

Response to TRC's Submission on TCCAI Collective Bargaining Notification

Dear Ms. Menon,

We appreciate the opportunity to respond to the Toowoomba Regional Council's (TRC) submission dated January 9, 2025, regarding TCCAI's collective bargaining notification (RN10000475).

Key Responses

1. Public Benefits

The Target's claim that public benefits may be overstated lacks merit. Essential services provided by Toowoomba City Aerodrome Tenants, including LifeFlight, RFDS, and Angel Flight, depend on the ability to operate at the Aerodrome under sustainable lease conditions. These tenants' contributions to the community far outweigh potential hypothetical benefits from prospective tenants who lack a proven track record.

Additionally, collective bargaining ensures current tenants' long-term viability, fostering regional stability and attracting new tenants willing to operate in a cooperative, community-focused framework.

2. Delays in Lease Negotiations

The Target acknowledges delays in finalizing leases, with some tenants on month-to-month arrangements due to an overdue market review. These delays disrupt business operations, hinder long-term planning, and deter investment. A 10-year notification period is necessary to ensure lease stability and address TRC's historical delays in negotiations.

3. Scope of Collective Bargaining

The Target opposes the inclusion of "other commercial matters" in negotiations. However, charges such as landing fees and operational costs directly affect tenants' sustainability and should remain part of the collective bargaining scope. Transparent and inclusive negotiations will address longstanding operational challenges while ensuring fairness for all parties.

4. Comparisons to Wellcamp Airport

The Target's reliance on Wellcamp Airport as a competitive alternative is flawed. Wellcamp operates under a commercial model and does not cater to the same tenant profile or community-focused operations as the Aerodrome. The 1993 Aerodrome Deed obligates TRC to operate and maintain the Aerodrome for public use, making comparisons to Wellcamp irrelevant.

5. Financial Viability of the Aerodrome

The Target's assertion that collective bargaining may undermine the Aerodrome's financial viability is unfounded. Tenants have already made significant investments in hangars and infrastructure, bolstering the Aerodrome's value. The financial burden of operational losses should not fall disproportionately on tenants through increased rents and charges.

6. Proposed Notification Term

TRC's proposed two-year notification term is insufficient given the delays in lease negotiations. A 10-year term is reasonable to ensure stability, fairness, and comprehensive resolution of all lease-related issues for current and future tenants. Such notification period would also allow future incoming tenants who wish to participate in the collective negotiation to obtain legal protection. At the conclusion of ten years, TCA Tenants may seek further immunity to see out the duration of the relevant leases. *For reference Redcliffe Aerodrome Camber of Commerce Inc. was granted 10years to negotiate with their respective council on 13th July 2020.*

Conclusion

Collective bargaining is a critical tool to balance power dynamics between TRC and TCA tenants, ensuring sustainable operations that benefit the wider community. We urge the ACCC to uphold TCCAI's notification with a 10-year term and a broad scope that includes other commercial matters.

Thank you for your consideration.

Yours sincerely,
Matt Handley

President

TCCAI