



**MICHAEL MCCORMACK MP**  
**DEPUTY PRIME MINISTER**  
**MINISTER FOR INFRASTRUCTURE AND TRANSPORT**  
**LEADER OF THE NATIONALS**  
**FEDERAL MEMBER FOR RIVERINA**

***DEPUTY PRIME MINISTER***

***HON MICHAEL McCORMACK MP***

***IATA – Sydney, 5 June 2018***

IATA Director-General Alexandre de Juniac, ICAO Secretary General, Dr Liu, ladies and gentlemen,

Thank you for your kind introduction.

I appreciate IATA's invitation, and it's a great pleasure to be with you today.

I bring you greetings from the Prime Minister of Australia, The Hon Malcolm Turnbull.

The Prime Minister and I along with several senior Ministers have begun a tour of regional Australia impacted by drought, and I have returned to Sydney to be with you this morning.

The Australian Government sees the aviation industry as a crucial component of our economy, both in terms of domestic passenger and freight transport and in terms of the industry's global reach – of crucial significance to our trade and tourism sectors.

The vital work of IATA can be seen in the breadth of your activity – with your 280 member airlines, 400 strategic partners and 100,000 accredited agents.

By any measure that's a massive contribution to the aviation industry world-wide.

...And this is your 74<sup>th</sup> AGM.

IATA has been there from the fledgling days of this industry, and you have continued to grow as the industry has grown.

To delegates from various corners of the world: Welcome to Australia and the magnificent city of Sydney

I do hope you will have a moment beyond your conference agenda to enjoy our 'Aussie' sights and attractions; and please, do come back again, soon!

As Deputy Prime Minister and Minister for Infrastructure and Transport in the Australian Government, I acknowledge the central role you play in supporting, driving and promoting a safe international aviation industry – and in maximising the benefits for sectors like tourism.

For Australia as an island country with very remote communities, aviation has always been, and remains, critical for connecting our nation.

We're a country 3,860 kilometres long, from our most northerly point to the south of Tasmania.

And we're even more than that distance wide – a vast country, with a population of around 24 million spread on a vast land mass of 7.7 million square kilometres. We're pretty big!

To build and progress as a nation, we've had to learn how to move people and freight, to connect communities and provide vital links for our farmers and miners.

In earlier times, railways were crucial to opening up regional and remote Australia. We upgraded our east west link through three states in 1970; we've since built a north-south link connecting Darwin; and as we speak, work is underway on an inland rail freight corridor from Victoria to Queensland and connecting with east-west freight – a \$9 billion project for the future.

But aviation has been absolutely central to this nation's development.

Aviation is a core component of connecting people across our nation, from our capital cities right down to our regional communities.

And aviation brings Australia to the rest of the world in terms of tourism, trade, and most importantly, people to people links, just as the ships did, not that long ago-albeit a little bit longer.

We're very proud of the individuals and organisations that helped pioneer aviation, not just in this country but across the globe.

Our host airline for today, Qantas, enjoys the mantle of the oldest continuously operating airline in the world. Two years from now both Qantas and the Royal Australian Air Force will celebrate their centenaries.

Qantas shows us how great things can grow from humble beginnings. So do other airlines, as we continue to enjoy growth in Australia's air system.

Virgin Australia launched as Virgin Blue in 2000, with one route: Brisbane-Sydney; today Virgin Australia operates not only within Australia but enjoys a global reach and has attracted numerous national and international awards.

Also in the early 2000s, a group of businessmen attracted domestic and offshore investment to establish Regional Express, today recognised as one of the world's best regional airlines.

In Australia we also enjoy numerous other airlines, operating both passenger and freight services, all with the same attention to safety and quality of service.

Qantas is one example of how the industry is expanding globally.

Qantas started as a domestic airline in Northern Australia, gradually building their services to become the first Australian airline to conduct international flights from Australia.

On the 1<sup>st</sup> of December 1947, Qantas began the famous Kangaroo Route - the first regular weekly service from Australia to London. The journey required seven stops and four days.

And here we are in 2018 - we're delighted that we now have a non-stop direct link between Australia and Europe, with Qantas delivering a 17 hour service between Perth and London in the Boeing 787. How our aviation industry has grown and changed!

But it has not been all blue skies for international airlines in the last two decades and indeed here in Australia. After the tragedy of 9/11, we saw a number of airlines come and go including our own Ansett Airlines, we had SARS, bird flu impact on both passenger and freight services and another global financial crisis. Our airlines have had to work hard to deliver new efficiencies and to streamline services for the travelling public.

Government has an important partnership with aviation, and as the Minister responsible, I am thrilled to be part of such an important industry and vital part of our country's economic development.

Across the world, Government policies, when implemented in partnership with private businesses such as airlines, help industries to prosper, people to connect and commerce to flow.

