

FEBRUARY 2026

CANBERRA AIRPORT'S PRE-BUDGET SUBMISSION

2026-27 ACT BUDGET



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MESSAGE FROM CANBERRA AIRPORT

The ACT is home to some of Australia's leading culinary, cultural and recreational offerings, providing plenty for both domestic and international travellers. The value of the Canberra region to the economic prosperity of the country cannot be underestimated.

Through its role as the domestic and international gateway to the ACT, Canberra Airport plays a central part in driving visitation and visitor spend across the city. Visitors arriving at Canberra Airport disperse widely throughout the ACT for leisure, business and events.

The ACT Government can use the 2026-27 Budget to deliver funding commitments which strengthen Canberra's position as a leading tourism and economic hub. The additional consideration of measures that increase the operational capacity of Canberra Airport will be central to achieving this objective.

To ensure that Canberra Airport continues to drive investment, economic growth and employment opportunities throughout Canberra, the ACT Government should consider delivering the necessary funding and policy reforms identified in this submission.

The 8 key recommendations proposed by Canberra Airport are:

- Invest further in the Aviation Stimulus Fund
- Support VisitCanberra to expand its marketing of the ACT
- Grow the Office of International Engagement
- Increase the Major Event Fund
- Expand the ACT Event Fund
- Progress the duplication of Pialligo Avenue
- Connect the light rail from Civic to Canberra Airport
- Improve ACT-NSW transport connectivity

By adopting these recommendations, the ACT Government will advance Canberra by boosting visitation, driving economic growth and progressing key projects that benefit those visiting and living across the national capital region.

SUMMARY OF RECOMMENDATIONS

Recommendation 1

That the ACT Government increase the *Aviation Stimulus Fund* to support the objectives of the *T2030 ACT Tourism Strategy* and *CBR 2030: ACT's Strategic Economic Development Framework*.

Recommendation 2

That the ACT Government increase annual funding for VisitCanberra to allow it to expand promotion of the ACT to key domestic and international markets.

Recommendation 3

That the ACT Government provide additional funding and increased staffing to the Office of International Engagement to support the establishment of economic, tourism and trade connections between Canberra and key international markets.

Recommendation 4

That the ACT Government increase funding of the Major Event Fund to ensure Canberra can attract more major events to boost visitation and visitor spend.

Recommendation 5

That the ACT Government increase funding of the ACT Event Fund to support more unique, innovative and vibrant events being held in Canberra.

Recommendation 6

That the ACT Government, in partnership with the Commonwealth Government, provide funding to progress the duplication of Pialligo Avenue between Brindabella Circuit at Canberra Airport and Capital Terrace at Queanbeyan East.

Recommendation 7

That the ACT Government work with the Commonwealth Government to begin planning the extension of the light rail network from Civic to Canberra Airport.

Recommendation 8

That the ACT Government commit to working with the NSW Government to improve transport connectivity from Canberra Airport to the communities across the national capital region to increase visitor dispersal and spending.

TOURISM & TRADE RECOMMENDATIONS

Invest further in the Aviation Stimulus Fund

Canberra Airport has worked in close partnership with the ACT Government in recent years to support the recovery and growth of domestic and international tourism following the COVID-19 pandemic. This collaboration has delivered considerable results, with Canberra Airport growing its destination offering by 66 per cent since 2018. This has included the attraction of regular direct international services from Fiji and Qatar, helping to rebuild international visitor numbers and restore visitor spend across the ACT. The commencement of direct services to Bali in mid-2026 will further strengthen Canberra's international connectivity and tourism appeal.

Phase 2 of the *T2030 ACT Tourism Strategy* sets out an ambitious objective to grow Canberra's visitor economy by \$1 billion by 2030. Central to achieving this is increasing domestic and international inbound airline capacity by 550,000 seats over the next four years. These additional seats will lead to more visitors arriving in the ACT, staying longer and spending more across accommodation, hospitality, events and cultural attractions.

