# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000163

**Division/Agency:** DIV - Domestic Aviation and Reform

Hansard Reference: Written (29 September 2023)

**Topic:** Government's announcement of management scheme regulations

## Senator Bridget McKenzie asked:

Sydney Airport's demand management scheme regulations are set to Sunset in early 2024. Industry was expecting answers on the future of the regulations around February – March this year. They have heard nothing to this day. Why is the Government late in announcing whether those regulations will be re-made and if so, what if any changes will be made to those regulations?

#### **Answer:**

Ahead of the sunsetting date, the Department of Infrastructure, Transport, Regional Development, Communications and the Arts has undertaken extensive stakeholder consultation on the recommendations of the Harris Review and is also consulting on broader reforms as part of the Aviation Green Paper process. Any further decisions on the sunsetting is a matter for Government.

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000159

**Division/Agency:** DIV - International Aviation Technology and Services

Hansard Reference: Written (29 September 2023)

Topic: Reason for pause to Bilateral Air Services negotiations due to COVID

## Senator Bridget McKenzie asked:

The Department's Submission claims there was "a major pause to bilateral air services negotiations for several years due to COVID (2020-2022)" (page 8). Can you explain why there was a pause during that time?

#### **Answer:**

Bilateral negotiations around the world were put on hold in 2020 and in the first half of 2021 due to COVID-19.

During that period, Australia, and most countries around the world, put in place some form of border restrictions on international travel including quarantine measures.

As such, negotiations to increase capacity into Australia during that period were not in accordance with national health and quarantine policies restricting incoming passengers.

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000161

**Division/Agency:** DIV - International Aviation Technology and Services

Hansard Reference: Written (29 September 2023)

**Topic:** Number of briefs requested by Minister King on flight cancellations and delays

## Senator Bridget McKenzie asked:

How many briefs has Minister King requested from the department on flight cancellations and delays? When?

#### Answer:

The Bureau of Infrastructure, Transport and Regional Economics (BITRE), within the Department of Infrastructure, Transport, Regional Development, Communications and the Arts, monitors the punctuality and reliability of major domestic airlines operating between Australian airports. The purpose of this is to allow for evaluation of overall industry and individual airline performance, so that consumers of air travel can make informed decisions.

Reports are published monthly on the BITRE web site and are also provided to the Minister's Office. After collection of initial data, aggregate reports are subject to internal audit by participating airlines prior to publication. The target date for publication is 15 working days after the end of the reporting period.

Further information is available at: <a href="https://www.bitre.gov.au/statistics/aviation/otphome">https://www.bitre.gov.au/statistics/aviation/otphome</a>

Consistent with the Minister's statement of expectations, Airservices Australia (Airservices) is implementing strategies to maintain the continuity of air traffic control services and is keeping the department informed of actions taken to address service disruptions. The department has briefed the Minister and stays in regular contact with the Minister's Office regarding these matters.

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000147

**Division/Agency:** DIV - International Aviation Technology and Services

Hansard Reference: Spoken, Page No. 21 (28 September 2023)

**Topic:** List of meetings between the Department and Qantas

## Senator Bridget McKenzie asked:

CHAIR: We've heard from former transport ministers that the Qantas chair and Qantas CEO—it doesn't matter who they are—have former ministers' mobiles and departmental secretaries on speed dial and call them at

any time of the day or night. But that is a very important relationship, as Senator White said yesterday, of all governments and transport ministers historically. How often would Secretary Betts be speaking to the CEO of

Qantas?

Ms Purvis-Smith: I can't speak for Secretary Betts, but I could see whether we can get that information for you quickly.

CHAIR: Thank you.

Ms Purvis-Smith: I would not expect it to be very often.

CHAIR: On notice, given we are taking it, can you provide a full list of meetings and discussions, with dates and the people involved in those discussions, between departmental officers and Qantas representatives? We've heard evidence about the aggressive way they lobby and pursue their case, so we would like to understand the nature of that.

Ms Purvis-Smith: Can I clarify the request, Senator? Are you after any meetings that we may have had—

CHAIR: Since the Qatar Airways request was lodged.

Ms Purvis-Smith: That raised Qatar?

CHAIR: On any issue.

Ms Purvis-Smith: On any issue. Thank you

#### **Answer:**

Meetings and discussions involving the Department of Infrastructure, Transport, Regional Development, Communications and the Arts and Qantas since August 2022 have been listed in <u>Attachment A</u>. Names of departmental and Qantas senior executives have been included where available.

The Department also has regular meetings with airline stakeholders, including Qantas, on the development of flight paths for Western Sydney International Airport. As part of this the Department also undertook a series of technical engagements with Qantas using aircraft flight simulators administered by Qantas, on a fee for service basis.

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## **Attachment A**

Table 1: Engagements between the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (DITRDCA) and Qantas since Qatar application received (from early August 2022).