There should be no political pressure from Governments that threatens the ordinary operations of business.

And the benefits accrue to everyone, in terms of lower costs, better services, greater efficiencies and a stronger economy with more jobs.

Data from last financial year shows aviation contributed more than \$9 billion to Australia's economy. As passenger demand increases and the industry grows, that contribution will also grow.

Indirectly, the benefits of aviation are even more profound.

Tourism Research Australia recently reported that international visitor arrivals continued at record levels, with nine million visitors arriving on our fair shores.

This is a remarkable outcome – to be precise, 9.02 million international visitors in the year to March 2018...an increase of 7.7 per cent on the previous 12 months.

Our visitors spent \$41.3 billion during their stay, an increase of 6 per cent on the previous year.

People are coming to Australia for business, to advance their education, to visit friends and families, and to experience all the national treasures on offer.

In fact, we like to think the world is in love with our beautiful country and all it has on offer.

We're talking about spectacular scenery, unique flora and fauna and world-class food and wine, all attracting people to Australia's shores like never before.

Data shows our record number of international tourists are staying longer and spending more.

All this is backed by record Government investment through bodies such as Tourism Australia.

We're pleased to find that Australia is now the 10<sup>th</sup> largest international tourism market – and United Nations World Tourism Organisation data shows the first in the world for visitor spend per trip.

The Australian Government is supporting the Beyond Tourism 2020 Steering Committee in its work to attract an even greater share of the world's 1.3 billion international travelers every year.

It's all part of our effort to deliver great tourism experiences while boosting Australia's Gross Domestic Product – and creating jobs. The Government is pleased to have met a five year target of one million new jobs inside that five year mark – and we recognise there is more that can be done, with tourism among the great opportunities ahead.

I can affirm to you that the Australian Government is continuing to pursue liberalisation of our international air services arrangements with our bilateral partners.

It is our priority to ensure there is sufficient capacity in our international markets to meet demand and allow our markets to grow, and ensuring Australia is accessible to all.

Closer to home, the Government continues to support the development of key aviation infrastructure in Australia at every turn.

We have committed up to \$5.3 billion to build the Western Sydney Airport.

It's a massive spend, for a massively important project.

We're building an airport of the 21<sup>st</sup> century that answers the long-recognised issue of the capacity constraint in Sydney.

This is one of the nation's most significant infrastructure works in decades.

This was no easy 'ask'. The public debate has been around in earnest since the 1960s

I am proud that the Government of which I am part has made this vital commitment to making Western Sydney's airport a reality.

The Australian Government has also announced \$20 million to support the setup of international services at Avalon Airport, Melbourne's newest International airport.

This is creating yet another international gateway to our beautiful country, an airport just 55 kilometres from the city of Melbourne.

Similarly, we are seeing significant investment in airport infrastructure and aircraft fleets by our aviation industry.

New runways are under construction, or proposed, at airports at Brisbane, Melbourne and Perth, and the Government provided \$38 million to the recently completed extension of the runway at Hobart Airport. We are also helping open up our beautiful Sunshine Coast in Queensland, with a \$181 million loan for their new longer runway.

Outside our cities, our Government is committed to ensuring that our regional communities are also well serviced by aviation connectivity.

Many Australians, myself included, live in regional and remote locations, and rely heavily on aviation connectivity for life's necessities.

In acknowledgement of this, the Australian Government has committed a further \$28.3 million from 2018-19 to 2021-22, in addition to the \$33.7 million already committed, to help remote communities maintain their airports.

Funding of \$7 million for 31 projects under this program has already been announced this year, changing the lives of Australians for the better – much better - in remote communities.

As the Australian domestic and international aviation industry grows, it is our responsibility to make sure that safety remains a key focus.

I acknowledge and welcome the new 'top six' safety ranking given to Australia by the International Civil Aviation Organization as a result of the recent audit of Australia's aviation safety system.

The travelling public can take comfort that Australia has a robust aviation safety system in place, and that our Government and our industry are committed to a strong safety culture.

Confidence in air travel is vital in growing passenger numbers, regardless of whether it's for people flying overseas or people choosing charter flying in our regional areas.

New technology continues to be an exciting part of the development of Australia's aviation industry including the introduction of aircraft such as the Boeing Dreamliner and the huge growth in the use of drones.

The drone industry is a fascinating sector and one can only imagine what we will be doing with these amazing flying machines in the near future, stuff of science fiction movies!

Aviation innovation in Australia is improving productivity, reducing costs and improve workplace safety across a range of industries – changing the way Australia thinks about aviation.

Ladies and gentleman, as Australian Infrastructure and Transport Minister can I say how eager I am to see the further development of our aviation industry in a time of unprecedented innovation, efficiency, and connectivity.

Thank you to all our industry supporters and to IATA for the integral work you do.

I look forward to continuing our work together.