



Australian Mayoral Aviation Council

Submission to
the Senate Standing Committee on Rural and Regional Affairs
and Transport

Airports Amendment Bill 2010

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Introduction

This submission to the Inquiry is by the Australian Mayoral Aviation Council, (AMAC). AMAC represents the interests of Local Government Councils and their communities from throughout Australia that have airports located within their area or whose communities are impacted by the activities of those airports. Member Councils represent some 3.25 million residents nationally.

Intent of the Bill

The key areas in which the Bill amends the Act are set out as follows:

- strengthening the requirements for airport master plans and major development plans to support more effective airport planning and better alignment with State, Territory and local planning;
- in relation to the first five years of a master plan, requiring additional information such as a ground transport plan and detailed information on proposed developments to be used for purposes not related to airport services (e.g. commercial, community, office or retail purposes);
- restructuring the triggers for major development plans including capturing proposed developments with a significant community impact;
- prohibiting specified types of development which are incompatible with the operation of an airport site as an airport. However, an airport-lessee company will have the opportunity to demonstrate to the Minister that such a development could proceed through a major development process because of exceptional circumstances;
- integrating the airport environment strategy into the master plan requiring only one public comment period for the combined document recognising that an airport environment strategy is better articulated in the context of the airport's master plan. Transitional provisions are included to address how the expiry dates of environment strategies will be aligned with the expiry dates of master plans; and
- clarifying ambiguous provisions and making housekeeping amendments to update certain provisions of the Airports Act.

Preamble

AMAC has voiced its support for the endeavours of the government to establish a framework and a strategic direction for aviation in Australia and recognises the opportunity to promote the delivery of safe and efficient air travel for the benefit and protection of both the travelling public and the general community.

AMAC also recognises and accepts the major role airports and aviation play in both the state, national and global context.

AMAC also accepts that under existing commercial lease arrangements the operation of airports is a business with an expectation that there will be reasonable returns on investment.

AMAC does contend however that, in planning and development terms, airport operators and their tenants have, to date, operated in a far more favourable regulatory environment than competition outside of the airport boundary. Further, the primary planning focus by airport operators has been on generating revenue with no regard for the impact on surrounding businesses and communities.

Strengthening the requirements for airport master plans and major development plans to support more effective airport planning and better alignment with State, Territory and local planning.

AMAC has consistently expressed concern that, while there are requirements in relation to Master Plans, Major Development Plans and Building Approvals on airport land, land use planning descriptors on airports allow a high, and contentious degree, of flexibility. Certainly there is a demonstrable flexibility in the permissibility of airport developments not available under planning instruments that are applicable to off-airport project applications.

The degree to which the process for identifying the permissibility of on-airport development is required to conform to local planning requirements will be critical. A high degree of conformity will ensure the effective Master Planning of the entire community with the inclusion and integration of the airport into its community rather than in spite of it. It will also ensure a level playing field for business in accordance with national competition principles.

AMAC, through previous submissions on the National Aviation Green Paper has endorsed an integrated approach to transport planning for major airports.

The volume and mix of traffic generated by airport operations has a direct impact on the surrounding transport network and on residents who also utilize the same network on a daily basis.

The projected growth of our cities together with the projected growth in aviation activity at our major airports will mean increased pressure and conflict.

To this point airport operators have generally adopted an isolationist approach while State governments with the primary responsibility for major road and public transport infrastructure have largely adopted a similar approach. At the same time local government, whose residents bear the brunt of this increasing conflict, and whose own public assets are often degraded by those seeking to escape the conflict, have not been given a meaningful voice in addressing this issues.

Once again effective, meaningful and respectful consultation involving all tiers of government and effected communities is, and will remain, essential.

The Explanatory Memorandum accompanying the Bill puts forward four options:

- **Option A: the Status quo** – Definitely not supported as the system is inequitable, is exclusive and, put simply, does not work.
- **Option B: Tighter regulation of planning and development on leased federal airports to facilitate better integration of on-airport and off-airport planning** – The description of this option captures what is required. The establishment of proposed Planning Co-ordination Forums with an effective charter is supported. The proposition that Airport Master Plans be required to address ground transport requirements and to justify variances between on and off-airport planning requirements is also supported. Any such justification should not only be on planning grounds but should also address the economic impact on existing businesses both on and off-airport.
- **Option C: A balanced approach involving regulatory change to facilitate investment in aeronautical infrastructure and better integration of on-airport and off-airport planning** – The need for facilitated investment in aeronautical infrastructure is acknowledged while an integrated approach to planning has already been supported.