This vision also aligns with Mission 4 of *CBR 2030: ACT's Strategic Economic Development Framework* by improving aviation connectivity to grow the visitor economy and strengthen Canberra's destination appeal.

Achieving the inbound seat target outlined in the T2030 Strategy will require more than advocacy. It will need increased investment in the *Aviation Stimulus Fund* to support new route development and grow the number of inbound seats. Comparable jurisdictions have recognised this. The Northern Territory Government committed \$20 million to its *Territory Aviation Attraction Scheme* to attract new services, while the Tasmanian Government allocated \$5 million to its *Aviation Attraction Fund* to unlock additional airline capacity.

To compete with other jurisdictions and deliver on the objectives of the T2030 Strategy, increased funding must be provided by the ACT Government through the *Aviation Stimulus Fund*. This investment would directly support visitation and visitor spend across Canberra.

Increasing funding in the 2026-27 Budget is critical to influence airline scheduling and secure additional capacity in the medium term, which will increase Canberra's competitiveness against those other jurisdictions with much larger aviation attraction funds.

Recommendation 1

That the ACT Government increase the *Aviation Stimulus Fund* to support the objectives of the *T2030 ACT Tourism Strategy* and *CBR 2030: ACT's Strategic Economic Development Framework*.

Support VisitCanberra to expand its marketing of the ACT

The ACT offers unique opportunities for inbound visitors, with Canberra combining nationally significant cultural institutions and major events with a vibrant dining and arts scene, complemented by easy access to nature-based experiences. Additional resources and funding would enable VisitCanberra to more effectively promote these drawcards to key domestic and international markets.

Visitation to the ACT was impacted considerably by the COVID-19 pandemic. Although visitor growth is progressing well, in order to meet the objectives of Phase 2 of the *T2030 ACT Tourism Strategy*, there must be more focus on promoting Canberra in key domestic and international markets.

Complementing the T2030 Strategy, Canberra Airport has set the goal of expanding its network of domestic and international destinations. Providing key markets, such as Singapore, New Zealand, China, Cairns and Launceston, with connections to Canberra will ensure the many features of the ACT are more directly available.

Attracting more domestic and international travellers to the national capital should be a key

focus of the ACT Government's plan to accelerate visitation and visitor spend. In order to attract more tourists to Canberra, they need to have the knowledge and awareness of the authentic visitor experiences on offer.

With increased funding, VisitCanberra will be able to strengthen the promotion of Canberra to key markets. Having the ACT Government develop a systematic tourism campaign focused on promoting the iconic cultural attractions, world-renowned natural landscape, wineries and restaurants Canberra boasts will certainly attract a far greater share of the domestic and international market.

By strengthening both destination marketing and aviation access, this investment would increase Canberra's ability to deliver the visitation outcomes outlined in the T2030 Strategy within this budget year.

Recommendation 2

That the ACT Government increase annual funding for VisitCanberra to allow it to expand promotion of the ACT to key domestic and international markets.

Grow the Office of International Engagement

Since the creation of the Office of International Engagement (OIE), the ACT has strengthened its international presence and expanded its global relationships. These efforts have elevated Canberra's profile internationally and supported growth in visitation from priority markets, including North America, Asia and the Pacific.

Industry and trade missions led by the Commissioner and supported by the OIE team have been instrumental in positioning Canberra in key international markets. This coordinated approach has helped drive increased international visitation while also fostering connections that support the ACT's priority sectors, including tourism, space, defence and education.

The OIE also has a central role in supporting the growth of Canberra's export capability. With strong international demand for the ACT's technology, education, professional services and premium products, it is essential that export opportunities are actively pursued to assist local businesses to access global markets. Delivering this outcome requires an OIE that is adequately resourced and funded.

With a team of fewer than 10 staff, the OIE's capacity to advance Canberra's international

engagement is limited. Additional resourcing would strengthen its ability to compete with other jurisdictions in building global partnerships, attracting international visitors and supporting economic growth. This investment would reinforce the shared commitment of the ACT Government and Canberra Airport to position Canberra as a centre for international tourism, trade and investment.

