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SUBMISSION TO AVIATION GREEN PAPER – TOWARDS 2050, SEPTEMBER 2023

ABOUT GREATER SOUTH EAST MELBOURNE

Established in 2017, Greater South East Melbourne (GSEM) is a partnership between eight shires and cities formed to advocate for jobs, infrastructure, investment, liveability, sustainability and wellbeing for the southeast.

The GSEM Board, comprising elected representatives and key stakeholders focus on job creation, infrastructure, investment, liveability, sustainability, and well-being, aiming to future-proof the community and ensure ongoing prosperity in the south east region.

WHY THIS SUBMISSION?

The greater south east region of Melbourne has immense potential for growth. In the next two decades, the region will evolve into a multifaceted employment and population centre, and an airport will be the logical culmination of this transformation.

An airport for greater south east Melbourne is not just a stand-alone project; it's an integral part of a broader ambitious vision to make the region a significant Australian economic hub, complete with jobs, housing, community infrastructure, arts, culture, renewable energy industry, advanced manufacturing and tourism.

This submission is needed because the development of a new airport is a complex process that requires all levels of government, community, and the private sector to work together.

To realise the vision for another primary international passenger and freight airport for greater metropolitan Melbourne, the planning must start now.

We are taking this proactive approach to ensure that the necessary planning and policy settings are in place to protect the feasibility of this project into the future.

GSEM submits to the 2023 Aviation Green Paper, stressing the pivotal role of growth communities in maximising Australia's aviation sector potential. Planning for uncertainty by preserving and advocating for longer term visionary infrastructure projects is defined by Plan Melbourne 2017-2050's recognition of the

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South East Melbourne Airport (SEMA) as it sets the strategy for supporting jobs, housing and transport, while building on Melbourne's legacy of distinctiveness, liveability and sustainability¹.

With a third of greater Melbourne's population within greater south east Melbourne, the challenges of long travel times to existing airports can be overcome with the establishment of a SEMA. Furthermore, a SEMA aligns with Infrastructure Australia's vision for 2036 to have infrastructure that improves the sustainability of the country's economic, social, environmental and governance settings, builds quality of life for all Australians, and is resilient to shocks and emerging stresses.²

An airport in greater south east Melbourne addresses a number of emerging structural issues within Victoria's aviation sector and across the country.

The first is the capacity of existing airports, Tullamarine, the primary international airport in Melbourne, is currently planning for its future capacity despite expansion constraints. A SEMA connecting to both metropolitan Melbourne and the significant agricultural, manufacturing and tourism areas of greater south east Melbourne provides a viable alternative to future expansion at Tullamarine.

The second structural issue a future South East airport can address is the need for the aviation sector to reduce its carbon emissions and move towards a net zero operation. The ambition with this project is to purposely plan and build Australia's first fully sustainable airport. There is an opportunity for the SEMA to not only mitigate the environmental impact but be an example of best practice and a model of sustainable infrastructure development.

The third issue a SEMA can address is the lack of competition in the aviation sector. This project would encourage competition and opportunities for more carriers and more routes both domestic and international.

Greater south east Melbourne is a gateway to tourism and trade and can foster growth and competition in these sectors. The airport would sit in close proximity to many world-renowned tourist attractions, including Wilsons Promontory National Park, the Dandenong Ranges, home of Puffing Billy Railway, Victoria's wine industry at the Yarra Valley, and the penguin parade at Phillip Island among others.

It would also serve the significant high-value export opportunities in agriculture that emerge out of the Yarra Valley, Mornington Peninsula and the greater Gippsland region.

OVERVIEW OF THE GSEM REGION

Greater south east Melbourne, a rapidly growing economic hub, houses over 1.5 million residents. Stretching from Monash and Knox to Fort Nepean and Gippsland, it produces \$85 billion in Gross Regional Product, surpassing manufacturing figures in greater Adelaide and Western Sydney.

Between 2013 and 2022 the population of greater south east Melbourne increased by over 201,000 persons to 1,564,700 persons, representing average annual growth of 1.5% per annum representative of the same growth rate across Victoria. By 2036, the projected population is expected to reach up to 2 million.

