

Melbourne Airport's third runway: why we need it

MELBOURNE AIRPORT

Melbourne is growing rapidly. According to the Federal Government's *2022 Population Statement*, Melbourne will become Australia's largest city in 2031–32 with just over six million people, resulting in increasing air travel and freight demand.

Melbourne Airport has experienced long-term, strong and resilient growth in passenger numbers, freight, imports, exports and aircraft movements. In the last decade, international growth has outstripped other Australian airports.

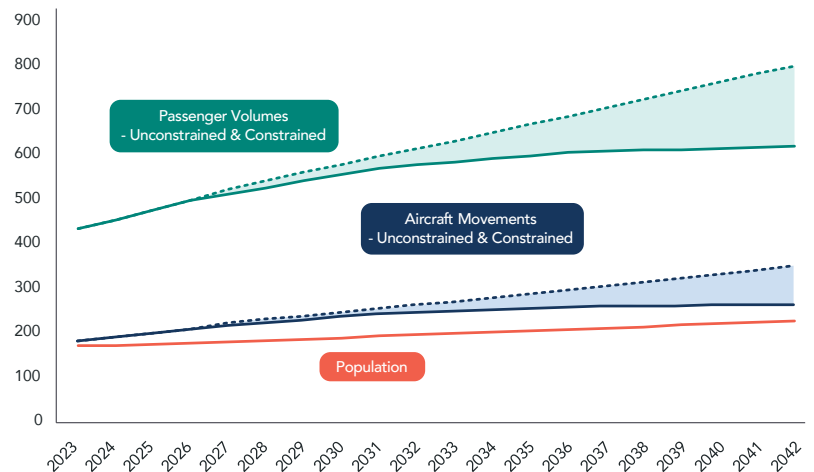
As freight and passenger numbers continue to grow, the current runway system will exceed capacity by 2026 and become increasingly constrained until the third runway opens.

Meeting demand for air travel and freight to and from Melbourne is vital to Victorian and Australian communities and economies. The third runway will unlock economic growth and support thousands of jobs for years to come.

Passenger, aircraft movements and Melbourne's population

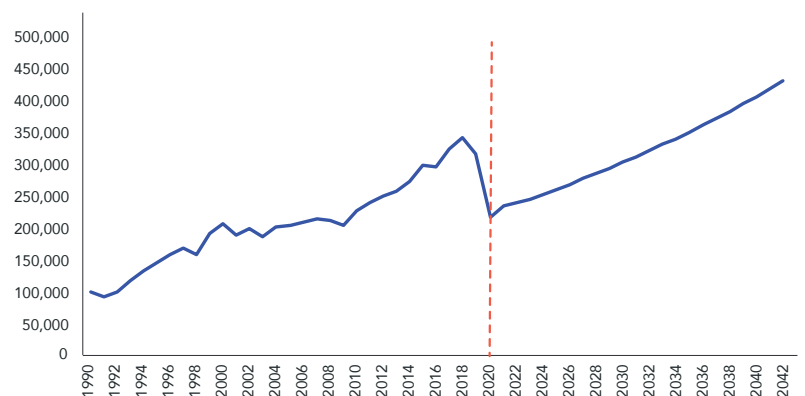
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If capacity is restrained, by 2042 Victoria risks missing out on more than 51,000 jobs and more than \$5.9 billion in Gross Value Added (GVA) – equivalent to 17.5 million passenger trips.



Air Freight Volume*

30% of the nation's air freight market over the last decade flows through Melbourne Airport's precinct.



*Bureau of Infrastructure and Transport Research Economics, Airport Traffic Data 2023 and Melbourne Airport, Third Runway Major Development Plan 2022.

Source: Forecast at 3% z by BITRE

New runway increases capacity



Enables an extra
23 million
passengers to use the
airport every year



40% more
passengers



Enables
136,500
additional aircraft
movements each year



43% more
aircraft movements



In FY 2022-23
205 million
tonnes of freight passed
through Melbourne Airport

Prior to the pandemic
37%
of all Australian exports
were handled by
Melbourne Airport

The need for a third runway



While Melbourne Airport is Australia's busiest 24/7 airport, it operates without a parallel runway, unlike Sydney and Brisbane airports that operate on dual runways. Melbourne Airport's existing cross-runway system is limited by operational dependencies between the intersecting runways, which limits capacity. Without additional capacity, the airport's existing runway system is becoming less resilient and more prone to impacts from Melbourne's weather and wind patterns.

