

MEDIA RELEASE

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Small regional aerodromes facing funding crisis

The funding crisis facing dozens of Australia's small regional aerodrome operators has been highlighted in a new survey by the Australian Airports Association.

The challenge of raising revenue is the top issue of concern in 2017 for almost one third of the 74 small regional aerodromes surveyed in February, followed by the need for major infrastructure investment and declining asset conditions.

'Concerns about financial viability for smaller aerodromes have come to the forefront in the last few years, overtaking issues related to regulation and compliance,' said AAA CEO Caroline Wilkie.

'Along with the need for new investment in aerodrome infrastructure and the declining condition of assets, the challenge of raising revenue is creating a perfect storm for regional aerodromes during 2017.

'It's vital the Commonwealth, State and Territory governments do more to invest in the infrastructure that supports aviation access for regional and remote communities across Australia,' Ms Wilkie said.

Since the release of its ACIL Allen research study into regional airport infrastructure in September 2016, the AAA has been engaging with both government and industry stakeholders on the challenges facing regional airports across Australia. Due to limited revenue opportunities and high capital and operating costs, many regional airports require financial assistance to continue facilitating safe and essential aviation services for the communities they serve.

'Many of these aerodromes do not have regular air services or passenger volumes that can contribute to their operating costs. They are mostly operated by local government authorities and need to compete for funding alongside other council and community services.

'They are nonetheless critical for keeping regional and remote communities connected by air, including for emergency services, freight, general aviation and charter activity,' Ms Wilkie said.

The AAA has identified a minimum of a \$170 million funding gap over the next decade to ensure that aerodromes are maintained to acceptable standards. If you also consider the significant capital infrastructure upgrades that will be required over the coming years to replace deteriorating assets, the actual cost will be substantially larger.

'Regional Australia is critically dependent on reliable, efficient and safe aviation infrastructure and investment in the future of regional airports must be a priority in this year's Budget,' Ms Wilkie said.

About the Australian Airports Association:

The Australian Airports Association has been representing airports across the country for the past 30 years. It represents 260 airport members, including all the capital city airports through to the small regional aerodromes of rural Australia. www.airports.asn.au

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