Greater south east Melbourne is home to two of Victoria's National Employment and Innovation Clusters, Monash and Dandenong which are located along high-capacity transport networks to provide greater access to

¹ Victoria State Government (2017) Plan Melbourne 2017-2050, Victoria State Government Department of Transport and Planning, accessed 29 May 2023. https://www.planmelbourne.vic.gov.au/_data/assets/pdf_file/0007/377206/Plan_Melbourne_2017-2050_Strategy.pdf.

² Infrastructure Australia (2021) 2021 Australian Infrastructure Plan, Infrastructure Australia, accessed 29 May 2023. https://www.infrastructureaustralia.gov.au/sites/default/files/2021-09/2021%20Master%20Plan_1.pdf.

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high-productivity jobs. As an identified State Significant Transport Gateway, the SEMA supports Plan Melbourne’s policy to provide access to local, national and international markets and are key areas for employment and economic activity. Between 2016 and 2021, greater south east Melbourne experienced a 1.8% growth in employment led by an increase in jobs within the healthcare and construction industries.

Greater south east Melbourne is a key economic driver for the state of Victoria. Over the next 40 years, the South East Economic Corridor (SEEC) is anticipated to accommodate an additional 600,000 people; this figure is even higher when considering the broader greater south east Melbourne region.

Greater south east Melbourne has a diverse economy, with a wide range of industries providing employment opportunities within the region. A significant local labour pool is in place with opportunity for greater appreciation of skills and infrastructure beckoning to support the regional aviation industry. Growth industries in the south east include health care, construction, manufacturing and retail trade.

SUBMISSION

In this submission, GSEM answers specific questions from the Green Paper, focusing on relevance, potential impact, and the ability to benefit greater south east Melbourne. The greater south east Melbourne context is provided for each question, helping the Department understand the responses better. Questions are organised by the corresponding Green Paper chapter for clarity and coherence.

CHAPTER 2 – LIKELY FUTURE DIRECTIONS OUT TO 2050

“What emphasis should the Australian Government place on these trends to help guide the future of the sector? Are there any other trends the Australian Government could add?”

Context

GSEM supports the Green Paper's stance on Aviation Infrastructure but highlights the need for further elaboration to capitalise on additional airport opportunities. GSEM emphasises the catalytic effect of connected airports, functioning as vital transport networks to strengthen connections in remote communities and provide resilience in Australia’s aviation network. The aviation sector's hub-and-spoke model opens avenues for enhanced freight movement, medical services, and business and tourism prospects.

Submission

The Green Paper underscores the pivotal role of international airports providing access to international tourism and trade markets for the major capital and regional cities and surrounding communities. Australia's aviation future will be crucial for connecting smaller cities, rural areas, and advancing aviation technologies. The SEMA hub holds promise for cities development by fostering connectivity and technological advancements.

Globally, essential connectivity is highlighted with U.S. airlines sustaining 300,000 jobs and \$40 billion in economic activity, Europe witnessing over 40% of air traffic in airports, and the Asia-Pacific region projecting over 50% of passenger traffic through airports by 2050. Support for emerging technologies is exemplified through partnerships like Cincinnati/Northern Kentucky International Airport (CVG) with eVTOL Aircraft, indicating a shift towards zero-emission and Urban Air Mobility (UAM). Innovation hubs, sustainable initiatives, and the incorporation of artificial intelligence (AI) by industry leaders underscore the transformative trends in aviation.

Advocating for these insights, SEMA emphasises incorporating technological advancements in the Aviation White Paper for optimised networks, reduced environmental impact, and enhanced safety in the aviation sector.

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CHAPTER 3 – AIRLINES, AIRPORTS AND PASSENGERS – COMPETITION, CONSUMER PROTECTION AND DISABILITY ACCESS SETTINGS

“What should the Australian Government take into account in designing the terms of reference for the proposed Productivity Commission Inquiry?”

Context

Setting precise terms of reference for the proposed Productivity Commission Inquiry is vital to direct resources effectively into the aviation sector. GSEM welcomes the chance to contribute, aiming to streamline bureaucracy and reduce administrative burdens for resource-limited entities. Emphasising the pivotal role of outer metropolitan growth areas as part of the nation’s economic backbone, GSEM strongly endorses government investments in infrastructure. Such initiatives are deemed essential for fostering connectivity, stimulating economic growth, creating jobs, and ensuring sustainable prosperity, with GSEM committed to collaborating with government and industry partners in this endeavour.