Expanding the OIE also progresses Mission 3 of *CBR 2030: ACT's Strategic Economic Development Framework* by developing increased global partnerships that attract investment, enable exports and support the tourism and aviation sectors.

Increasing the capacity of the OIE will deliver significant outcomes for the ACT by positioning Canberra as a globally connected city.

Recommendation 3

That the ACT Government provide additional funding and increased staffing to the Office of International Engagement to support the establishment of economic, tourism and trade connections between Canberra and key international markets.

Increase the Major Event Fund

Canberra is home to some of Australia's most recognisable major events like Floriade, Enlighten, Canberra Balloon Spectacular and Summernats. These events play a critical role in driving visitation, extending length of stay and supporting visitor spend across hospitality, accommodation and the broader visitor economy.

To increase visitation and visitor spend, the conditions must exist in the ACT to allow established major events to grow while also supporting the development of new ones. Without further investment and funding, there is the risk that Canberra will be unable to maintain its status as a home of high-quality and engaging events.

Between 2011 and 2025, events supported by the Major Event Fund attracted more than 6.5 million attendees, demonstrating the fund's effectiveness in generating visitation and economic activity. Increasing the range of events held in Canberra would build on this success, delivering stronger returns for the local economy.

Canberra Airport believes the annual budget of the Major Event Fund must be increased. Such an investment will reinvigorate the events landscape of the ACT, attract more visitors and directly support the objectives of the *T2030 ACT Tourism Strategy*.

Recommendation 4

That the ACT Government increase funding of the Major Event Fund to ensure Canberra can attract more major events to boost visitation and visitor spend.

Expand the ACT Event Fund

Beyond major events, Canberra's visitation is also driven by a diverse range of unique, innovative and community-led events that celebrate local artists, culture and shared interests. These events contribute to the character of the ACT, enhance its appeal as a destination and play an important role in supporting year-round tourism activity.

The ACT Events Fund provides a strong incentive for local organisers to deliver events that generate economic, tourism and business benefits for Canberra. However, the level of funding available each year limits the number of successful applicants. In many cases, events are scaled back or unable to proceed without financial support.

Canberra Airport believes increasing the allocation to the ACT Events Fund through the Budget would strengthen the local events sector, support the growth of emerging and established events and help attract greater interest from interstate and international visitors, delivering broader benefits to the ACT's tourism economy. Additional investment would also help create the next generation of major events by supporting local creators and community groups, reinforcing the ACT Government's ambition to bring people together and shape Canberra's identity.

Recommendation 5

That the ACT Government increase funding of the ACT Event Fund to support more unique, innovative and vibrant events being held in Canberra.

PLANNING RECOMMENDATIONS

Progress the duplication of Pialligo Avenue

As the population of the ACT and southern NSW grows, it is vital that the road infrastructure is functional to deliver connectivity across the region and ensure residents and visitors can access essential services. A priority must be the duplication of Pialligo Avenue from Brindabella Circuit at Canberra Airport to Capital Terrace at Queanbeyan East.

With the Canberra Airport precinct being a significant employment hub for the region and 3 million people transiting through the terminal each year, it is critical the road network leading to and from the airport can cater for the heavy volume of traffic which use it each day.

The duplication will complement the improvements Canberra Airport, in partnership with the ACT Government, will undertake in 2026 to ease congestion at the Fairbairn Avenue and Majura Road intersection. Addressing this bottleneck has been identified as beneficial to providing better access to the employment and commercial precincts of the airport and to improving the experience for those arriving at and departing the terminal.

As activity along Pialligo Avenue increases, particularly between the airport and

Queanbeyan, congestion will only worsen. This has flow-on effects for productivity, economic growth, safety and the travel plans of those accessing Canberra Airport and beyond. Similar benefits to easing congestion and improving productivity will be realised through the duplication, with an integrated road network delivering broader efficiency gains for the region.

