

# CANBERRA AIRPORT'S PRE-BUDGET SUBMISSION 2025-26 ACT BUDGET



# 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. As the seat of the Australian public service, the region is also important for the nation's economic growth.

The 2025-26 Budget is an opportunity for funding commitments to be made that advance the national capital region'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 10 key recommendations proposed by Canberra Airport are:

- Grow the Aviation Stimulus Fund
- Invest further in the VisitCanberra budget
- Progress plans for a new National Convention and Entertainment Centre
- Further promote Manuka Oval as a venue for domestic and international sporting events
- Develop the Office of International Engagement
- Increase the Major Event Fund
- Boost the ACT Event Fund
- Connect the light rail from the city to the airport
- Progress the duplication of Pialligo Avenue
- Develop an AAM Action Plan.

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

## Tourism and Trade Recommendations

### Recommendation 1

Canberra Airport suggests that the Aviation Stimulus Fund be increased to a value comparable to other states and territories. A commitment of four years of funding to commence from the 2025-26 Budget is sought.

### Recommendation 2

Canberra Airport recommends that annual funding for VisitCanberra be increased. It is suggested that the amount matches similar sized jurisdictions to ensure the development of a sophisticated marketing campaign that promotes the Canberra region to key domestic and international markets.

### Recommendation 3

Canberra Airport proposes that funding be allocated in the 2025-26 Budget to finalise planning, design and the development of a business case to progress a new National Convention and Entertainment Centre.

### Recommendation 4

Canberra Airport suggests that funding be made available in the 2025-26 Budget to further promote Manuka Oval as a boutique venue for domestic and international sporting events. This will increase visitation and visitor spend across the ACT.



### Recommendation 5

Canberra Airport calls for additional funding and increased staffing be allocated to the Office of International Engagement in the 2025-26 Budget. This will better support the establishment of economic, tourism and trade connections between Canberra and key international markets.

### Recommendation 6

Canberra Airport recommends an increase in annual funding of the Major Event Fund to ensure Canberra can attract more major events to boost visitation.

### Recommendation 7

Canberra Airport suggests that the ACT Event Fund be increased in the 2025-26 Budget to support more unique, innovative and vibrant events being held in Canberra

## Transport and Planning Recommendations

### Recommendation 8

Canberra Airport calls for funding to be allocated in the 2025-26 Budget to begin planning for the extension of the light rail network from Civic to Canberra Airport.

### Recommendation 9

Canberra Airport urges the ACT Government, in partnership with the Commonwealth Government, to provide funding in the 2025-26 Budget to progress the duplication of Pialligo Avenue between Brindabella Circuit at Canberra Airport and Capital Terrace at Queanbeyan East.

### Recommendation 10

Canberra Airport recommends funding be committed in the 2025-26 Budget for the development of an AAM Action Plan in the ACT.



# TOURISM AND TRADE RECOMMENDATIONS

## Grow the Aviation Stimulus Fund

In the years since the COVID-19 pandemic, Canberra Airport has worked jointly with the ACT Government to revitalise international tourism to ensure the attractions of the region are more directly accessible. Securing regular flights from Fiji and the re-establishment of daily flights to Qatar have been the initial steps in this proactive approach to rebuilding the ACT's international tourism markets.

Given the diversity of the ACT population and the opportunity for inbound visitors, it is clear demand exists for Canberra to be connected to global markets. Capacity at Canberra Airport supports more regular international airlines.

The role of the ACT Government in promoting the broader Canberra region to the international market through the *Aviation Stimulus Fund* has been crucial to developing new routes.

But when compared to other states and territories, the ACT is not keeping up in the competition to attract more international routes. For instance, the Queensland Government has injected \$100 million into the *Attracting Aviation Investment Fund*, the NSW Government committed \$60 million through the *Aviation Attraction Fund*, the NT Government provided

\$20 million to the *Territory Aviation Attraction Scheme* and the Tasmanian Government has recently announced \$5.5 million to establish an *Aviation Fund*.