Submission

GSEM recommends several key considerations for the Australian Government when framing the terms of reference for the proposed Productivity Commission Inquiry into the aviation sector. Priorities include assessing how the government can sustain the sector’s substantial economic contribution, address environmental impacts, enhance safety and security, and support competitiveness against international counterparts.

A specific focus is on ensuring affordable and reliable air services for regional and remote communities, requiring a comprehensive national connectivity assessment. Additional aspects encompass preparing for the future of aviation, supporting regional airports through effective slot management, and meeting consumer needs, especially in areas experiencing population growth. Stakeholder consultation, including with the aviation industry, consumer groups, and state governments, is essential for a comprehensive inquiry.

Other terms of reference should cover growth facilitation, environmental strategies, safety enhancement, competitiveness measures, and supporting regional and remote community access.

“What measures should be taken to ensure Australian aviation markets operate efficiently, improve competition settings, and deliver optimal consumer outcomes?”

Context

GSEM advocates for a competitive environment that results in a level playing field for airports. This is vital for the future success of the Australian aviation industry and the role it can play in unlocking the economic potential for the greater south east Melbourne and the state of Victorian more broadly.

Submission

To enhance efficiency, competition, and consumer benefits in Australian aviation markets, key measures include streamlining licensing processes for new aviation businesses, removing restrictions on foreign ownership, and incentivising new airline entries. Improved access to airport infrastructure involves fair slot allocation, encouraging regional capacity investment, and early planning for protecting compatible land uses surrounding aviation facilities.

Supporting technology and business model innovation entails investing in research, promoting digital efficiency, and encouraging sustainable aviation technologies. Empowering consumers requires open data access, competitive travel websites, and robust enforcement of consumer protection laws. Collaboration with other countries, especially in the Asia-Pacific region, through bilateral and multilateral agreements is also essential.

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GSEM contends that implementing these measures will optimise Australian aviation markets for efficiency, competition, and consumer satisfaction.

CHAPTER 4 – REGIONAL AND REMOTE AVIATION SERVICES

“Where should the Australian Government focus its engagement in regional and remote aviation, including helping achieve Closing the Gap outcomes, noting established state, territory and local government responsibilities and programs?”

Context

Australia faces challenges due to its lack of economies of scale and geographic proximity to markets. To overcome this, the government must actively support regional economic growth by enhancing airport capacity. GSEM urges the extension of the Regional Airport Program, enabling operators to upgrade facilities in alignment with advancing aviation technologies. Transport infrastructure, when thoughtfully planned and strategically distributed, serves as a catalyst for overall progress, generating numerous economic, social, and environmental advantages.

Submission

The Regional Airport Program (RAP) is crucial for the development and maintenance of regional airports, providing economic, social, and security benefits. Regional airports, supported by the program, contribute over \$10 billion to the economy, supporting 100,000 jobs. They play a vital role in regional tourism and help combat social isolation in remote areas. Moreover, the RAP aids national security by facilitating the Australian Defence Force's operations and supporting emergency services. GSEM advocates for the RAP's continuation, emphasising its role in upgrading infrastructure, ensuring safety, and promoting economic growth, especially in strategically located areas like greater south east Melbourne where the airport will be at the gateway between regional Victoria and metropolitan Melbourne.

“What opportunities do emerging aviation technologies present for regional and remote Australia?”

Context

Greater south east Melbourne, a rapidly growing region, can benefit significantly from Emerging Aviation Technologies (EAT). These technologies have the potential to transform transportation and logistics, creating new economic opportunities and improving residents' quality of life. To enhance the efficiency and competitiveness of domestic supply chains, it is vital to establish reliable connections between producers and markets, including international gateways and intermodal terminals. Aviation infrastructure like SEMA plays a key role in this process by eliminating bottlenecks and strengthening network resiliency, contributing to overall supply chain efficiency.

Submission

EAT's can transform transportation and logistics in regional Australia, unlocking economic opportunities and enhancing residents' lives. EAT's enable increased connectivity, improved access to services, job creation, and economic growth. Drones, a promising EAT, are already delivering medical supplies, inspecting infrastructure, and supporting search and rescue. Electric Vertical Take-Off and Landing (eVTOL) aircraft offer air taxi services, air ambulances, and efficient freight delivery. Sustainable aviation propulsion, like electric and hydrogen fuel cells, can reduce costs. The Australian Government supports EAT adoption through initiatives like the Emerging Aviation Technology Partnerships Program and GSEM encourages the government's continued investment in this program.