Date	Topic	Australian Government Attendees	Attendees (Qantas)	
26/9/2023	Aviation White Paper: Qantas attendance at Aviation Green Paper Roundtables	DITRDCA SES: Brendon Buckley	Qantas staff and other industry stakeholders.	
12/9/2023	Regular monthly meeting	DITRDCA SES: Stephanie Werner, Ian Porter, DITRDCA staff. Treasury Department (Treasury)	Qantas: Anna Pritchard and Qantas staff	
10770977073	Airfreight movements through Sydney	DITRDCA SES: Phil McClure, DITRDCA staff	Qantas: Riki Cannon and Qantas staff	
06/09/2023	General discussion regarding the Green Paper	DITRDCA SES: Stephanie Werner	Qantas: Anna Pritchard	
29/08/2023	General catch up	DITRDCA SES: Stephanie Werner	Qantas: Anna Pritchard	
08/08/2023	Regular monthly meeting	DITRDCA SES Stephanie Werner, DITRDCA staff. Treasury	Qantas: Anna Pritchard and Qantas staff	
01/08/2023		DITRDCA SES: Stephanie Werner, Ian Porter, DITRDCA staff	Qantas staff	
25/07/2023	General discussion and update	DITRDCA staff	Qantas staff	
25/07/2023	Air traffic management and border agency issues	DITRDCA SES: Richard Wood, DITRDCA staff	Qantas: Anna Pritchard and Qantas staff	

125/0//2023	Aviation White Paper: Aeronautical pricing	DITRDCA SES: Kai Everist, Phil McClure	Qantas: Andre Neilson and Qantas staff	
11//0//2023	Introductory meeting following staffing changes	DITRDCA SES: Kai Everist, Brendon Buckley	Qantas staff	
13/07/2023	Aviation White Paper: Aviation workforce data	DITRDCA staff	Qantas staff	
11/07/2023	Regular monthly meeting	DITRDCA SES: Stephanie Werner, DITRDCA staff. Treasury	Qantas: Anna Pritchard, Adam Le Lievre and Qantas staff	
28/06/2023	Qantas / Airports Branch Catch-Up	DITRDCA SES: Phil McClure, Jason Dymowski	Qantas staff	
119/06/2023	Discussion regarding air traffic management issues	DITRDCA SES: Richard Wood	Qantas: Anna Pritchard and Qantas staff	
16/06/2023	Regular monthly meeting	DITRDCA SES: Stephanie Werner, Ben Vincent, Jason Dymowski, DITRDCA staff	Qantas: Anna Pritchard, Adam Le Lievre and Qantas staff	
09/06/2023		DITRDCA SES: James Savage, Phil McClure, DITRDCA staff	Qantas staff	
31/05/2023	Meeting to discuss WSI freight arrangements	DITRDCA SES: James Savage, Jennifer Stace, David Jansen, DITRDCA staff	Qantas: Anna Pritchard and Qantas staff	
09/05/2023	Regular monthly meeting	DITRDCA SES: Stephanie Werner, Ben Vincent, Jason Dymowski, DITRDCA staff. Treasury	Qantas: Anna Pritchard, Adam Le Lievre and Qantas staff	
19/04/2023	Meeting on international operations as announced for March-October 2023	DITRDCA SES: Jim Wolfe, DITRDCA staff	Qantas international affairs staff	

13/04/2023	and Qantas to discuss Safeguard  Mechanism reforms		Qantas: Fiona Messent and Qantas staff
11/04/2023		DITRDCA SES: Stephanie Werner, Ben Vincent, Jason Dymowski, DITRDCA staff. Treasury	Qantas: Anna Pritchard, Adam Le Lievre and Qantas staff
31/03/2023	Discussion on the ICAO Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)		Qantas environmental staff
28/03/2023		DITRDCA SES: Ian Porter, Ben Vincent, Brendon Buckley, DITRDCA staff	Qantas staff
28/03/2023	traffic management onerational and	ISTATT	Qantas: Anna Pritchard, Fiona Messent, Adam Le Lievre and Qantas staff
27/03/2023	Authority (CASA) on data sharing	DITRDCA SES: Richard Wood, DITRDCA staff. CASA	Qantas: John Gissing Virgin, Boeing officials
23/03/2023	Aviation White Paper: Safeguard Mechanism	IDITRIDE A SEST Stenhanie Werner TUTRIDE A statt	Qantas: Fiona Messent and Qantas staff
14/03/2023	Regular monthly meeting		Qantas: Anna Pritchard, Adam Le Lievre and Qantas staff

23/02/2023	Regular monthly meeting	DITRDCA SES: Stephanie Werner, Ben Vincent, DITRDCA staff. Treasury	Qantas: Anna Pritchard and Qantas staff
21/02/2023	General discussion on air services operations	DITRDCA staff	Qantas
1 ' '	and the Arts, Airservices Australia, Civil Aviation Safety Authority and Qantas	Chris (Christine) Burke, Reuben Bowd, DITRDCA staff CASA, ATSB, Airservices	Qantas: The Department understands most of the Qantas Legal area attended the seminar Norton White Lawyers
09/02/2023	Aviation White Paper: LEK consultation with Qantas	DITRDCA staff	Qantas staff LEK
03/01/2023	Meeting convened by Australian Border Force regarding international travel	DITRDCA SES: Richard Wood, Jim Wolfe.  ABF and representatives from other Australian Government agencies	Qantas staff Other airlines staff
06/12/2022	Regular fortnightly meeting	DITRDCA staff Treasury	Qantas: Anna Pritchard, Adam Le Lievre and other Qantas staff

