



Inquiry into the *Airports Amendment Bill 2010*

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

Sydney Airport Corporation Limited

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Background

On 24 June 2010 the Senate referred the *Airports Amendment Bill 2010* (the Bill) for inquiry and report.

This Bill amends the *Airports Act 1996* (the Act) to give effect to the legislative reforms announced in the Australian Government's National Aviation Policy White Paper, particularly in relation to the planning regulatory framework and the requirements for master plans and major development plans.

Sydney Airport Corporation Limited's roles and responsibilities

Under the Act, Sydney Airport Corporation Limited (SACL) is the airport-lessee company for Sydney Airport. SACL's general roles and responsibilities at Sydney Airport are to:

- manage Sydney Airport operations as a whole, and ensure the effective delivery and coordination of airport-related services and facilities. SACL operates the International Terminal (T1) and the Multi-user Domestic Terminal (T2) as well as the associated gates, departure and holding lounges, aerobridges, car parks, baggage handling and other passenger facilities. The Qantas Domestic Terminal (T3) at Sydney Airport is operated by Qantas.
- provide and maintain all necessary on-airfield infrastructure such as runways, taxiways, aprons, aircraft parking bays, airside lighting, airfield visual aids and ensure Sydney Airport complies with all necessary aviation safety standards.
- manage certain aviation security arrangements, including passenger and checked baggage screening, security patrols and surveillance, physical security and electronic access control systems, and security quality control and coordination.
- manage road traffic within the international and domestic terminal precincts in close cooperation with surrounding roads (which are managed by the RTA) and provide on-airport car parking.
- coordinate initial response to airport incidents and emergencies.

The Act also requires SACL to prepare a master plan for Sydney Airport, in consultation with the community and other key stakeholders. In part, the purposes of a master plan are:

- to establish the strategic direction for efficient and economic development at the airport over a 20 year period;
- to indicate to the public the intended uses of the airport site; and
- to reduce potential conflicts between users of the airport site, and to ensure that uses of the airport are compatible with the areas surrounding the airport.

Following an extensive community and stakeholder consultation process, the Sydney Airport Master Plan 2009 was approved by the Minister for Infrastructure, Transport, Regional Development and Local Government on 19 June 2009. The planning period for the master plan covers the 20 year period 2009 to 2029.¹

¹ The Master Plan 2009 can be downloaded from <http://www.sydneyairport.com.au/SACL/Master-Plan.html>

Aviation activity at Sydney Airport

Sydney Airport is Australia's major gateway to the world. Servicing 44 airlines and with 45% of all Australia's international airline passengers arriving in Sydney, it is also our nation's busiest airport. In 2009, Sydney Airport saw 33 million passengers pass through its terminals, accommodated just under 290,000 aircraft movements and handled 647,000 tonnes of freight.

Sydney Airport is busier than any train station in Sydney and handles more passengers than Central, Town Hall or Wynyard stations. Last year, the daily average usage was just over 90,000 passengers. In addition, there are 12,000 people who work at the airport on any given day and approximately 30,000 people who meet, greet or farewell passengers. This means that just over 132,000 people use Sydney Airport daily.

As outlined in the approved Master Plan 2009, this level of aviation activity is forecast to grow over the next 20 years. Specifically:

- passengers are forecast to grow by 4.2% per year to 78.9 million in 2029;
- aircraft movements are forecast to grow by 2% per year to 427,400 in 2029; and
- air freight is forecast to increase by 3.8% per year to 1,077,000 tonnes in 2029.²

The economic significance of Sydney Airport

The significant and growing level of aviation activity at Sydney Airport underpins the airport's role as an employer and economic driver of state and national importance. Sydney Airport today makes a direct contribution of \$8 billion to NSW Gross State Product. With flow-on impacts taken into account, the airport's economic contribution increases to \$16.5 billion and is forecast to rise to more than \$27 billion by 2015/16. This is equivalent to 6% of the NSW economy and 2% of the Australian economy. Around \$7.4 billion is also contributed directly to household incomes every year – that is, more than \$142 million is injected into family budgets each and every week.³

This substantial economic contribution translates into well paid jobs. It is estimated that Sydney Airport provides or generates more than 75,000 jobs directly and about 131,000 jobs indirectly, making a total of around 206,000 jobs. This year alone, it is estimated that these jobs will deliver around \$257 million in payroll tax revenue to the NSW Government, or around \$1.3 billion over the next five years and considerably more over the next 20 years. As a result of this forecast growth in the airport's economic contribution, the total number of jobs provided or generated by Sydney Airport is expected to rise to more than 338,000 by 2015/16.

Comments concerning the Bill

The Bill implements some of the Australian Government's aviation policy as outlined in the *National Aviation Policy White Paper* released by the Minister for Infrastructure, Transport, Regional Development and Local Government in December 2009. SACL notes and appreciates the extensive consultation undertaken by the Government during the development of the White Paper (which included the release of an Issues Paper and Green Paper). SACL has also appreciated the willingness of the Department of Infrastructure, Transport, Regional Development and Local Government to brief airports on the Bill following its tabling in the House of Representatives in June 2010.

² Sydney Airport Master Plan 2009, Chapter 5.

³ URS Australia Pty. Ltd., *The Economic Impact of Growth at Sydney Airport*, 2008.

However, there are some aspects of the Bill that were either not raised during the Green/White Paper process or that have been drafted in such a way as to have unintended consequences. Had airports (and other stakeholders) been consulted during the drafting of the Bill, these unintended consequences could have been avoided prior to the Bill being introduced to Parliament.

