience of our sector in the last 18 months is of unreliable and patchy work caused by unpredictable and immediate state border lockdowns.
2. **Training** – this is a mandatory Australian Government requirement and takes time. Your government has already provided a \$52 million training package to assist in this process. However, restrictions to the ASAS Grant have resulted in the support package being less viable than first envisaged. It will also largely be unfulfilled if there is a shortfall of suitable applicants entering the industry in the months ahead because experienced workers have left permanently to seek more reliable employment.
3. **Accreditation** – this is a mandatory Australian Government requirement and takes time, and is designed to ensure safety standards are maintained for both domestic and international flights. We support it.

This three stage process could take months, leading to personnel shortages across Australia, from our busiest capital city airports to our lower volume regional hubs, at precisely the time the economy will be opening up.

Europe and North America are suffering this aviation labour bottleneck as we speak, which is artificially capping the number of flights that can occur, despite strong demand from the flying public and regulatory approval to open up flight schedules again.

These shortages could occur in Australia in November, December, January and February if nothing is done.



## **Impact on regional Australian air services**

Shortages of critical aviation ground handling professionals are likely to affect rural and regional airports the hardest.

Overwhelmingly, specialist companies like ours provide the critical aviation ground handling services in regional airports.

For example, in your own electorate, 100 per cent of flights are serviced by outsourced aviation ground handling specialists in Tamworth and Armidale.

Under the plan announced by your government this week, those workers will be denied the same benefits that inhouse ground handling workers in the cities will be offered.

This is likely to force many to choose more reliable employment elsewhere, leading to labour shortage bottlenecks in rural and regional areas.

Attached is a breakdown of Australia's 51 major airports, and the proportion of outsourced aviation ground handling staff who service each.

You will note the critical role they play in ensuring flights can occur, irrespective of whether customers want to fly and pilots and cabin crew are available.

## **What we are seeking**

We respectfully ask that specialist aviation ground handling companies be given the same support that airlines' inhouse ground operations personnel have been given by your government.

The strength of Australia's economic recovery is at stake. Therefore, we request an urgent meeting to discuss this matter at your earliest opportunity.

Yours sincerely,

Glenn Rutherford  
**Chair - AAGHIA**

Brad Moore  
**Managing Director - Australasia  
Swissport**

Alistair Reid  
**Executive Vice President, Oceania  
& South East Asia  
Menzies Aviation**



Brett Fuller  
**Managing Director/CEO**  
 dnata Australia

Bruce Stokes  
**Managing Director**  
 Oceania Aviation

Ann Maree Jackson  
**Director- General Manager**  
 NTL Aviation Services & Precision  
 Aviation Services

Stuart Richardson  
**CEO & Sole Director**  
 Aus Flight Handling

Cc Prime Minister of Australia, the Honourable Scott Morrison  
 Cc Treasurer, the Honourable Josh Frydenberg  
 Cc Minister for Home Affairs, the Honourable Peter Dutton

**Table 2:** Australia's top 51 airports and the proportion of flights serviced by outsourced providers

	LOCATION	TOTAL FLIGHTS		FLIGHTS	PERCENTAGE OF WORK CONDUCTED BY OUTSOURCED PROVIDERS	
		WEEKLY FLIGHTS				
		MAY	AUG	% Variance	Checkin/ Customer service/ Above wing	Ramp/Baggage/ Below wing
1	<b>Adelaide</b>	585	255	(56)%	25%	75%
2	<b>Albany</b>	35	35	0 %	100%	100%
3	<b>Albury</b>	80	4	(95)%	100%	100%
4	<b>Armidale</b>	24	2	(92)%	100%	100%
5	<b>Avalon</b>	39	0	(100)%	100%	100%
6	<b>Ayers Rock</b>	20	3	(85)%	100%	100%
7	<b>Ballina</b>	104	19	(82)%	100%	100%
8	<b>Bendigo</b>	22	2	(91)%	100%	100%
9	<b>Brisbane</b>	1138	483	(58)%	15%	75%
10	<b>Broken Hill</b>	15	4	(73)%	100%	100%
11	<b>Broome</b>	43	43	0 %	100%	100%
12	<b>Burnie</b>	8	0	(100)%	100%	100%
13	<b>Cairns</b>	338	256	(24)%	70%	95%
14	<b>Canberra</b>	294	110	(63)%	35%	100%



15	<b>Carnavon</b>	12	12	0 %	100%	100%
16	<b>Coffs Harbour</b>	68	5	(93)%	100%	100%
17	<b>Cooma</b>	3	4	33 %	100%	100%
18	<b>Darwin</b>	198	142	(28)%	60%	100%
19	<b>Devonport</b>	35	7	(80)%	100%	100%
20	<b>Dubbo</b>	45	3	(93)%	100%	100%
21	<b>Emerald</b>	13	12	(8)%	100%	100%
22	<b>Esperence</b>	24	24	0 %	100%	100%
23	<b>Gold Coast</b>	378	150	(60)%	80%	100%
24	<b>Griffith</b>	63	9	(86)%	100%	100%
25	<b>Hamilton Island</b>	43	16	(63)%	100%	100%
26	<b>Hobart</b>	172	81	(53)%	100%	100%
27	<b>Horn Island</b>	10	10	0 %	100%	100%
28	<b>Kalgoolie</b>	38	24	(37)%	100%	100%
29	<b>Kangaroo Is</b>	27	3	(89)%	100%	100%
30	<b>Karratha</b>	47	40	(15)%	100%	100%
31	<b>Launceston</b>	91	28	(69)%	100%	100%
32	<b>Mackay</b>	81	65	(20)%	100%	100%
33	<b>Maroochydore</b>	104	22	(79)%	100%	100%
34	<b>Melbourne</b>	962	162	(83)%	10%	70%
35	<b>Mildura</b>	96	21	(78)%	100%	100%
36	<b>Monkey Mia</b>	6	6	0 %	100%	100%
37	<b>Mt Isa</b>	5	4	(20)%	100%	100%
38	<b>Mudgee</b>	0	0	0 %	100%	100%
39	<b>Newcastle</b>	109	17	(84)%	100%	100%
40	<b>Orange</b>	25	2	(92)%	100%	100%
41	<b>Perth</b>	880	638	(28)%	65%	100%
42	<b>Port Macquarie</b>	29	2	(93)%	100%	100%
43	<b>Proserpine</b>	25	22	(12)%	100%	100%
44	<b>Rockhampton</b>	75	65	(13)%	100%	100%
45	<b>Sydney</b>	779	96	(88)%	0%	80%
46	<b>Tamworth</b>	40	3	(93)%	100%	100%



47	<b>Taree</b>	0	0		100%	100%
48	<b>Townsville</b>	258	160	(38)%	65%	100%
49	<b>Wagga Wagga</b>	98	16	(84)%	100%	100%
50	<b>Weipa</b>	18	18	0 %	100%	100%
51	<b>Wyallda</b>	10	4	(60)%	100%	100%