114/1//////////////////////////////////	Introductory meeting via teleconference between Secretary/Qantas CEO	DITRDCA SES: Jim Betts, Richard Wood	Qantas: Alan Joyce, Andrew McGinnes	
	Discussion on Sydney Airport Demand	DITRDCA SES: Ann Redmond	Qantas: Anna Pritchard and Qantas	
02/12/2022	Management review	Mr Peter Harris AO	staff	
130/11/20/2	Meeting with Andrew Parker, Chief	DITRDCA SES: Marisa Purvis-Smith, Ben Vincent,	Qantas: Andrew Parker	
00, ==, =0==	Sustainability Officer at Qantas	DITRDCA staff	Z	
22/11/2022	Regular fortnightly meeting	DITRDCA SES: Ben Vincent, DITRDCA staff.	Qantas: Anna Pritchard and Qantas	
,,		Treasury	staff	
	Regular fortnightly meeting	DITRDCA SES: Jason Dymowski, Ben Vincent,		
08/11/2022		DITRDCA staff.	Qantas: Anna Pritchard, Adam Le Lievre and Qantas staff	
		Treasury		
		DITRDCA staff		
25/10/2022	Regular fortnightly meeting		Qantas staff	
		Treasury		
17171077077	Meeting hosted by Qantas on border	DITRDCA SES: Jim Wolfe, DITRDCA staff.	Qantas: Anna Pritchard and other	
		ABF	Qantas staff	
12071072077	Meeting hosted by Qantas on border	DITRDCA SES: Jim Wolfe, DITRDCA staff.	Qantas: Anna Pritchard and other	
	agency issues at Perth Airport	ABF	Qantas staff	

14/10/2022	Meeting hosted by Qantas on border agency issues at Perth Airport	DITRDCA SES: Jim Wolfe, DITRDCA staff.  ABF, DAFF	Qantas: Anna Pritchard and other Qantas staff
11/10/2022	Meeting hosted by Qantas on border agency issues at Perth Airport	DITRDCA SES: Jim Wolfe, DITRDCA staff.  ABF, DAFF	Qantas: Anna Pritchard and other Qantas staff
11/10/2022	Regular fortnightly meeting	DITRDCA staff Treasury	Qantas staff
14/09/2022	Meeting with Qantas to discuss aviation decarbonisation issues	DITRDCA SES: Richard Wood, DITRDCA staff	Qantas: Fiona Messent
13/09/2022	Regular fortnightly meeting	DITRDCA staff Treasury	Qantas staff
30/08/2022	Regular fortnightly meeting	DITRDCA staff Treasury	Qantas staff
22/08/2022	Meeting convened by Western Sydney Airport Co. regarding flight paths	DITRDCA SES: Richard Wood, DITRDCA staff	Qantas: John Gissing
16/08/2022	Regular fortnightly meeting	DITRDCA staff Treasury	Qantas staff

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000146

**Division/Agency:** DIV - International Aviation Technology and Services

Hansard Reference: Spoken, Page No. 15 (28 September 2023)

**Topic:** Contact with Brisbane Airport in 2018 regarding deals

## Senator Tony Sheldon asked:

Senator SHELDON: Brisbane Airport also said that they recall something similar occurring in 2018. They raised this concern about the impression that the deal had been signed—or certainly was imminent—only for it to

fall through within a week. Was there any contact made with Brisbane Airport letting them know that there had been a deal signed or a pending draft that was being proposed to be signed—that was later to fall through?

Mr Wood: We'd need to take that on notice. None of the officers here were party to those talks; we were all in different roles at that time. So we'd need to check our records. CHAIR: So there were talks.

Mr Wood: I'm not aware of anything, but we don't have specific knowledge of that. I will check with Mr Wolfe, but I'm confident—

Mr Wolfe: We can check, but it would not normally be the case that, during the course of sensitive negotiations with another country, we would be sharing that with Brisbane Airport.

Senator SHELDON: I appreciate you've taken that on notice as well, so there will be additional information available to the committee. When the deal fell through, was Brisbane Airport consulted? You might have to look backwards.

Ms Purvis-Smith: I think we'd take that on notice.

Mr Wolfe: I think we'll take it on notice.

Ms Purvis-Smith: It's getting to a level of detail that we would have to go back and check our records in detail about. We're happy to take that on notice for you.

#### **Answer:**

In December 2018, Brisbane Airport wrote to the then Minister over the time being taken (including the inclusion of the anti-competitive provision) to reach agreement over the additional seven services a week being sought by Qatar under the air services agreement.

The then Minister responded in February 2019 advising that the Australian Government considered the proposed provision was crucial in securing a balanced package of outcomes.