Noting the significant economic and social contribution international travellers make to the broader Canberra region, Canberra Airport has developed an ambitious five-year route development plan with the aim of attracting further international airlines to Canberra. This plan can only be fully realised with support from the ACT Government through the *Aviation Stimulus Fund*.

In order to compete with other states and territories, Canberra Airport believes it is critical to increase the *Aviation Stimulus Fund* so that it is comparable to other jurisdictions.

### Recommendation 1

Canberra Airport suggests that the *Aviation Stimulus Fund* be increased to a value comparable to other states and territories. A commitment of four years of funding to commence from the 2025-26 Budget is sought.

## Invest further in the VisitCanberra budget

The ACT offers unique tourism opportunities for domestic and international travellers, however, visitation numbers are still recovering following the COVID-19 pandemic. Targeted domestic and international marketing campaigns by VisitCanberra can assist in boosting tourism numbers to pre-pandemic levels. Additional resources and funding will add value to the tremendous work VisitCanberra have undertaken in recent years to grow the tourism economy.

It is imperative that funding for VisitCanberra be similar to the marketing expenditure allocated to Tourism Tasmania's \$40 million annual budget. The success of its *Come Down For Air* and *The Off Season* campaigns have illustrated the economic and tourism benefits that can be realised through well-funded marketing initiatives. With additional funding, VisitCanberra would be able to strengthen the promotion of the region to broader domestic and international 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.

### Recommendation 2

Canberra Airport recommends that annual funding for VisitCanberra be increased. It is suggested that the amount matches similar sized jurisdictions to ensure the development of a sophisticated marketing campaign that promotes the Canberra region to key domestic and international markets.

## Progress plans for a new National Convention and Entertainment Centre

As the nation's capital, Canberra is a drawcard for major domestic and international events but is capacity constrained. Investing in a new National Convention and Entertainment Centre will attract high-profile events, performers and business leaders eager to make use of state-of-the-art infrastructure.

By competing with other Australian capital cities to host major one-off events, Canberra tourism operators can begin to achieve a full recovery from the impacts caused by the COVID-19 pandemic.

The sharp spike in short-term visitors to Sydney and Melbourne during February 2024 due to the Taylor Swift concerts demonstrated the significant tourism and economic benefits that state-of-the-art entertainment and cultural facilities afford cities. Similar increases in short-term visitation can be achieved through a new convention centre.

A modern, larger and versatile facility will increase the opportunities to attract events and functions which are befitting of the national capital. This will positively influence leading businesses and organisations to host functions in Canberra, therefore, increasing visitation numbers and driving economic growth.

A new National Convention and Entertainment Centre has been a vision for more than a decade. To begin reaping the economic and tourism benefits, finalising planning, design and the development of a business case must be a priority.

### Recommendation 3

Canberra Airport proposes that funding be allocated in the 2025-26 Budget to finalise planning, design and the development of a business case to progress a new National Convention and Entertainment Centre.

## Further promote Manuka Oval as a venue for domestic and international sporting events

Manuka Oval is recognised as one of the leading boutique sporting venues in Australia. With improved promotion and marketing, it has the potential to attract an even greater share of fixtures across different sporting codes.

The large crowds that have attended AFL, domestic and international cricket matches in recent years demonstrates the unique experiences Manuka Oval offers players and spectators. In addition, many iconic Canberra institutions provide the perfect backdrop for national and international television audiences, which can further promote the ACT to key tourism markets.

Manuka Oval is a valuable asset to grow visitation and visitor spend in the ACT. With more funding to promote the venue, it is likely codes will prioritise Manuka Oval as a host for domestic and international sporting events.

### Recommendation 4

Canberra Airport suggests that funding be made available in the 2025-26 Budget to further promote Manuka Oval as a boutique venue for domestic and international sporting events. This will increase visitation and visitor spend across the ACT.