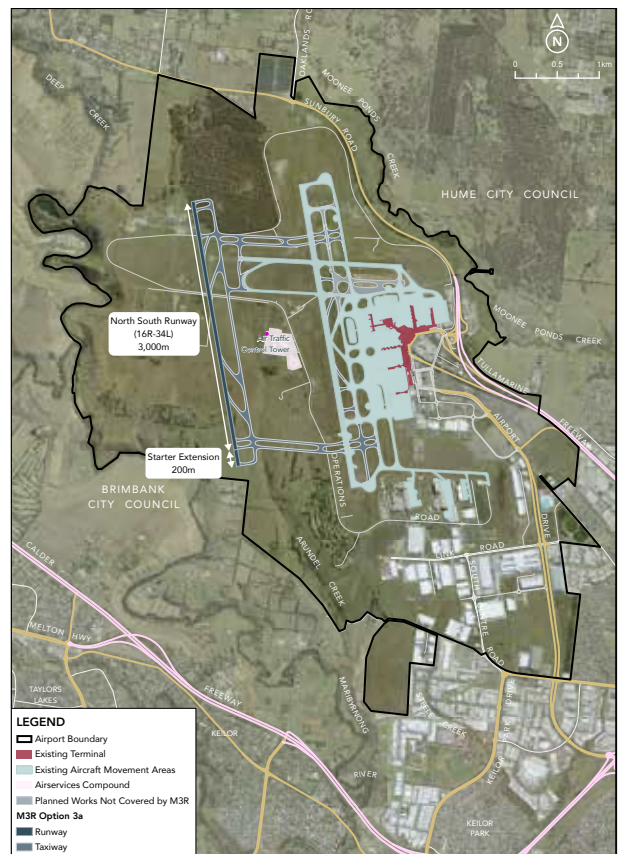
On busy days in 2019, demand on the existing runway system resulted in significant delays. Morning congestion was often unable to clear until midday and progressively impacted the performance of the Australian aviation network over the whole day.

By 2026, demand will exceed capacity during the entire morning, as well as for a period in the mid-afternoon and evening periods for all weekdays throughout the year.

Melbourne Airport is bound by a lease agreement with the Federal Government to develop the airport precinct to meet growing demand. A third runway will:

- expand capacity to support Victoria's booming population and the demands of passengers and freight
- create greater passenger choices through increased airline competition
- reduce delays that are steadily increasing
- enable growing freight, logistics and economic growth in Victoria and Australia.

Additional runway capacity will allow for more arrivals and departures and reduce the amount of time planes spend on the ground waiting to depart.



Average delays will increase without an additional third runway. Growth will be inhibited and hold back the economic and social benefits that Melbourne Airport provides. The cost of air travel will rise, impacting affordability and choice for passengers, freight and national productivity.

MELBOURNE AIRPORT

Around
60%

of all aircraft flying Australian domestic routes and narrow-body short-haul international routes, cycle through Melbourne Airport

every weekday

Freight and logistics supported

**205 million tonnes
worth \$22 billion**

in FY 2023

Additional direct routes to China, Japan, India, Vietnam and Canada expected in near future