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000148

**Division/Agency:** DIV - International Aviation Technology and Services

Hansard Reference: Spoken, Page No. 22 (28 September 2023)

Topic: Meeting between Minister Catherine King and Mr Alan Joyce on 23 January 2023

## Senator Simon Birmingham asked:

Senator BIRMINGHAM: I'll be following up on some of the ground that the chair has covered. Did Minister King meet or speak with Mr Joyce on or around 23 January this year? Ms Purvis-Smith: I'm not aware of that. We'd have to take that on notice and ask the minister.

#### Answer:

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts is aware that the Minister meets with a range of stakeholders. The last brief provided by the department to the Minister for a meeting with the former Qantas CEO was the meeting brief of 23 November 2022, a redacted version of which has been provided to the Committee.

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IQ23-000145

Division/Agency: DIV - International Aviation Technology and Services

Hansard Reference: Spoken, Page No. 7-8 (28 September 2023)

**Topic:** International Priorities Brief

## Senator Simon Birmingham asked:

Senator BIRMINGHAM: You had sent up the international priorities brief on 17

November...Was it a brief for noting or for approval or agreement?

Mr Wolfe: Agreement.

Senator BIRMINGHAM: And was it agreed?

...

Mr Wood: The minister has claimed public interest immunity in relation to that brief. Ms Purvis-Smith: Mr Wood is correct; the minister has claimed public interest immunity over that brief. It put up the negotiating priority countries, and, I think, outlining her decisions over the countries for priority negotiations would go to the content. Senator BIRMINGHAM: It would if we knew what those countries were or what the recommendations were. We don't know that, do we?

Ms Purvis-Smith: But mentioning what the minister may have agreed or not agreed, or the outcome of that min sub, might also go to breaching the public interest immunity claim the minister has provided over the documents.

Senator BIRMINGHAM: To be really clear in my question, which is not going at all to the content of the brief or the minute or to the content of the recommendations: did the minister circle 'agree' or 'not agree', or did she make a variation to the recommendations?

...

Ms Purvis-Smith: I'd like to take on notice whether providing that information would breach the public interest immunity claim that the minister has made.

#### **Answer:**

The Minister has declared Public Interest Immunity over the document referred to in this question. On that basis, the Department of Infrastructure, Transport, Regional Development, Communications and the Arts is unable to comment on any markings on the document.

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IQ23-000158

Division/Agency: DIV - International Aviation Technology and Services

Hansard Reference: Written (29 September 2023)

**Topic:** Bilateral Service Agreement

## Senator Bridget McKenzie asked:

- What does the 'National Interest' mean in relation to bilateral air services agreements?
- What does the 'National Aviation Interest' mean in relation to bilateral air services agreements?

#### **Answer:**

It is long standing practice of Government to consider bilateral air services agreements in the context of the national interest.

It is a matter for the Minister for Infrastructure, Transport, Regional Development and Local Government to determine the "national interest" in relation to bilateral air services agreements including considerations related to the Australian aviation industry.

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000164

**Division/Agency:** DIV - Domestic Aviation and Reform

Hansard Reference: Written (29 September 2023)

**Topic:** Harris Review Recommendations

#### Senator Bridget McKenzie asked:

- After Mr Harris handed his Review report to the Government in February 2021, what process did the Department establish with the industry to consult on the Harris Review Recommendations and workshop potential aircraft movement models with Sydney Airport, airlines and community representatives?
  - o Which organisations were involved in that consultation process?
  - o When were meetings held for those consultations? Can you provide dates of meetings?
  - o How progressed were those consultations by mid 2022?

#### **Answer:**

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts engaged with aviation industry stakeholders to evaluate the impacts of potential options to modernise the demand management arrangements through:

- the Sydney Airport Demand Management Discussion Paper (Nov 2020)
- one-on-one discussions with stakeholders (Nov-Dec 2020) including Airport
  Coordination Australia, Airservices Australia, Albury Council, Board of Airline
  Representatives Australia Inc, Bega Valley Shire Council, the Hon Catherine King MP,
  Office of the Hon Tanya Plibersek MP, Dr Ernestine Gross, International Air Transport
  Association, Inner West Council, John Alexander OAM, John Clarke (SACF
  representative), John Patterson (Australian Mayoral Aviation Council and SACF
  representative), Jon Stewart (SACF representative), Rex, NSW Government
  Department of Premier and Cabinet, Qantas, Robert Hayes (SACF representative),
  Sydney Airport, Virgin Australia, WSA Co.
- 25 technical working group meetings (please refer to documents tabled at the
   28 September 2023 hearing)
- further targeted consultation (May and June 2023) involving: Sydney Airport, Airservices Australia, the Regional Aviation Association of Australia, Airport Coordination Australia, International Air Transport Association, the Board of Airlines Representatives Australia, Rex, Qantas and Virgin.

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IQ23-000165

**Division/Agency:** DIV - Domestic Aviation and Reform

Hansard Reference: Written (29 September 2023)

**Topic:** Slot Compliance Committee

## Senator Bridget McKenzie asked:

- What has prevented the Department from implementing improvements to the Sydney Airport Demand Management Scheme legislation since 2015 that would empower the Slot Compliance Committee to fulfil its legislative functions?
- Why has the Department not ensured the Slot Compliance Committee is established by membership, as required by the Act?
- What briefings has Minister King requested of the Department regarding the role of the Slot Compliance Committee and options to strengthen its powers to take action against airlines guilty of slot abuse?