GSEM advocates for continued support, emphasising greater south east Melbourne's potential with a local workforce and National Employment and Innovation Clusters to attract and retain high-productivity jobs. A SEMA could enhance Victorian connectivity, addressing economic and environmental challenges by shortening distances to major infrastructure services and business nodes.

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“What opportunities are there to develop domestic bioenergy feedstock production and collection in Australia’s regions, and what policy settings from Government would support this?”

Context

Quality-assured bioenergy aviation feedstock is crucial for future airport integration into global aviation systems. Greater south east Melbourne, with ample land and rich soils, is poised to produce a significant share of bioenergy supplies for biofuel production. GSEM can lead coordination among stakeholders to overcome challenges in bioenergy production and supply.

Submission

Australia is well-suited to cultivate a domestic aviation bioenergy feedstock industry, boasting diverse potential sources like sugarcane, canola, and waste products. With established supply chains and favourable conditions, the country can lead in feedstock production for biofuel. GSEM's involvement promises job creation, economic growth, and environmental benefits, reducing reliance on imported fuels. Policy measures, including financial support, tax incentives, and market mandates, can propel the industry's development.

GSEM advocates for collaboration with countries like the United States, European Union, and Brazil to shape Australian policies, emphasising early land use planning for a sustainable and integrated aviation facility, which is set to establish the SEMA as Australia’s prominent aviation biofuel facility and fully sustainable airport.

CHAPTER 5 – MAXIMISING AVIATION’S CONTRIBUTION TO NET ZERO

“How can Government work with industry to ensure a strong and sustainable aviation sector that supports emissions reduction targets while growing jobs and innovation? “

Context

GSEM envisions creating and retaining jobs, securing the community's future, and ensuring a sustainable and liveable environment in greater south east Melbourne. To keep the region thriving, there's a need for job growth and strategies to alleviate congestion. Organisations like GSEM can actively support the government's priorities of reducing emissions, fostering job growth, and promoting innovation in the national aviation sector. Leveraging relationships with businesses, communities, and political entities, GSEM and similar organisations contribute to achieving these objectives.

Submission

The government can collaborate with the aviation industry to achieve a sustainable sector while supporting emissions reduction targets, job growth, and innovation. Key strategies include setting ambitious emissions reduction goals and offering financial incentives. The European Union, for instance, introduced the Carbon Offsetting and Reduction Scheme for International Aviation (CORSA) and Sustainable Aviation Fuels (SAF) Mandate to achieve net-zero emissions from aviation by 2050. Additionally, governments can invest in research and development for new aviation technologies, like SAFs and electric aircraft.

Promoting sustainable practices by airports and airlines through standards, incentives, and technical support is crucial. Collaborative efforts with industry to implement market-based measures, such as carbon pricing, contribute to effective emissions reduction.

“What types of arrangements are necessary to support industry confidence in the quality standards and sustainability certification of SAF? “

Context

To meet safety and performance standards, both domestic and international airlines need reliable access to quality SAF. GSEM suggests the government establishes strong and secure supply chains and assurance

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frameworks for SAF. This should cover the entire aviation sector, including metropolitan, regional and remote areas.

Submission

GSEM underscores the imperative for robust measures to ensure confidence in SAF quality and sustainability, advocating for:

- **Certification Standards:** Independent expert-developed standards, transparent, accountable, and regularly updated, covering all SAF aspects.
- **Third-Party Audits:** Producers subject to regular, rigorous, and unannounced independent audits by qualified assessors.
- **Traceability and Transparency:** Ensuring SAF traceability from feedstock to end-use through methods like mass balance, book and claim, and blockchain.
- **Government Support:** Confidence-building measures include government funding for R&D, SAF mandates, tax breaks, and support for industry initiatives.
- **Global Initiatives:** Support for initiatives like the International Sustainable Aviation Fuel Coalition's SAF certification standard and CORSIA Programme.
- **Informal Collaborations:** Industry collaborations, sharing best practices and technology development, contribute to confidence.

GSEM aims to actively contribute, leveraging its broad presence and relationships to foster collaboration among governments, industries, and stakeholders, establishing a robust system for high-quality and genuinely sustainable SAF production.

