



ANNA DIXON CONSULTING

Aviation White Paper Branch

Domestic Aviation & Reform Division

Department of Infrastructure, Transport, Regional Development, Communications and the Arts

By email: aviationwhitepaper@infrastructure.gov.au

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Submission: White Paper on Aviation

Anna Dixon Consulting welcomes the opportunity to make a submission on the terms of reference for the Aviation White Paper, which aims to set overarching principles and directions for Australian aviation over the short, medium and long term.

Established in 2016, Anna Dixon Consulting is made up of a team of professionals based across Western Australia's South West and Perth regions. We have a strong understanding of the Western Australian context and a genuine commitment to supporting sustainable regional economic development.

Our team has worked extensively in, and with, government organisations and we're trusted to provide insightful research and advice to guide critical decision-making. Our work with the business sector allows us to bring these insights back to government decision-makers to help them better understand the needs of Western Australian businesses and communities.

Working with key sectors such as government, advanced manufacturing, agribusiness and education, we see the crucial role aviation plays across our vast state. There are also many untapped opportunities that could be harnessed through greater strategic investment.

In preparing this submission we have collaborated with Fly2Health, who were founded in Western Australia and are committed to providing equal healthcare through their visiting aviation health service. They provide physiotherapy, occupational therapy, psychology, speech pathology, childhood early intervention support and nurse continence specialist services into regional communities.

Our Comments

We welcome the announcement of the White Paper and a commitment to robust planning for the aviation sector in Australia. We are particularly pleased to see a focus on regenerating general aviation, sustainable aviation fuel, and planning and development.

We would also like to see a greater emphasis of the role aviation does (and could) play in the viability of regional Australia, as well as a focus on regulation within the sector, as this has an impact across all areas listed.

We have prepared some additional comments on selected areas below.

Regional Aviation

We believe that the role of aviation in regional areas should be elevated beyond the current theme of “the role of airlines and airports in supporting regional economies” and preferably included in the White Paper as a cross-cutting theme.

In Western Australia (and likely other states) many regional communities, especially those underpinned by mining and tourism, are highly dependent on aviation. In addition, aviation is crucial in delivering both critical and ongoing health services into regional communities.

While we acknowledge that population retention is itself a component of economic development, aviation plays a much broader role in the viability of regional communities.

We also see a key role for regional areas in sustainable aviation fuel production and the regeneration of general aviation, and the regions face unique additional challenges in the areas of aviation workforce skills and availability, and effective planning and regulation.

Sustainable Aviation Fuel (SAF)

Overall, Australia has lagged significantly behind in the development and adoption of better practice fuel quality, in-service emissions and fuel efficiency standards. ¹ In 2020 Australia had the second-lowest ranking of all OECD countries (after Colombia) for petrol quality, based on the mandated standard for sulphur content. Australia was also ranked 85th in the top 100 world ranking. ²

Until 2021, fuel standards in Australia had no legislative base, despite modelling showing that an estimated 2,000 lives per year could be saved and billions of dollars in avoided health costs by reducing transport sector pollution.

This global ‘lag’ is no different in aviation fuels ³ which has also created a lack of certainty around industry investment. The White Paper should consider the findings of the sustainable aviation fuel roadmap, to be released by the CSIRO in 2023. ⁴ This release also flags the analysis of appropriate feedstocks considering the regional context.

Ultimately, we would like to see a national investment into SAF and more stringent regulation that:

- Addresses the opportunities for producing feedstocks and / or alternatives, particularly in regional areas.
- Undertakes a life cycle analysis of any potential alternatives to prevent an overall increase in GHG emissions.⁵
- Considers the cost of infrastructure upgrades required to deliver alternative fuels, including at regional locations.
- Addresses liquid fuel security for Australia.⁶

There also needs to be a separate focus on stimulating the slow progress and uptake on lead free alternatives for piston engine aircraft in the general aviation sector.

Planning and development

Our comments in this area relate to planning and regulation as well as operations. While operations may not be the focus of a strategic plan, it is our view that the underlying issues may have a strategic basis and can impact the viability of aviation.

Some of these include:

- A reliance on regional local governments for airport planning, development and management. While the State Government has released guidance on planning and price-setting, day-to-day airport or airfield management is also subject to stringent regulation (for example specific vegetation clearances) which require specialised knowledge and skills. We believe the effectiveness and fairness of current management responsibilities needs to be reviewed, in conjunction with estimated growth, demand and investment.
- A lack of consistent investment across regional centres, for example provision of RNAV, and a reliance on grant cycles to complete necessary upgrades.⁷
- In some regional centres commercial operators are reliant on gravel airstrips, frequently causing damage and lost productivity.
- Landing fees are a significant cost-burden for SME, and at approximately \$180 each in each small regional centre, can be cost prohibitive for health care or related services trying to service regional and remote communities.
- A lack of interest / focus on general aviation needs and opportunities. We also note that the WA State Government WA Aviation Strategy 2020 has been put on hold,⁸ however this also did not appear to include the general aviation sector.

In the metropolitan airports there has been a noticeable shift in focus from aviation to maximising commercial opportunities. Some operations feel like aviation facilities are an ‘after thought’ to the continued expansion of retail and big box developments. This is already having an impact on the SME sector requiring office space, small hangars or maintenance, and may lead to a decline in the diversity and mix of airports and the viability of airport facilities for SME.

Modelling and recognition of the extended economic benefits ‘beyond the tarmac’ that airports such as Jandakot provide, particularly as a base into regional areas, may assist with clarifying their purpose, intent and importance.

Regulation

Aviation is a highly regulated sector. While appropriate regulation is necessary to uphold the safety of the sector, over-regulation creates inefficiencies, business uncertainty and reduced viability.

We believe that the White Paper needs to have some focus on regulation against each of the areas listed, particularly where it could be a potential barrier to opportunities. These barriers will become apparent if detailed stakeholder engagement (that includes the aviation workforce) is carried out.

Regulatory change is of particular concern to both SME and individuals and must be properly planned, developed and implemented, with a full assessment of potential impacts. Where deemed necessary, the potential for support, programs or funding in this space to support GA companies to remain competitive would be advisable. For example:

- For SME involved in flying aircraft, a change in regulation could mean the business is no longer viable, due to both cost and resource prohibitive regulation, representing both an economic and social loss.
- For SME and individuals involved in maintaining aircraft, changes to maintenance licensing have been significant and a cost burden on individuals in lower-paid roles. It has also reduced the ability to up-skill existing licenses and contributed to difficulties attracting staff to regional areas at a time when regional aviation demand is high.
- For individuals flying aircraft, the introduction of cadet programs by major airlines may reduce availability of staff in GA, with a particular impact in regional areas, as they previously spent time in this sector.

Contact

Once again, thank you for the opportunity to make a submission on the terms of reference for the Aviation White Paper, and we look forward to being contacted when the Green Paper is available for comment later this year.

Yours sincerely



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