

**From:** [Dennis Bunnik](#)  
**To:** [Aviation Green Paper](#)  
**Cc:** [Annelieke Huijgens](#); [Sacha Bunnik](#); [Kevin Bishop](#)  
**Subject:** Aviation Green Paper Submission  
**Date:** Thursday, 30 November 2023 2:51:01 PM  
**Attachments:** [Aviation Green Paper Submission CATO Nov 23.pdf](#)

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Dear Minister

Bunnik Tours/Travel is involved in both the outbound and inbound sectors of the Australian travel industry. Air capacity within, into and out of Australia is vital to the future prosperity of our business and the jobs we support.

As a member of the Council of Australian Tour Operators (CATO) and an integral part of Australia's travel industry and visitor economy, we fully support CATO's submission in response to the Aviation Green Paper.

Specifically we support CATO's calls for:

- Identification and regulation of Key Regional Tourism Routes to boost regional tourism.
- Development of a domestic SAF industry and higher mandates for SAF usage.
- A complete overhaul of the bilateral aviation decision making processes to provide greater transparency and input from the travel and tourism sectors.
- Increasing international air capacity through the implementation of more open-skies agreements

A copy of CATO's submission is attached.

Yours sincerely,

Dennis

**Dennis Bunnik**

Joint-CEO

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17 November 2023

Department of Infrastructure

By email: [aviationgreenpaper@infrastructure.gov.au](mailto:aviationgreenpaper@infrastructure.gov.au)

## **Aviation Green Paper Submission**

### **To whom it may concern;**

The Council of Australian Tour Operators (CATO) is a trade association representing the domestic and outbound land-supply sector of the Australian travel industry. CATO tour operators and wholesalers create, market, and deliver domestic and international travel product sold both direct to consumers, and through travel agencies.

CATO members enable Australians to explore the world and return home safely. Pre-COVID, outbound international leisure travel generated an economic benefit of more than \$12b per annum, which helps to underpin international aviation capacity, an integral part of the travel and tourism ecosystem.

On behalf of our members, we address a number of chapters within the Aviation Green Paper as follows;

### **Chapter 4 Regional and Remote Aviation Services**

Growth of regional tourism, especially from international markets, is being constrained by the lack of affordable airfares and capacity to key regional tourism centres.

Part of the problem is the long lead times required for international visitors booking organised tours. Often airline schedules are not released far enough in advance so without flight schedules in place no packages can be created or sold.

**CATO recommends** that Key Regional Tourism Routes are identified and that these are regulated to protect the national interest in relation to growing and maintaining the visitor economy. These key routes would be required to have a minimum number of services and require schedules to be published up to 18 months in advance. Where possible at least 2 airlines would be required to operate each route to encourage price competition and facilitate international airline partnerships.

Moving management of these Key Regional Tourism Routes to the Federal Government will ensure a consistent national approach and provide certainty to visitors and the travel & tourism industry. The economic impact on regional economies will also go a long way to helping achieve the Government's Closing the Gap outcomes.

### **Chapter 5 Maximising Aviation's Contribution to Net Zero**

Development of SAF industry in Australia

The rise of 'flight shaming' in Europe and the need for companies to move towards net-zero poses a significant medium-term risk to Australia's inbound and outbound travel sectors. This includes the corporate and business meeting sector as well as inbound and outbound leisure travel.

Australia has the opportunity to mitigate this risk through the development of a domestic SAF industry and mandates on high levels of SAF usage for commercial aviation within, into and out of Australia. This will negate the social and carbon cost of flying to Australia and position us as a desirable green destination.

CATO is calling for government support to develop sustainable SAF production capability that will enable all commercial flights to be 75-100% SAF powered. Economies of scale can be further achieved by Australia taking a leadership role within the Pacific region and becoming an exporter of SAF to NZ and our Pacific Island neighbours.

A study into the cost/benefit analysis of developing a domestic SAF industry should include a detailed analysis of the cost to the travel, tourism and business events industries if no action is taken.

## **Chapter 6 Airport Development Planning Processes and Consultation Mechanisms**

Domestic and international visitation numbers are constrained by lack of aviation capacity post-covid. Part of this is due to slot constraints at SYD Airport during peak periods.

The existing regulatory framework is a convoluted collection of rules and regulations that were established approximately 25 years ago. This framework has become obsolete and is no longer suited for its intended purpose. Moreover, it unnecessarily restricts the development and utilization of one of Australia's crucial infrastructure assets.

The ineffectiveness of the existing regulatory framework has become more pronounced as the volume of passengers at Sydney Airport (SYD) has grown, especially in the past decade. These inefficiencies are having a clear and documented effect on the entire aviation network in Australia and, consequently, on the experience of the traveling public.

We note that when the current rules were initially implemented 25 years ago, Sydney Airport was handling an average of only about 50 flights per hour.

**CATO is calling for** the reform of SYD Airport slot management with the view of increasing the movement cap during peak periods and raising the minimum 80% usage requirement of airlines to keep existing slots.

Extensive research and analysis by SYD Airport and others has demonstrated the significant economic benefits of increasing flight numbers into Sydney. As a key international gateway SYD Airport is key to international, domestic and regional tourism and needs to be managed with the national interest as the key factor.

## **Chapter 11 International Aviation**

CATO has serious concerns about the current processes relating to bilateral aviation agreements.

These concerns are:

- Lack of transparency around decision making
- Undue influence of Qantas on the Government resulting in decisions being made in the interests of Qantas rather than the broader economy
- Lack of consultation with key stakeholders in the inbound and outbound travel industry regarding the economic benefits of additional aviation rights.
- Low number of open skies agreements in place compared to other countries such as the USA

The recent Senate Enquiry into the Qatar Airways decision highlighted the need for urgent reform.

**CATO is calling for:**

- Greater consultation with industry before decisions are made
- Greater emphasis on cost-benefit analysis of granting additional capacity
- Greater transparency on decisions to reduce perception decisions are Qantas-led
- Comprehensive analysis of opportunity to increase Open Skies Agreements with additional countries

On behalf of the CATO Board



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**About CATO:**

The Council of Australian Tour Operators (CATO) is the peak industry body exclusively representing Australian based tour operators and travel wholesalers. CATO is dedicated to promoting the highest standards of professionalism, integrity, and innovation within the Australian travel industry whilst delivering unrivalled levels of consumer confidence through CATO's industry leading sector-specific Accreditation program. CATO fosters collaboration among its members, encourages innovation, and promotes responsible travel experiences around the world that resonate with modern travellers seeking authenticity and sustainability. For more information about CATO visit [www.cato.travel](http://www.cato.travel)