“How can policy and regulatory settings support research and development and subsequent investment in emerging low and zero emission technologies and related infrastructure?”

Context

GSEM and similar advocacy groups can help the Australian Government create pathways to support research, development, and investment in future aviation technologies and infrastructure for our outer metropolitan and growth areas. However, achieving this requires the right policy and regulatory settings.

Submission

Government policies and regulations can facilitate research, development, and investment in low and zero-emission technologies and infrastructure for the Australian aviation industry. This can be achieved through financial incentives, ambitious emissions reduction targets, a supportive regulatory environment, and collaboration with industry and academia. Learning from global examples like the EU, the US, and Singapore, Australia can establish comprehensive frameworks to meet emissions reduction goals. Recommendations include creating an aviation R&D fund, easing regulatory burdens, supporting the domestic production of SAF, and encouraging technology adoption.

GSEM emphasises the importance of the SEMA in leading Australia's aviation industry towards sustainability, contributing to emissions targets and fostering innovation. Immediate action is crucial, positioning the SEMA as Australia's first fully sustainable airport, making a significant global impact and aligning Plan Melbourne's outcome of Melbourne being a sustainable and resilient city.

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CHAPTER 6 – AIRPORT DEVELOPMENT PLANNING PROCESSES AND CONSULTATION MECHANISMS

“What can be done to proactively mitigate noise impacts by better informing residents and land-use planners? “

Context

Outer metropolitan regions with lower population densities compared to crowded cities, offer a favourable environment for Australian aviation sector growth. Advocacy groups like GSEM can help the Government gain community support for establishing and expanding Australia’s airport networks. GSEM endorses an open, community-engaged approach, working with land use planners to ensure transparency and proactive involvement in new airport initiatives.

Submission

Mitigating aircraft noise is crucial for community well-being. Informing residents and land-use planners about potential noise impacts is key to proactive mitigation. Measures include educational campaigns, noise modelling, exposure maps, and community consultation. In Australia, initiatives like the Sydney Aircraft Noise Calculator and the Melbourne Airport Noise Monitoring Program inform residents.

GSEM suggests expanding these initiatives and learning from international examples, such as the UK’s National Aircraft Noise Mapper and the US FAA’s Aircraft Noise Compatibility Planning Program. Proactive measures, informed decision-making, and community engagement are vital for effective aircraft noise mitigation strategies.

Early planning is critical in establishing new facilities ensuring compatible land uses can co-exist with the significant transport gateways. GSEM is well advanced to ensure its early investigations support a new aviation facility in greater south east Melbourne by proposing its site close to the Western Port Bay with the opportunity to maximise over the bay operations under favourable wind conditions. Land use planning management is vital to manage sustainable residential growth through timely and effective use of major infrastructure corridors such as road and rail.

“How could the Australian Government improve regulation to facilitate efficient planning and development while preventing environmental harm and protecting airports for aviation use? “

Context

GSEM’s strategic goals prioritise efficient planning and development, ensuring it avoids environmental harm.

Submission

The Australian Government can optimise regulations to facilitate efficient planning, ensuring environmental preservation and the aviation-centric use of airports through several measures:

- **Streamlining Processes:** Establish a unified national planning framework, collaborate for joint planning assessments with state and territory governments, and introduce an online planning portal for simplified airport application procedures.
- **Digital Technology Implementation:** Employ digital mapping to identify environmentally sensitive areas and assess project impacts, and use technology for real-time monitoring of airport operations to identify safety risks.
- **Incentives for Sustainable Development:** Offer tax breaks or grants for sustainable projects, allocate funding for research on sustainable building technologies.
- **Establishing Environmental Standards:** Collaborate with state and territory governments to set clear and consistent environmental standards for development projects.
- **Airport Protection:** Implement buffer zones around airports, working with local governments to enforce zoning regulations restricting development in proximity.

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Learning from successful global models like Singapore's OneMap and the UK's Planning Portal, the Australian Government can consider additional reforms such as a National Infrastructure Plan, an Independent Planning Commission, and enhanced public participation for effective, sustainable, and environmentally friendly planning and development.

CHAPTER 8 – FIT-FOR-PURPOSE AGENCIES AND REGULATIONS

“Do you have concerns with current arrangements of roles and responsibilities within the Australian Government? Are there opportunities to improve these arrangements?”