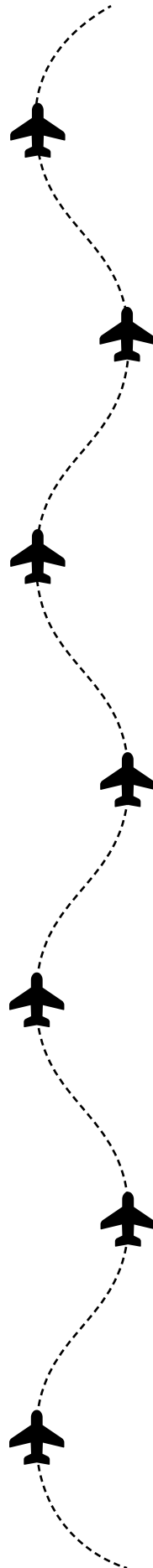
**76 million
passengers**

expected to pass through
Melbourne Airport by 2042

Melbourne Airport is one of the

**busiest airports
in the world**

without a parallel runway system



AND typically

50%

of those aircraft operate

before 10am

Melbourne Airport supports

**6 of the 10
busiest domestic**

flight routes in Australia

Melbourne's population
is expected to reach

**6 million
people by 2031-32**

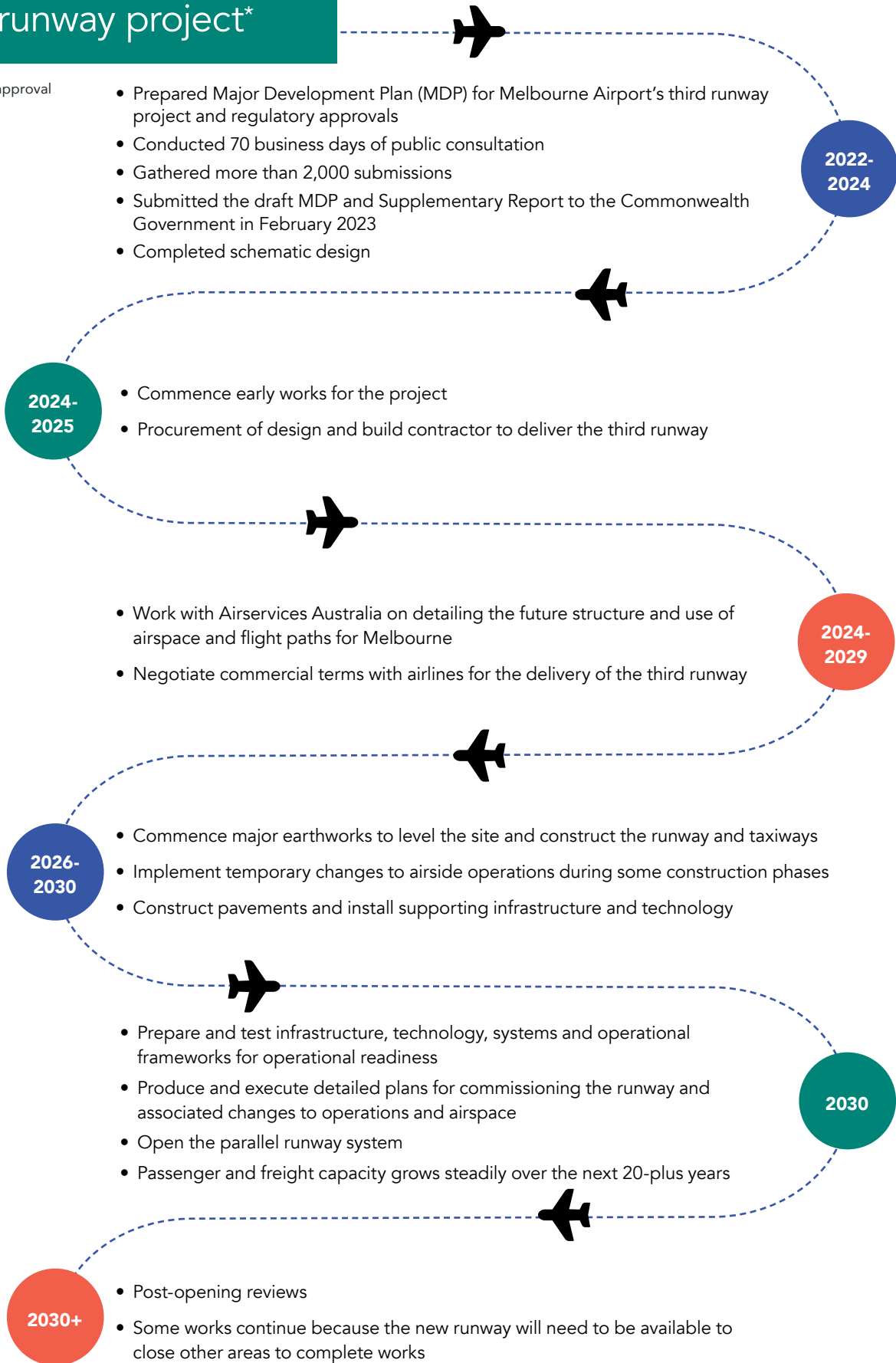
exceeding Sydney and placing
more demand on air travel

Data source: The Melbourne Airport Third Runway MDP, and Melbourne Airport Economic and Social Impact Report 2023, EY

Key phases of the new runway project*



*Subject to approval



For further information contact newrunway@melair.com.au or call 03 9297 1597