

15 December 2023

COVID-19 Response Inquiry Secretariat
Department of the Prime Minister and Cabinet
PO Box 6500
CANBERRA ACT 2600

Via email: COVID-19Inquiry@pmc.gov.au

Commonwealth Government's COVID-19 Response Inquiry

Dear Inquiry Panel

Adelaide Airport Limited and Parafield Airport Limited ("**together AAL**") as operators of Adelaide and Parafield Airports are pleased to make a submission to the Commonwealth Government's Covid-19 Response Inquiry (**Inquiry**). AAL welcomes the Inquiry and the opportunities it presents to improve response measures in the event of future pandemic events.

This submission can be read in conjunction with the submission from the Australian Airports Association (AAA).

Summary

Border control harmonisation is critical. The Commonwealth Government must use its constitutional quarantine power to take control of national quarantine arrangements in future pandemic or significant health events. This is required to ensure consistency in response and to ensure decisions of national interest are made in the interests of Australia as a whole – balancing all relevant national public health, social, economic and other impacts. The relevant mechanism to enable this already exists, including domestic border controls through use of the Biosecurity Act 2015 (Cth) (formerly the Quarantine Act 1920) (Cth) under the Australian Constitution (s51(ix)).

Background

Adelaide Airport is the aviation gateway to South Australia. Since May 1998 AAL has been custodian of a 99 year operating lease for Adelaide and Parafield Airports from the Commonwealth Government. Adelaide Airport is the fifth-largest domestic and international airport in Australia processing more than 8 million passengers on an annualised basis. Adelaide Airport is the state's largest single site employment precinct directly employing more than 10,000 people on and off airport and contributing to the generation of a further 12,700 jobs. The airport contributes \$3 billion to the South Australian economy, equivalent to 3.1 per cent of Gross State Product. Adelaide Airport has transitioned from an aviation and infrastructure facility to a broad-based economic activity node, encompassing a variety of aviation and non-aviation services, facilities and developments. It is also a critical transport hub connecting South Australia with global and domestic markets. We are committed to investing in our infrastructure and will be investing \$1 billion in capital investment over the next five years, of which over half will be on major aviation infrastructure projects.

Parafield Airport is South Australia's premier general aviation airport and is a major world standard international training airport. Pilots trained at Parafield Airport go on to fly international services to and from Adelaide Airport. The provision of commercial, retail and industrial activities contributes to the viability of the airport as a business enterprise and provide an economic core and employment centre for the northern suburbs of Adelaide and beyond.

AAL is owned by large superannuation funds who have held ownership since privatisation with significant numbers of members holding an indirect investment in our airports to support them in their retirements. Our investors are ready to support the long-term infrastructure required for our airports and understand the critical importance of aviation and tourism to the Australian economy.



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Discussion

Pandemic related restrictions on borders were implemented by eight different State and Territory Governments to seek to protect the public from the adverse health impacts of the virus. The varying local positions on border closures were implemented with the best of intent, but this led to a fractured nation. Our approach created unnecessary public uncertainty and anxiety around the risk of being locked in or out of a State or Territory at short notice (in some instances with immediate effect).

COVID-19 had an extraordinary and enduring impact on the aviation sector including employment, skills and training and the economy. For example, at the peak of the pandemic, Adelaide Airport's traffic fell by 96 per cent. Australia's approach to aviation restrictions was unique globally. In every major economy, aviation fared better than in Australia due to the inconsistency in Australia's border restrictions.

Investors in control of global capital now consider Australia differently, recognising and pricing in sovereign risk relating to domestic (border) regulation inconsistency. The Australian public ultimately pay for the cost of this risk while it remains unaddressed. The opportunity exists for the Commonwealth Government through this Inquiry to make meaningful changes to its response plans for future pandemics or significant health events so that this does not occur again.

The solution is simple, the Commonwealth Government can use existing quarantine powers, enshrined under section 51(ix) of the Australian Constitution. Section 477(1) of the Biosecurity Act 2015 (formerly the Quarantine Act) already provides the Commonwealth Health Minister with the power to take action to prevent or control the spread of disease into part of an Australian territory. State borders could then be used as a tool by the Commonwealth Government to use in a coordinated and consistent manner and in the best interests of the nation as a whole. This would also reduce any conflict around overlapping Commonwealth/State responsibilities and divisions between clinical health practitioners and public health policy makers.

The Commonwealth Government has rightly been given the power to regulate matters such as aviation and quarantine. These are Commonwealth matters which transcend State borders and need to transcend local politics and localised self-interest. The legislative and constitutional mechanisms already exist to protect Australians from this occurring again and we urge the Commonwealth Government to regulate now to address the lingering risk of lack of unity in a future pandemic or significant health event.

Conclusion

Thank you for the opportunity to contribute to the future of the aviation industry. It is vital that the Commonwealth Government utilises its constitutional quarantine power to take control of national quarantine arrangements including domestic border controls. Please do not hesitate to contact us if you have any queries in relation to the above or require any additional information.

Yours sincerely

ADELAIDE AIRPORT



Brenton Cox
Managing Director