Context

GSEM in its role as an advocacy body for the greater south east Melbourne region is well placed to provide insights into how current arrangements could be improved.

Submission

The Australian Government oversees the aviation sector through various agencies, leading to challenges like coordination issues during the COVID-19 pandemic and anti-competitive conduct among major airlines. To enhance the current setup, the government can consider:

- Establishing a single lead agency for aviation to enhance coordination and accountability.
- Strengthening the role of the Department of Infrastructure, Transport, Regional Development, Communications, and the Arts for better oversight.
- Improving collaboration between government agencies and industry through consultative forums and joint working groups.

Looking at successful models from the United Kingdom, New Zealand, and Singapore, where similar challenges were addressed, can guide the Australian Government in streamlining and improving its aviation governance.

“What should the Australian Government consider when determining cost recovery arrangements to ensure a safe, equitable and accessible aviation system? “

Context

GSEM supports fair cost recovery plans that don't hinder the growth of international aviation infrastructure.

Submission

When designing cost recovery plans for the Australian aviation system, the Government should prioritise safety, fairness, and accessibility. Safety funding must be sufficient to maintain standards and investigate accidents. Equitable arrangements ensure that costs are shared proportionately among users, avoiding disadvantages for vulnerable groups or regions. Accessibility involves considering affordability and regional connectivity for all Australians.

The Australian Government should balance financial sustainability with safety, equity, and accessibility, considering industry impact, environmental concerns, and the need for innovation in aviation.

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CHAPTER 9 – EMERGING AVIATION TECHNOLOGIES

“How could the Australian Government create an environment that fosters private investment in emerging aviation technologies?”

Context

GSEM supports creating an environment that encourages global investment in Emerging Aviation Technologies (EAT) and access to high-productivity jobs.

Submission

The Australian Government can encourage private investment in EATs by implementing the following measures:

- Develop a clear regulatory framework tailored to EATs, ensuring predictability and certainty. For instance, establishing a national framework for drone delivery or eVTOL aircraft operation.
- Provide financial incentives such as grants or tax breaks to support businesses involved in EAT development or deployment.
- Support research and development through funding or collaboration with universities and businesses.
- Invest in EAT infrastructure, including drone ports or eVTOL vertiports.
- Promote EATs through public awareness campaigns or trade shows.

International examples, such as Singapore's \$50 million UAM fund, the US's \$200 million AAM fund, and the UK's £125 million fund for future flight technologies, showcase successful strategies for fostering private investment in EATs.

Emulating these approaches can position Australia as a leader in the field.

“As competition for access to airspace is expected to increase, how can government ensure fair and equitable access while maintaining safety and efficiency of this public use asset? How could a safe, open, competitive and commercial Uncrewed Aircraft System Traffic Management (UTM) market operate?”

Context

Developing and expanding airports can enhance the efficient use of Australian aviation airspace, alleviating bottlenecks and congestion. This not only fosters economic growth but also contributes to overall economic development, all the while enhancing customer service.

Submission

To ensure fair and safe access to airspace for Unmanned Traffic Management (UTM) in Australia, the government can take the following steps:

- Develop and implement a transparent UTM airspace access framework with criteria like priority users, safety standards, and operational needs.
- Establish an open and centralised UTM system for planning, requesting, and coordinating drone flights, ensuring real-time information on airspace restrictions.
- Invest in research and development for UTM technologies, including airspace management algorithms and cybersecurity.
- Engage stakeholders for collaborative policy development, involving industry, academia, and government agencies.

A fair, open, competitive UTM market could resemble industries like telecommunications, with government-allocated licenses to operators meeting safety standards. Multiple operators in each region could enhance competition, and transparent pricing could aid informed choices for drone users. Examples from other

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countries include the FAA's LAANC system in the US, the European Commission's common UTM framework, and China's UTM-TMS system. Learning from these experiences is crucial for developing effective UTM policies in Australia.

CHAPTER 10 – FUTURE INDUSTRY WORKFORCE

“How can government policy enable industry to support the net zero economy and the future skills, training, and workforce needs that entails (including future fuels)?”

Context

GSEM, an advocacy body with two National Employment Innovation Clusters within the greater south east Melbourne region, has insights on how to achieve this goal, aligning with Theme 3 of the Australian Government’s Infrastructure Policy Statement published on 14 November 2023.

