

Question on notice no. 352

Portfolio question number: SQ25-002684

2025-26 Supplementary Budget estimates

**Rural and Regional Affairs and Transport Committee, Infrastructure,
Transport, Regional Development, Communications, Sport and the Arts
Portfolio**

Senator Bridget McKenzie: asked the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts on 12 December 2025—

- (1. Does the Department actively monitor compliance with Head Lease obligations at Moorabbin Airport?
2. How often does the Department audit Head Lease compliance at privately operated airports?
3. Has the Department conducted any Head Lease compliance reviews at Moorabbin Airport in the past five years? If yes, provide dates and outcomes.
4. If potential breaches of Head Lease obligations are identified, what enforcement powers does the Department have?
5. Has the Department ever issued a formal direction, warning, or compliance notice to Moorabbin Airport Corporation?

Answer —

Please see PDF attachment.

Rural and Regional Affairs and Transport

QUESTION ON NOTICE

Supplementary Budget Estimates 2025-2026

Infrastructure, Transport, Regional Development, Communications, Sport and the Arts

Committee Question Number: 352

Departmental Question Number: SQ25-002684

Division/Agency Name: DIV - Domestic Aviation and Reform

Hansard Reference: Written (12 December 2025)

Topic: Audit of Head Lease compliance

Senator Bridget McKenzie asked:

1. Does the Department actively monitor compliance with Head Lease obligations at Moorabbin Airport?
2. How often does the Department audit Head Lease compliance at privately operated airports?
3. Has the Department conducted any Head Lease compliance reviews at Moorabbin Airport in the past five years? If yes, provide dates and outcomes.
4. If potential breaches of Head Lease obligations are identified, what enforcement powers does the Department have?
5. Has the Department ever issued a formal direction, warning, or compliance notice to Moorabbin Airport Corporation?

Answer:

1. Yes.
2. The Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts conducts Airport Head Lease and Compliance Reviews for all 21 leased federal airports every 3 years, on an annual rotating basis.
3. The department conducted an Airport Head Lease and Compliance Review, according to the 3-year annual rotating basis, for Moorabbin Airport Corporation (MAC) in 2023. The outcome was deemed compliant. Another review was initiated by the department in December 2024. This review was separate from the 3-year cycle and was specifically in relation to a tenancy complaint. The review concluded on 28 March 2025. The outcome was deemed compliant.
4. The Airport Head Leases require the Airport Lessee Companies (ALCs) to comply with legislation, including the *Airports Act 1996*, and the *Airports (Ownership) Regulations 2024*. The Act and regulations outline penalties for non-compliance.
5. No. The department engages with all ALCs on compliance with their obligations under the *Airports Act 1996*.