#### **Answer:**

The Sydney Airport Compliance Scheme 2012 currently focuses on on-time performance and off-slot movements. Since 2015, there has been progressive inquiries and consultation relating to Sydney Airport's Demand Management, commencing with the Productivity Commission's public inquiry into the Economic regulation of airports, which concluded in 2019. The Harris Review followed, handing down its recommendations in 2021.

Since that time, the Department of Infrastructure, Transport, Regional Development, Communications and the Arts has undertaken further engagement with stakeholders to evaluate the impacts of potential options to modernise the demand management arrangements, including the powers of the Compliance Committee through:

- the Sydney Airport Demand Management Discussion Paper (November 2020),
- around 20 one-on-one stakeholder consultations (November-December 2020),
- 25 technical working group meetings (August 2021 February 2022), and
- Targeted consultation with industry on reform options (May June 2023).

The last appointments to the Slot Compliance Committee expired in 2020 and membership of the Committee has not been renewed to date, while the Australian Government considers options to strengthen the compliance framework.

The department has briefed the Minister a number of times on the Sydney Airport Demand Management Scheme.

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IQ23-000166

**Division/Agency:** DIV - Domestic Aviation and Reform

Hansard Reference: Written (29 September 2023)

**Topic:** LEK Consulting

## Senator Bridget McKenzie asked:

- 1. The Department engaged LEK consulting to undertake future scenario planning for the aviation sector to help inform the Green Paper. Documents released under FOI show LEK were required to update their work by the Department and these updates or corrections took a further two months. Did the inadequacies in the eyes of the Department of the LEK work, contribute to the two month plus delay in the release of the Aviation Green Paper?
- 2. Did LEK incur any financial penalties for the late completion of their project or the inadequacies of the original report provided to the Department?
- 3. What were the inadequacies of the LEK's original submission to the Department?
- 4. What was the final cost to the Department and taxpayers of the LEK consultancy?
- 5. Can the Department provide to this committee a list of page numbers (on notice) where the outcomes of the LEK scenario mapping work have been specifically and clearly incorporated into the Green Paper?

#### **Answer:**

- 1. No. L.E.K. Consulting provided a draft final report to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts in March 2023. The only subsequent changes to the report were to clarify the language in the report and to prepare the report for publication.
- 2. No.
- 3. The only changes to L.E.K. Consulting's draft final report were to clarify the language in the report and to prepare the report for publication.
- 4. \$388,863.64 excluding GST.
- 5. The scenarios included in the L.E.K Scenario Analysis Report were drawn on throughout the development of the Aviation Green Paper, including to inform discussion at the Aviation White Paper Terms of Reference roundtable meetings. Chapter 2 of the Aviation Green Paper 'Likely future directions out to 2050' (pages 34-39) draws heavily on the findings of the L.E.K report. The findings of the report are also referenced in the Executive summary (pages 7 and 13), Chapter 1 'Sector overview' (page 32), Chapter 3 'Airlines, airports and passengers competition, consumer protection and disability access settings' (page 56), Chapter 4 'Regional and remote aviation services' (page 70), Chapter 5 'Maximising aviation's contribution to net zero' (pages 81 and 87), Chapter 6 'Airport development planning processes and

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

consultation mechanisms' (page 96), Chapter 9 'Emerging aviation technologies' (page 154), and Chapter 10 'Future industry workforce' (page 197).

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000167

**Division/Agency:** DIV - Domestic Aviation and Reform

Hansard Reference: Written (29 September 2023)

**Topic:** Government's Competition Review examining aviation sector issues

## Senator Bridget McKenzie asked:

- 1. Has Minister King at any stage expressed concerns to the Department about the Government's Competition Review examining aviation sector issues?
- 2. Did Minister King ask the Department to engage with the Treasury to have aviation matters excluded from the Competition Review?
- 3. Did Minister King lobby the Treasurer or Assistant Minister Leigh to exclude aviation matters from the Competition Review?
- 4. Did the Department lobby the Treasury to have aviation matters excluded from the Competition Review?
- 5. Professor Sims told the inquiry that any aviation competition matters identified by the Competition Review would feed into the Aviation White Paper. Can the Department explain how that process will work in practice?
- 6. Does this mean that any proposals to enhance competition in the Australian aviation sector, and thus reduce prices and enhance service delivery, will have to wait for completion of the Aviation White Paper late next year?

## Answer:

As confirmed by Treasury officials who appeared at the Inquiry on 28 September 2023 (Hansard, p.50), aviation was never scoped out of the Competition Review.

