

**Media Release: Support for aviation sector critical to Australia's economic recovery**

Airlines reeling from the severe and unprecedented economic impacts of the COVID-19 crisis have today warmly welcomed [the Federal Government's announcement of a \\$715 million relief package for the aviation sector](#). The package includes the refunding and ongoing waiving of a range of Government charges including fuel excise, Airservices charges and airport security charges.

Commenting on the Deputy Prime Minister's announcement, Airlines for Australia & New Zealand (A4ANZ) Chairman, Professor Graeme Samuel AC, said the package was a welcome and important measure from Government. "We congratulate the Government on its decisive action to provide essential support to such a critical pillar of the Australian economy. The airline industry:

- Facilitates domestic and international tourism activity, which contributes over \$32 billion to the Australian economy and supports more than 340,000 jobs."<sup>1</sup>
- On its own is a significant source of economic activity, contributing more than \$9.2 billion to the economy, and supporting 50,000 jobs.<sup>2</sup>

Prof Samuel said that the necessary measures taken by Governments around the world to contain the spread of COVID-19 have imposed significant and unprecedented restrictions on air travel, creating a debilitating impact on Australian airlines.

"Airlines have seen a dramatic decline in demand, have been forced to remove flights from their schedule and make historic, drastic capacity cuts. They have all been working hard to manage these impacts, through deferral of non-essential expenditure, workforce initiatives and other measures, but with industry estimates showing that the impact of this crisis on airlines will be significantly worse than the GFC, this package from the Government is both welcome and a necessary step in the industry's survival."

A4ANZ CEO, Dr Alison Roberts said, "We welcome the Government's commitment to Australia's aviation industry. As a nation we are more dependent on aviation than most countries around the world. As the Deputy Prime Minister has said, for many Australians, flying isn't optional. Airlines play a vital role in providing regional Australian residents access to essential social, medical, business, financial and educational services, as well as moving important freight including life-saving medicines; and in encouraging growth in tourism and business."

"In Australia, when the impact of the GFC spread beyond the financial sector to other industries, none were hit harder than the aviation sector.<sup>3</sup> We have already seen that the impact of this economic crisis caused by COVID-19 is expected to be far worse. We welcome this package from Government, their commitment to ongoing engagement with the aviation industry, and look forward to working closely with them as this serious situation evolves."

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<sup>1</sup> Deloitte Access Economics (2018), Connecting Australia: The economic and social contribution of Australia's airports. Report for the Australian Airports Association

<sup>2</sup> [http://a4anz.com/documents/A4ANZ\\_Report-Airlines\\_Helping\\_Australias\\_Economy\\_Soar.pdf](http://a4anz.com/documents/A4ANZ_Report-Airlines_Helping_Australias_Economy_Soar.pdf)

<sup>3</sup> National Aviation Policy White Paper [https://www.infrastructure.gov.au/aviation/publications/files/Aviation\\_White\\_Paper\\_final.pdf](https://www.infrastructure.gov.au/aviation/publications/files/Aviation_White_Paper_final.pdf)