

AMROBA

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Airports Not For Aviation Development

Reality and the government legislation "Objects" are very different.

Throughout Australia, airports non-aviation development takes precedent to the **promotion and development of civil aviation** in Australia.

The Airport Act

3 Objects

The objects of this Act are as follows:

- (a) to promote the sound development of civil aviation in Australia;
- (b) to establish a system for the regulation of airports that has due regard to the interests of airport users and the general community;
- (c) to promote the efficient and economic development and operation of airports;
- (d) to facilitate the comparison of airport performance in a transparent manner;
- (e) to ensure majority Australian ownership of airports;
- (f) to limit the ownership of certain airports by airlines;
- (g) to ensure diversity of ownership and control of certain major airports;

If we look at airports around Australia, we have not seen the sound development of civil aviation at Airports. A fact that we don't seem to have political support.

Although GA businesses are under pressure from airport operators that will virtually see many GA companies simply disappear, no politician is interested in protecting the aviation activities but seem to support airports being developed into non-aviation business hubs. Read on.

Look at Moorabbin, aviation companies being replaced by non-aviation companies.

Look at Bankstown, aviation companies being replaced by no-aviation companies.

Look at Jandakot, Parafield, Archerfield, etc., etc., etc.

Airports are there for the benefit of the local community but this is not the business model being applied by airport operators.

The Airport Association States:

"The Australian GA industry is in a state of transition. Some sectors are growing strongly while others are in decline with some individual businesses struggling to remain viable. During Federal Airports Corporation (FAC) ownership of the airports, many GA tenants had come to view its previous long-term lease arrangements as a reliable indicator of future costs. However the privatisation of secondary airports has resulted in GA operators being exposed to a commercial reality, not experienced under the previous system of government ownership, reflecting the fact that former FAC rents were effectively being subsidised by the government. This exposed vulnerabilities in the business models of many GA



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businesses that had not been evident previously. This dependence upon a delicately balanced GA industry especially heightens the need for Metro Airports to optimise non-aeronautical opportunities to support their aeronautical operations. Non-aeronautical revenue is important as it provides commercial diversification to support airports through times when aeronautical revenue is less stable – a particular feature of the GA industry. Solely relying on aeronautical revenues would greatly add to the challenges of financially supporting long term infrastructure and maintenance functions. Non-aeronautical developments at various Australian airports include precincts for office business parks, hotels, shopping outlets, freight and logistics centres and some manufacturing and processing plants."

The Association funding model will see aviation businesses disappearing as more and more non-aviation businesses are given priority access to these airports.

The following are extracts from the Airports Association paper regarding Airport management and development. No wonder it is all about non-aviation development. There is no mention of promoting aviation.

In accordance with the Master Plans, the following airport land has been allocated for non-aviation development – a government supported use.

Archerfield

75 hectares of land that is not required in the long term for airside or aviation purposes. AAC will facilitate the progressive development of this land for complementary aviation uses, industrial and related commercial uses, educational, recreational or other activities appropriate to the location and site characteristics, in accordance with AAC's vision for Archerfield. There is a variety of commercial and light to medium industrial businesses.

Bankstown

130 hectares of land has been identified in the Master Plan as being surplus to aviation, open space and environmental reserve requirements. While a substantial proportion of this land is already currently occupied by a mix of industrial, commercial and retail tenancies, other parts are either currently underutilised or have been released for development by the land use efficiency measures.

Many aviation businesses receiving terminating leases so non-aviation can be developed.

Camden

The non-aviation land development concept for Camden Airport involves the ultimate development of around **96 hectares** of land identified as surplus to aviation requirements, subject to demand.

Essendon

Approximately 78 hectares of non-aviation land available for development

Jandakot

156 hectares of the airport property is defined as land surplus to long term aviation related and ancillary support requirements

Moorabbin

Australia's general aviation industry 46th Parliament Submission 10 - Attachment 5



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Non-aviation» Chifley Business Park – Industrial – Commercial office » Kingston Central Plaza – Direct factory outlet » Other retail uses

No statement of hectares of non-aviation land available for development but they are putting deadlines on current aviation businesses leases and proposing large tracts of land for non-aviation uses.

Parafield

Levels Precinct – future development prospects include commercial activities such as a motel and home display centre, motor vehicle auction and sales facilities and possible petrol filling station, associated car wash and convenience store

- » Future development of the Bennett Precinct is expected to provide for public access to the vernal pools conservation area to cater for interpretative and educational services, and ancillary services such as retail kiosks, amenities and some advertising
- » Future developments within the Cross Keys Precinct are intended to focus on industrial activity such as freight distribution, warehousing and storage and other technological industry consistent with the aim of establishing the Cross Keys Enterprise Park
- » Future developments within the Kings Precinct are expected to include expansion of aviation support activities and general industrial activities. The establishment of a "Park and Ride" car park adjacent to the Parafield railway station is envisaged, with also limited aviation hangars and associated infrastructure.

No wonder general aviation is in decline.

No aviation promotion from Airport Operators.

All the above is supported by the DPM