- 1. No.
- 2. No.
- 3. The Department of Infrastructure, Transport, Regional Development, Communications and the Arts is not aware of any lobbying by the Minister for Infrastructure, Transport, Regional Development and Local Government of the Treasurer or the Assistant Minister for Competition, Charities and Treasury in relation to the Competition Review.
- 4. No.
- 5. The department is working closely with the Competition Taskforce in the Treasury to develop policy advice in relation to aviation competition. The policy advice will be considered by the Australian Government as part of the Aviation White Paper process.

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

6. The Aviation White Paper is expected to be completed in the first half of 2024. The timing of any policy decisions in relation to aviation competition is a matter for Government.

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IQ23-000150

Division/Agency: DIV - International Aviation Technology and Services

Hansard Reference: Spoken, Page No. 30 (28 September 2023)

**Topic:** Advice provided to the Prime Minister's Office from Minister Catherine King

## **Senator Simon Birmingham asked:**

Senator BIRMINGHAM: Could you take on notice when Minister King's office advised the Prime Minister's office of her decision?

Mr Wood: We will, but, to my knowledge, the information we have is it's in the public domain. I think there have been discussions in parliament about it.

Senator BIRMINGHAM: There has been a public response of the Prime Minister saying when he became aware. That's distinctly different from when his office became aware.

Mr Wood: We certainly don't engage with the PMO, but we will double-check that.

Ms Purvis-Smith: We'll take that on notice.

Senator BIRMINGHAM: Let's add to that as well if there was any advice provided from Minister King's office to the Prime Minister's office, in the days or weeks leading up to 10 July, about an intended decision on the brief.

Ms Purvis-Smith: We'll take that on notice.

Senator BIRMINGHAM: And, while we're at it, communications between Minister King's office and the PMO in January of this year about an intended decision on the brief. By 'communications', I mean all of them—

verbal and written, electronic and otherwise.

Ms Purvis-Smith: We'll take that on notice

#### Answer:

As is normal practice, the Department of Infrastructure, Transport, Regional Development, Communications and the Arts is not aware of all conversations between Ministers, however the department is aware that the Minister regularly engages with her Ministerial colleagues.

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000149

**Division/Agency:** DIV - International Aviation Technology and Services

Hansard Reference: Spoken, Page No. 28 (28 September 2023)

**Topic:** Meeting between Minister Catherine King and Mr Alan Joyce on 23 November 2022

## Senator Bridget McKenzie asked:

CHAIR: Well, thankfully, the Australian Financial Review and the diligent work of Ron Mizen through his FOI can reveal the meeting was sought by Mr Joyce on 16 November and took place in Parliament House on the 23rd. Were any of the departmental officials in attendance at that meeting?

Ms Purvis-Smith: There were no departmental officials in attendance.

CHAIR: What did the brief contain?

Ms Purvis-Smith: I don't actually have the brief in front of me, but I can see if I can give you an idea of the types of things it contained.

CHAIR: I'd really appreciate that, given that's the level of detail we're trying to go to. The information obtained by the Financial Review says that Qantas told the government they're basically making a lot of money flying full planes, and lack of capacity is quite good for their profits. Can you confirm whether that was part of either the advice or the information obtained from that meeting?

Ms Purvis-Smith: Can I clarify 'information obtained from the meeting'—from Qantas? CHAIR: It's the meeting with Mr Joyce. Mr Joyce has told the minister on 23 November that they make a lot of money from having full planes. Lack of capacity, particularly to Europe through the Middle East, is good for their bottom line, and he'd like her to keep that in mind while she's considering the Qatar Airways request.

Ms Purvis-Smith: I'd have to take that on notice. We were not part of that meeting.

#### Answer:

A redacted version of the 23 November 2022 meeting brief has been provided to the Committee.

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000155

**Division/Agency:** DIV - International Aviation Technology and Services

Hansard Reference: Written (29 September 2023)

**Topic:** Information provided in department's submission

## Senator Bridget McKenzie asked:

- Why did the Department failed to provide information on the Qatar Airways application in your submission to this Committee?
- Did the Minister's office request details on the Qatar Airways application process not be included in the submission?

#### Answer:

Requests for increases in capacity under air services agreements are put forward by the civil aviation authorities of countries and not individual airlines, and any changes to air services agreements have to be agreed at Government-to-Government level.

In this context the Department of Infrastructure, Transport, Regional Development, Communications and the Arts does not reveal publicly, usually confidential, details of the negotiating mandates of Australia or our bilateral partners for future air services talks, noting the outcomes of such talks are a matter for the two Governments to agree upon.

The department notes that the Qatar CAA has subsequently chosen to publicly outline its specific requested changes to current arrangements including increased capacity entitlements under the air services agreement between the two countries.

There was no request from the Minister's office to exclude details of the Qatar CAA application process from the submission.

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000152

**Division/Agency:** DIV - International Aviation Technology and Services

Hansard Reference: Spoken, Page No. 40 (28 September 2023)

**Topic:** Department's Assessment of RedBridge Polling

## Senator Bridget McKenzie asked:

CHAIR: I also want to table some polling done by the well-known Labor pollsters RedBridge that was conducted between 30 August and 4 September 2023. Are you aware of this polling?

Ms Purvis-Smith: I'm not.

CHAIR: Was it commissioned by the department?