The preliminary design works for the duplication have been completed and the ACT Government must now collaborate with the Commonwealth Government to fund the next stage. Continuing to delay the project will only increase costs, and given that planning has already been undertaken, this is an ideal infrastructure project to deliver in partnership with the Commonwealth Government.

Recommendation 6

That the ACT Government, in partnership with the Commonwealth Government, provide funding to progress the duplication of Pialligo Avenue between Brindabella Circuit at Canberra Airport and Capital Terrace at Queanbeyan East.

Connect the light rail from Civic to Canberra Airport

Canberra's position as one of the most liveable cities in the world can be attributed to the integrated transport network. Canberra Airport plays an important role in this network by enabling the movement of people to-and-from the national capital.

Connecting the light rail from Civic to Canberra Airport is a sustainable solution to reducing congestion in the eastern parts of the city. The business precincts around Canberra Airport are some of the largest employment hubs across the ACT and southern NSW. More than 20,000 people work within the footprint of the airport each day. This is in addition to the 3 million people who transit through the terminal each year.

Extending the light rail corridor to the airport is an efficient and reliable transport option that will offer more seamless travel for those accessing the airport or the nearby business precincts. The introduction of the light rail will improve connectivity and reduce congestion along Morshead Drive, Pialligo Avenue and Fairbairn Avenue.

The economic, environmental and social benefits of extending the light rail from Civic to Canberra Airport will further advance Canberra's status as one of the most liveable cities and improve the visitor experience for domestic and international travellers.

This connection will form an integral part of the city-shaping vision set out by the ACT Government and will integrate seamlessly with the revitalisation of Civic, the new National Convention and Entertainment Centre, and the goal of ensuring the gateway to the ACT is directly linked to the city and its visitor experiences through reliable public transport. With the significant work underway in Civic, and due for completion in the medium term, it is important that planning for the light rail connection between the airport and Civic be addressed in the 2026-27 Budget.

Recommendation 7

That the ACT Government work with the Commonwealth Government to begin planning the extension of the light rail network from Civic to Canberra Airport.

Improve ACT-NSW transport connectivity

Achieving efficient visitor dispersal across the national capital region from Canberra Airport is critical to boosting visitation and visitor spend. Current limitations, such as constrained public transport options and bus timetables that are not well aligned with flight schedules, can make regional dispersal difficult. This reduces the ability of visitors to move beyond the airport precinct and central Canberra, limiting spending and broader economic opportunities for tourism businesses and accommodation providers across the region. Stronger cross-border integration supports the national capital region as a single visitor area, increasing its competitiveness against other regions and presenting opportunities for greater economic returns.

There is a clear opportunity for the ACT and NSW Governments to jointly explore improved regional connectivity options that support visitor dispersal from Canberra Airport into surrounding destinations. Providing airport connections into regional areas have been successful in other jurisdictions and addressing this gap would improve mobility across the national capital region. Building on the existing cross-border partnership would also have a near-term impact on visitor dispersal and visitor spend across the region in this budget year.

The Great Southern Trails event is an ideal example of connectivity across the ACT-NSW border. Through a coordinated mountain bike network extending across Canberra, the Snowy Mountains and the South Coast, a seamless tourism experience has been created that enables visitors to move easily across jurisdictions while contributing to local economies. The success of this initiative demonstrates how collaboration between the ACT and NSW Governments can deliver integrated visitor experiences and highlights a model for jointly designing transport systems that better support regional movement.

By working together, the ACT and NSW Governments can strengthen transport connections from Canberra Airport into surrounding regional destinations. This collaborative approach will support increased visitor dispersal, unlock additional visitor spend and reinforce Canberra's role as the gateway to the broader national capital region.

Recommendation 8

That the ACT Government commit to working with the NSW Government to improve transport connectivity from Canberra Airport to the communities across the national capital region to increase visitor dispersal and spending.

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