## Develop the Office of International Engagement

Since the establishment of the Office of International Engagement (OIE), the ACT's global connections have grown markedly. This has placed Canberra on the international stage and increased visitation with key markets such as North America, Asia and the Pacific.

The industry and trade missions that have been initiated by the Commissioner and their team have been critical to promoting the Canberra region to priority markets. This coordination has been central to achieving increased international visitation to the ACT while developing the links that advance key local industries such as tourism, space, defence and education.

The OIE also plays an important role in growing Canberra's export sector. With the ACT's technology, education, services and premium products having strong demand across priority international markets, it is crucial export opportunities are leveraged to support local businesses access global markets. This can only be effectively achieved with an appropriately funded and resourced OIE.

With less than 10 staff, the OIE is limited in its ability to promote Canberra on the international stage. Providing additional funding and more staff will allow the OIE to compete with other states and territories in developing global connections, attracting international tourists and boosting the local economy. This will build on the ACT Government and Canberra Airport's shared commitment to promote Canberra as an international hub for economic, tourism and trade investment.

### Recommendation 5

Canberra Airport calls for additional funding and increased staffing be allocated to the Office of International Engagement in the 2025-26 Budget. This will better 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.

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.

To ensure this does not occur, 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 increase economic return.

### Recommendation 6

Canberra Airport recommends an increase in annual funding of the Major Event Fund to ensure Canberra can attract more major events to boost visitation.

## Boost the ACT Event Fund

It is not just the major events that attract visitation to the Canberra region, but also those unique, innovative and vibrant events which celebrate artists, communities and a variety of interests. Providing support to these initiatives to flourish is also an important part of boosting the ACT's tourism economy.

The ACT Events Fund provides a strong incentive for local event managers and groups to organise events that foster strong economic, tourism and business outcomes for the Canberra region. The lack of funding available each year limits the number of successful applicants. Without funding, many events are unable to proceed as planned, or even at all.

To further promote the local events sector and increase interest from interstate and overseas, it is necessary for more funding to be provided to the ACT Event Fund in the Budget.

### Recommendation 7

Canberra Airport suggests that the ACT Event Fund be increased in the 2025-26 Budget to support more unique, innovative and vibrant events being held in Canberra.



# TRANSPORT AND PLANNING RECOMMENDATIONS

## Connect the light rail from the city to the 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.

### Recommendation 8

Canberra Airport calls for funding to be allocated in the 2025-26 Budget to begin planning for the extension of the light rail network from Civic to Canberra Airport.

## 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.

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 and the travel plans of those accessing Canberra Airport.

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. This is required to ease existing congestion issues and prevent implications of future growth in this part of the ACT and southern NSW.

There must also be improvements of the traffic lights at the intersection of Pialligo Avenue and Fairbairn Avenue to deliver a more seamless travel experience for those commuting from Queanbeyan into Civic. Regular congestion caused by timing issues with the traffic lights delay people from getting to their employment, sporting and social activities on time.

### Recommendation 9

Canberra Airport urges the ACT Government, in partnership with the Commonwealth Government, to provide funding in the 2025-26 Budget to progress the duplication of Pialligo Avenue between Brindabella Circuit at Canberra Airport and Capital Terrace at Queanbeyan East.

## Develop an AAM action plan

As aviation technology advances and the industry moves towards a cleaner, more sustainable future there needs to be increased consideration by government of the potential afforded by Advanced Air Mobility (AAM) technology.

Across the ACT there are various SMEs, researchers and industry participants exploring the possibilities afforded by zero-emission aviation technology. Canberra Airport is supportive of this research and development due to the contribution it may make to reducing aviation's greenhouse gas emissions.

The ACT Government can assist the local advanced aerospace industry to pursue these initiatives by developing an AAM Action Plan. This would support the creation of an investment-ready environment for AAM and other zero-emission aviation technologies being developed in the ACT.

### Recommendation 10

Canberra Airport recommends funding be committed in the 2025-26 Budget for the development of an AAM Action Plan in the ACT.

