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TRIPARTITE DEED EXTENSION WELCOMED BY AIRPORT SECTOR

The Australian Airports Association (AAA) has today welcomed the announcement by Minister Albanese that Tripartite Deeds for Australia's privatised airports have been extended to cover the full fifty year lease held by their operators.

AAA Executive Director Caroline Wilkie said major airport lessee companies face significant ongoing capital expenditure obligations to maintain and develop Australia's major airports.

"The extension of the tripartite deeds provides for an orderly management process in the extremely unlikely event of a default by an airport operator under the airport lease. It also ensures that lenders to privatised airports will now have the same financial security that exists for most former government assets that have moved into the private sector.

"The extension of the tripartite deeds will deliver continued confidence to the airport investment market.

"Unprecedented major infrastructure investment has occurred since the privatisation of Australia's major airports, and still significant further investment is scheduled for the years to come.

"This announcement is in recognition of the changed financial circumstances since airports were privatised.

"Without the extension of the deeds, capital would have been more difficult to obtain and the cost of financing would have increased, putting pressure on airport investment decisions.

"The extension of the Tripartite deeds will deliver certainty for financiers subsequently allowing airports to achieve their ambitious capital programs," Ms Wilkie said.

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