Ms Purvis-Smith: Polling?

CHAIR: Polling on 'Support and opposition to additional Qatar Airlines flights into Australia'. It was polling conducted by RedBridge between 30 August and 4 September 2023. Are you

aware of this?

Ms Purvis-Smith: I'm not aware of that.

CHAIR: It wasn't commissioned by the department?

Ms Purvis-Smith: Not that I'm aware of, no. CHAIR: Was it commissioned by your minister?

Ms Purvis-Smith: I'm not aware.

CHAIR: These are well-known Labor pollsters.

Senator WHITE: No. The other partners are Liberal, just to be clear.

CHAIR: It actually says that 56 per cent of those polled support or strongly support

additional flights.

Ms Purvis-Smith: I've not seen this before. CHAIR: You have not seen this polling?

Ms Purvis-Smith: No.

CHAIR: I would appreciate if on notice you could examine the polling, given that you haven't

seen it, and provide us with your assessment.

#### **Answer:**

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts does not use or assess poll results in determining its advice to the Australian Government on bilateral air services.

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000168

**Division/Agency:** DIV - International Aviation Technology and Services

Hansard Reference: Spoken, Page No. 21 (28 September 2023)

**Topic:** Secretary Jim Betts contact with Qantas CEO

## Senator Bridget McKenzie asked:

CHAIR: We've heard from former transport ministers that the Qantas chair and Qantas CEO—it doesn't matter who they are—have former ministers' mobiles and departmental secretaries on speed dial and call them at any time of the day or night. But that is a very important relationship, as Senator White said yesterday, of all governments and transport ministers historically. How often would Secretary Betts be speaking to the CEO of Qantas? Ms Purvis-Smith: I can't speak for Secretary Betts, but I could see whether we can get that information for you quickly.

CHAIR: Thank you.

Ms Purvis-Smith: I would not expect it to be very often.

## Answer:

Secretary Betts has only spoken with the Qantas CEO once. This was during a meeting on 19 December 2022.

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000156

**Division/Agency:** DIV - International Aviation Technology and Services

Hansard Reference: Written (29 September 2023)

**Topic:** Removal of Bilateral Services Agreement Memorandum of Understanding from department's website

## Senator Bridget McKenzie asked:

- Can the Department explain why the Australian Government's bilateral air services agreement Memorandum of Understanding has been taken off the Department's website? Unlike almost all other agreements which are available to download and read, including those with:
  - o China dated 2016,
  - o the Russian Federation dated 2004,
  - o the United Arab Emirates dated 2016,
  - o PNG dated 2017,
  - o the Qatar agreement (number 79) is not available.

Webpage name: Australia's air services agreements & arrangements

Australia's air services agreements & arrangements | Department of Infrastructure, Transport, Regional Development, Communications and the Arts

### **Answer:**

The Qatar MoU was not on the Department of Infrastructure, Transport, Regional Development, Communications and the Arts' website, nor are any other MoUs with other countries. As indicated on the department's website, MoUs are generally not published as they are confidential documents agreed between the two aviation authorities.

The Qatar treaty document, which along with several other air services treaty documents, is being updated following the 2022 agreement between the two countries and the link with the Department of Foreign Affairs and Trade treaties database will be placed on the website once the treaty process is completed.

The documents referred to for the five countries mentioned in the question are treaties that have been through the full treaty process and are not MoUs.

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000151

Division/Agency: DIV - International Aviation Technology and Services

Hansard Reference: Spoken, Page No. 37 (28 September 2023)

**Topic:** List of parties who made submissions relating to bilateral properties

## **Senator Simon Birmingham asked:**

Senator BIRMINGHAM: Thank you. In relation to the bilateral priorities, you might want to take this on notice. Sorry, did we ascertain how many of the 57 parties made submissions? Mr Wood: I think it was 19.

Senator BIRMINGHAM: Can you tell us who those 19 were?

Mr Wood: I'm not sure if I've got that detail, but we'd certainly be happy to, on notice—

#### Answer:

The 19 responses received on the forward negotiating program came from the following stakeholders:

Australian Airports Association, Australian Border Force, Adelaide Airport, Attorney-General's Department, Ailevon Pacific, Austrade, Avalon Airport, Brisbane Airport, the Civil Aviation Safety Authority, Department of Foreign Affairs and Trade, Department of Prime Minister and Cabinet, Melbourne Airport, NSW Department of Premier and Cabinet, Perth Airport, Qantas Group, Queensland Government Department of Tourism, Innovation and Sport, Sydney Airport, Virgin Australia and Western Sydney Airport.

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000157

**Division/Agency:** DIV - International Aviation Technology and Services

Hansard Reference: Written (29 September 2023)

**Topic:** Number of meetings between the department and Unions regarding Qatar Airways application

## Senator Bridget McKenzie asked:

How many meetings or discussions have the Department had with Unions regarding the Qatar Airways application? On what dates and who from the unions were involved in those discussions?

discussions?			
Answer:			

Nil.

