Aviation Attraction Fund

Frequently Asked Questions – Version 1





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Acknowledgement of Country

The Department of State Growth acknowledges and pays respect to Tasmanian Aboriginal people, as the traditional custodians of the land on which we work and live. We honour Aboriginal peoples' enduring connection to Country, which includes the lands, seas, skies, and waterways of lutruwita/Tasmania.

We also recognise and respect the sovereignty of the Tasmanian Aboriginal people. We acknowledge the strength, resilience, and wisdom of Aboriginal people, and we commit to learning from their knowledge and experiences.

1. What is the Aviation Attraction Fund?

The Tasmanian Government has committed \$5 million to the Aviation Attraction Fund to enable Tasmania to be agile and swift in leveraging opportunities by partnering with Tasmanian airports to increase capacity in the Tasmanian market.

2. What is the objective of the program?

The objective of the program is to support economic growth and creation of jobs and opportunities for Tasmanians by building inbound capacity and patronage to Tasmania.

The objective will be achieved through targeted investment to achieve the following outcomes:

- establish and grow new routes and seasonal routes between Tasmania and mainland Australia and within Tasmania
- build international direct air access between Tasmania and New Zealand
- secure and build international direct air access between Tasmania and Asia.

3. How much funding is available?

The Tasmanian Government has committed \$5 million over four years to the fund.

A total of \$3 million has been allocated to the international direct air access stream.

A total of \$2 million has been allocated to the new routes and seasonal routes (domestic) stream.

4. Who can apply?

Applications must be made by a Tasmanian airport and supported by an airline.

5. What is the maximum grant amount that can be requested per proposal?

There is no minimum or maximum amount for any individual grant request. Applications will be assessed as they are received based the merit criteria in the program guidelines. The value of the grant request should be supported by the proposal.

6. What is the difference between the two streams?

The international direct air access stream is open to current and/or new international direct air access that will support delivery of the program objectives.

The new routes and seasonal routes (domestic) stream is open to proposals for new routes and extensions to seasonal routes.

Applicants must ensure they apply under the correct stream.

7. What constitutes an eligible new route?

A route that has never been operated to or within Tasmania or is not currently operated (and has not been operated for a continuous period of no less than 12 months).

8. Would a proposal for a combination of a new route and existing route be eligible under the program?

There is no provision in the guidelines for considering elements of existing routes. Using the funding to support or grow existing routes is inconsistent with the program outcomes which are to:

- establish and grow new routes and seasonal routes between Tasmania and mainland Australia and within Tasmania
- build international direct air access between Tasmania and New Zealand
- secure and build international direct air access between Tasmania and Asia.

9. What is an eligible co-contribution?

The co-contribution may be split between the applicant and partner as best suits the proposal.

To be eligible for consideration, an applicant for a domestic service must demonstrate a co-contribution of no less than 50 per cent. The co-contribution may be in the form of cash or capital expenditure (or a combination), relevant to the delivery of the proposal.

However, the applicant should also consider the relevance of their nominated co-contribution in light of the merit criteria, against which all eligible applications will be assessed. These criteria include points to allow the panel to assess value for money of a proposal:

- level of co-investment and apportionment of commercial risk between parties
- · commitment to demand-generating initiatives to support proposed capacity and

 how the government's potential commitment leverages contributions from other partners to match funding requested.

In determining a co-contribution proposal, an applicant should consider how that proposal aligns with these merit criteria.

10. What is happening with the additional \$500,000 that was announced in October 2024?

This funding allocation is being managed separately to this Program.

11. Will funding under the Aviation Attraction Fund impact existing funding arrangements with Tourism Tasmania?

Current cooperative arrangements and partnership opportunities will continue as normal. There is further opportunity for Tourism Tasmania to align in-market support with new routes supported under this program, which will be assessed on a case-by-case basis.

12. When will the program close for applications?

There is no end date for applications. The program will close once all the funds have been allocated. However, there may be a point in time prior to funding being fully allocated where the utility of the program is reviewed.

13. What happens if an application does not comply with all the criteria outlined in the guidelines?

All applications will undergo an eligibility check. Firstly, we will check that the application meets the criteria of one of the funding streams, as outlined in the program guidelines.

Secondly, we will check that you are an eligible applicant, which is one that:

- 1. Operates an airport in Tasmania that supports, or is demonstrated to be capable of supporting, regular passenger services of the type proposed; and
- 2. Has the appropriate authorities, licences, insurances, and approvals as required to operate the proposed service.

Only applications that meet the eligibility check will be progressed for assessment.

Assessment will be undertaken in accordance with the merit criteria as per the guidelines to ensure fairness for all applicants.

14. Would a proposal for a dedicated freight service be eligible under the program?

The Aviation Attraction Fund aims to increase aviation capacity into Tasmania for the benefits of the visitor economy and Tasmanians accessing more seats to and from Tasmania. There is no provision in the guidelines for considering a dedicated freight service. Further, funding a dedicated freight service does not meet the wider program objectives.

Proposals must consider passengers first, but ancillary benefits, including freight capacity, can also be identified in support of a proposal.

15. What is meant by 'no detriment to established routes and/or markets' in the strategic alignment criteria?

'No detriment' is a qualitative concept and how it will be assessed will be subject to the content of the proposal. One example to consider is if planes are taken from an existing route to service the proposal, then it may be considered to be detrimental unless the applicant can provide justification.

16. Where can I get help with my application?

For queries about this program, contact aviationfund@stategrowth.tas.gov.au



Department of State Growth

4 Salamanca Place Hobart TAS 7001 Australia

Phone: <u>1800 030 688</u>

Email: <u>aviationfund@stategrowth.tas.gov.au</u>

Web: <u>www.stategrowth.tas.gov.au</u>

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