What is strenuously opposed under this Option is the proposition that Planning Forums and Consultation Groups be established non-legislatively.

History provides clear evidence that a voluntary framework has not worked. In any case a voluntary arrangement relies on the goodwill of the parties. It is suggested that, where difficult decisions are to be made on matters with a significant positive or negative consequence for either party, goodwill will almost certainly finish second.

AMAC contends that the composition, structure, charter and obligations of these bodies must be clearly spelt out and be re-enforced and accountable through legislation or regulation.

AMAC would concede that, where a major development is specifically for aeronautical purposes and the development will have no impact on surrounding community or business interests, the time required for consideration of the application could be modified. However such modification must be restricted to developments with a direct aeronautical function such as navigation aids, control towers and the like.

- **Option D: Accredited State/Territory Government planning laws to apply to airports but allow the Commonwealth Minister to exercise decision making powers** – The difficulty, time and cost involved in securing this option is appreciated. It is anticipated that a properly structured integrated approach might be achieved through the Forums and Groups proposed by the White Paper provided they have an effective charter, are adequately resourced and are representative of all of the relevant parties. However, if that approach founders then this Option, or a derivation of it, may be the only way to deliver a positive outcome.

In relation to the first five years of a master plan, requiring additional information such as a ground transport plan and detailed information on proposed developments to be used for purposes not related to airport services (e.g. commercial, community, office or retail purposes).

AMAC has consistently expressed the view that there must be absolute surety that the primary focus for on-airport land use is catering for aviation related infrastructure. Non-aviation development must not be permitted to compromise or jeopardise the primary function of the airport.

Further to this, planning and development do not occur in five-year blocks. While it may be appropriate to provide detailed plans with a five-year horizon, such plans should not be static but should present a rolling five-year program with adequate opportunity for appropriate consultation and input and provide for timely and meaningful feedback.

Restructuring the triggers for major development plans including capturing proposed developments with a significant community impact.

Genuine communication, consideration and feedback remain critical to any positive outcome.

The proposition that all on-airport developments are publicly notified is supported.

The proposition that there should be consultation and third party assessment requirements in relation to proposed developments with a community impact is supported while a rigorous process in relation to developments with a significant community impact is absolutely essential.

Prohibiting specified types of development which are incompatible with the operation of an airport site as an airport. However, an airport-lessee company will have the opportunity to demonstrate to the Minister that such a development could proceed through a major development process because of exceptional circumstances.

Incompatible development should be exactly that. Incompatible in this sense means that there is conflict between the development activity and airport operations or that either or both will need to modify their behaviour to accommodate the other, often to the detriment of one or both parties.

Integrating the airport environment strategy into the master plan requiring only one public comment period for the combined document recognising that an airport environment strategy is better articulated in the context of the airport's master plan. Transitional provisions are included to address how the expiry dates of environment strategies will be aligned with the expiry dates of master plans.

Agreed providing there is an appropriate time period for comment and a provision for meaningful feedback.

Clarifying ambiguous provisions and making housekeeping amendments to update certain provisions of the Airports Act.

Agreed.

Conclusion

Any amendments to airport legislation need to recognise that the core business of aviation is a unique commercial activity, however, non-aviation commercial development is not.

The businesses operated on-airport by commercial lessees compete with businesses in other parts of the city in which the airports are located. It is therefore both equitable and appropriate that the planning constraints for on-airport development are measured against those applying to competitors.

Further, the land-based activities of airports must integrate into the communities in which they operate. They must not be allowed to receive consideration only when airport operations are sufficiently impacted by conflict with surrounding activities as to affect the economy of the airport operator.

Should the Committee wish any of the matters raised in this submission further clarified then AMAC will be pleased to do so.