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000162

**Division/Agency:** DIV – Domestic Aviation and Reform

Hansard Reference: Written (29 September 2023)

**Topic:** Department's proposed policy actions to address high rates of cancellations and

delays

## Senator Bridget McKenzie asked:

What advice on possible policy actions has the Department proposed to the Government to address the high rates of cancellations and delays?

#### **Answer:**

The Aviation Green Paper is a precursor to the White Paper and was released on 7 September 2023. It notes that key customer complaints include flight cancellations, delays and the terms and conditions for refunds and flight credits when these occur. Possible policy actions to improve productivity and protect customers are discussed in the Aviation Green Paper, which is available at: <a href="https://www.infrastructure.gov.au/infrastructure-transport-vehicles/aviation/aviation-white-paper">www.infrastructure.gov.au/infrastructure-transport-vehicles/aviation/aviation-white-paper</a>

Submissions in response to the Green Paper are open until 30 November 2023, and will help to inform the development of the White Paper. The Department of Infrastructure, Transport, Regional Development, Communications and the Arts will also undertake a round of detailed consultation throughout October and November 2023.

In addition, the department has undertaken extensive stakeholder consultation in respect of the Sydney Airport Demand Management Scheme.

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000160

**Division/Agency:** DIV - International Aviation Technology and Services

Hansard Reference: Written (29 September 2023)

**Topic:** Evidence provided in Qatar Civil Aviation Authority's submission

## Senator Bridget McKenzie asked:

The Qatar Civil Aviation Authority's submission to this inquiry has provided much more detail on the history of air services agreements between our countries than has been provided by our own Government and Department. Their evidence shows that between 2018 and January 2022, notwithstanding a pause for covid between 2020 and mid-to-late 2021, there was a continual engagement between our nations seeking to negotiate and agree on an additional provision in the bilateral agreement as a competition "safeguard" in return for additional flights, to ensure the state-owned airway would not use its financial position to unfairly undermine the sustainability of our aviation industry. Is that a fair representation of what occurred during that period?

#### Answer:

In summary, during 2018 and 2019 there were a series of written exchanges and meetings between the Department of Infrastructure, Transport, Regional Development, Communications and the Arts and Qatar CAA over the terms of a draft MoU including a safeguard article related to anti-competitive behaviour.

Bilateral negotiations around the world were then put on hold in 2020 and the first half of 2021 due to COVID-19.

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000154

**Division/Agency:** DIV - International Aviation Technology and Services

Hansard Reference: Spoken, Page No. 14-15 (28 September 2023)

**Topic:** Anti-competitive provisions in the bilateral agreement

## Senator Tony Sheldon asked:

Senator SHELDON: So airlines made a representation to the department to have an antidumping arrangement in place?

Mr Wolfe: Airlines were consulted.

Senator SHELDON: Was the insertion of the antidumping provisions a request from airlines? Mr Wolfe: I'd have to check that for you, but I know they supported the provision being inserted.

Senator SHELDON: When did the department provide the advice to the then minister in relation to the request about the last time the service agreement was amended? What was the timeline for the then minister?

Mr Wolfe: Broadly, the then minister signed off on the department commencing discussions with Qatar in July 2018.

Senator SHELDON: It's been widely reported that this agreement also included an antidumping measure. Between the first decision to approve—which took how long to make that decision?

Mr Wolfe: It took a few months. Yes, I think we should call it the anticompetitive provision just to give it its correct title. It's a safeguarding mechanism. It was a condition attached to seeking an agreement on the Qatar requests for an additional seven services.

Senator SHELDON: Just so we're clear on the question that I'm asking and you're answering: the first decision was to give approval, and then there was a subsequent decision, wasn't there, where there were additional arrangements required?

Mr Wolfe: Yes, it was seeking the anticompetitive provision to be placed in the memorandum of understanding between the two countries.

Senator SHELDON: Now, the first provision was approved. How long did it take for that to be overturned with a different amendment?

Mr Wolfe: I will check that for you, but I think we are getting into the nature of advice to the previous government. The actual decision to agree to have talks with Qatar was in July 2018.

## **Answer:**

The request for a competition "safeguarding" provision occurred one week after an initial proposal had been sent by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts to the Qatar Civil Aviation Authority in April 2018.

# Committee Inquiries Question on Notice Select Committee on Commonwealth Bilateral Air Service Agreements Commonwealth Bilateral Air Services Agreements

IQ23-000153

**Division/Agency:** DIV - International Aviation Technology and Services

Hansard Reference: Spoken, Page No. 42 (28 September 2023)

**Topic:** Minister McCormack public communication of delaying granting additional spots to

Qatar

## **Senator Tony Sheldon asked:**

Senator SHELDON: You may have to take this on notice. In 2018, did Minister McCormack ever make public, including via media release or other forms of public communication, that he was delaying granting additional spots to Qatar?

Mr Wolfe: We'll check that for you.

#### Answer:

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts is not aware of any media release being issued in relation to this matter. As indicated in the answer to IQ23-00146, the department has confirmed correspondence from Brisbane Airport in December 2018 and the then Minister's response in February 2019, in relation to Qatar's request for additional services.