Submission

Economic evaluation for a SEMA suggests a new international airport in the South East has the ability to progressively add up to 4,600FTE’s direct and indirect new jobs and generate up to an extra 588,000 overnight visitors each year. Collectively the SEMA has the ability to increase gross sales of indirect and direct transactions (output) by approximately \$1 billion per annum.

GSEM suggests the Australian Government can drive industry support for the net-zero economy and its associated skills and workforce needs through various strategies:

- **Financial Incentives:** Provide tax breaks, grants, or loans for businesses investing in low-carbon technologies, like the Low Carbon Technology Innovation Fund.
- **Emission Reduction Targets:** Set clear goals for emissions reduction to give businesses direction and confidence, as seen in the commitment to net-zero emissions by 2050.
- **Regulatory Reform:** Remove barriers, streamline approvals, and offer regulatory certainty to facilitate low-carbon industry development.
- **Skills Funding:** Invest in training programs like the JobTrainer initiative to equip the workforce for the net-zero economy.
- **Transition Planning:** Collaborate with industries, creating transition plans to address challenges and opportunities, similar to efforts with the mining sector.

Examples from the UK, US, and Germany, supporting CCUS, clean hydrogen, and battery industries, showcase effective approaches to foster innovation and growth. By adopting similar strategies, the Australian Government can position the nation competitively in the global net-zero landscape, fostering job creation and economic opportunities.

CHAPTER 11 – INTERNATIONAL AVIATION

“Are there other issues or concerns associated with the Australian Government’s approach to negotiating aviation bilateral agreements that you wish to highlight? What opportunities exist to improve the approach to international negotiations?”

Context

GSEM wants to bring attention to several issues that, in its view, must be resolved for international aviation to achieve its growth potential.

Submission

The Australian Government faces challenges in negotiating aviation bilateral agreements, primarily due to a lack of transparency, a focus on excess capacity, and a narrow consideration of public interests.

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To enhance its approach, the government should increase transparency by sharing negotiation details and involving the public in consultations. Broader public interests, such as environmental and consumer protection, should be factored into negotiations, requiring the development of criteria for assessing these implications. Adopting a more flexible approach, exploring diverse agreement types, and investing in negotiator training are essential improvements.

Establishing a dedicated aviation negotiation unit and fostering international collaboration with other countries would contribute to a more harmonised and effective negotiation strategy. GSEM emphasises that implementing these measures can enhance Australia's representation and interests in aviation bilateral agreements.

SUMMARY

Expanding the aviation sector in Australia is crucial to fostering growth in emerging trends and technologies. The growing economy strains existing city airports, emphasising the need for new aviation development. To unlock the full potential of Australian aviation, the Green Paper's concerns must be addressed with a national perspective as to how the network of aviation's facilities contribute to the national economy.

Embracing new technologies, supporting innovation, creating new operating models, and enhancing capacity are essential. This submission reflects a new facilities viewpoint, but the government should holistically consider the entire aviation sector to overcome barriers.

Within greater south east Melbourne the projected population is expected to reach up to 2 million people by 2036.

Now is the time to begin the foundation work for a successful international freight and passenger airport in greater south east Melbourne, so that when demand is present, all three levels of government and industry are well placed to support the development of SEMA.

This submission to the Green Paper establishes GSEM's invested interest in a new international aviation facility in greater south east Melbourne. Policy decisions today will set the path for the growth of new facilities, aviation technologies and new skills in aviation services not yet matured.

Planning for a SEMA should commence with the collaborative efforts of three tiers of government to ensure airspace and land use are protected and infrastructure decisions made with a longer term growth strategy front of mind.

Building an airport in the greater south east Melbourne is not merely a project; it's a vision for a brighter, more prosperous future. We invite all stakeholders to engage with us in shaping this vision.

This is a genuine opportunity to unlock the immense potential of our region, securing economic, social and environmental outcomes for generations to come.

Your sincerely,



Carol Jeffs
Chair of South East Melbourne Airport Working Group
Greater South East Melbourne

Greater South East Melbourne (GSEM) advocates for jobs, infrastructure, investment, liveability, sustainability and wellbeing for the southeast and everyone who works and lives in the region. GSEM includes the shires of [Cardinia](#) and [Mornington Peninsula](#), and the cities of [Casey](#), [Frankston](#), [Greater Dandenong](#), [Kingston](#), [Knox](#) and [Monash](#).