SACL also notes that the Bill empowers the Government to intervene more easily and more often with respect to airport development and related matters, and in a way that will be difficult to predict given the proposed broader and in some cases vaguely worded definitions and discretionary powers provided in the Bill. This is particularly the case with respect to the definitions of what constitutes major airport development. This will have the effect of increasing the regulatory risk associated with the aviation industry and appears to be inconsistent with the objectives of light-handed regulation.

If enacted, some provisions in the Bill will likely result in minor on-airport development becoming 'major airport development' for the purposes of the Act, thus requiring the preparation and Ministerial approval of a major development plan (MDP). The process for preparing MDPs is already highly complex and costly, and involves the preparation of four separate versions: an Exposure draft MDP, a Preliminary Draft MDP, a Draft MDP and a Final MDP. SACL notes that the preparation of an 'Exposure draft MDP' – which the Department of Infrastructure, Transport, Regional Development and Local Government has advised airports to prepare in certain circumstances so it can be referred to the Department of Environment, Water, Heritage and the Arts for comment – is not even mentioned in or required by the Act.

By way of example, using the Bill's Explanatory Memorandum as a guide, when deciding what constitutes a 'significant impact on a local community', airports should ask themselves: 'will the proposed development increase traffic in the immediate surrounds of the airport?'. If the answer is 'yes', it is likely that the development should be considered as a 'major airport development'. This has the potential to capture a wide range of minor developments that were previously and properly not subject to the MDP process. Consider a development proposal involving a fast food outlet, small service station or minor airfreight handling facility. As each would result in at least some increased traffic in the immediate surrounds of the airport, they would become major airport developments and be subject to the preparation of the abovementioned four MDP versions, a public comment period of at least 60 business days and, ultimately, the approval of a senior Cabinet Minister. However, had that same development been proposed for a site across the road from the airport, it would likely be subject to a simple development application, a public comment period of between 14 and 30 days and approval by a mid-level town planner at the local council, who would probably be acting under delegated authority.

The Bill will also make the task of preparing master plans more complex and costly, though SACL notes this is partially offset by the decision to integrate airport environment strategies with master plans.

As highlighted in the report prepared for Infrastructure Partnerships Australia and the Tourism & Transport Forum *Assessing the Impact of Airport Privatisation*⁴, airport privatisation and the master planning process have been a marked success. The trend to complicate the development approvals and master planning processes for airports is in contrast to that which has been apparent over recent years in all States and Territories to simply, clarify, standardise and expedite development assessment and approval processes in all other areas of the economy, especially where it involves the provision of critical and/or nationally important infrastructure. SACL believes it is important to ensure that excessive re-regulation does not become over-regulation, which would increase regulatory risk and undermine the ability of airports to provide, in a timely and commercially viable manner, the vital aviation infrastructure that Australia will so clearly need in the future as aviation activity continues to grow.

Detailed comments concerning specific provisions in the Bill are included at **Attachment A**.

⁴ The report can be downloaded at <http://www.ttf.org.au/Content/airportprivatisation08.aspx>

Detailed comments concerning specific provisions in *Airports Amendment Bill 2010*

Proposed section in Bill	Issue	Comments
Amendments concerning airport master plans and environment strategies		
section 71(2)(ga)	Inclusion of five year ground transport plans in 20 year master plans	<p>This provision would require airports to include in future master plans a ground transport plan that relates to the first five years of the master plan's 20 year planning period. As the first major airport in Australia to prepare a Ground Travel Plan in 2006⁵, Sydney Airport Corporation Limited (SACL) acknowledges that the preparation of ground transport plans has merit. The preparation of such plans will help to ensure that, in future, better coordination is achieved between the provision of aviation infrastructure and the necessary supporting landside ground transport infrastructure.</p> <p>However, as the successful preparation of such plans will fundamentally rely on information that can only be provided to airports by third parties – in this case the various road and public transport agencies of state governments – there is a concern as to how the Australian Government will assess the content of the five year ground transport plan when assessing the overall draft master plan.</p> <p>As currently drafted, the provision effectively requires the airport to obtain details about how and when <u>off-airport landside</u> road and public transport infrastructure and services will be provided. The provision of such off-airport infrastructure and services is, of course, predominantly the responsibility of state governments (and in some cases local governments).⁶ In contrast, the provision of aviation and airport-related infrastructure (which can be located airside or landside) is predominantly the responsibility of airports. This clear division of responsibility was established when the Government granted long-term leases for Australia's major airports to privately-owned airport lessee companies between 1997 and 2003.</p> <p>With this in mind, SACL would be concerned if a state government (for whatever reason) was unwilling or unable to provide an off-airport landside road network and/or public transport system that was adequate to accommodate the growth in aviation activity at an airport, as forecast in the airport's master plan. This is a particularly relevant issue for Sydney Airport. For example, when approving the Airport Rail Link (which links the Sydney CBD to Sydney Airport and includes four privately operated stations, two of which are located beneath the airport's terminals), the NSW Government</p>

⁵ SACL's Airport Ground Travel Plan can be downloaded at <http://www.sydneyairport.com.au/SACL/Airport-Ground-Travel-Plan.html>

⁶ However, it should be noted that the airport sites leased by the Commonwealth sometimes include that part of the landside road network in the immediate vicinity of the airport terminals and/or the airport boundary. For example, in Sydney's case, Airport/Qantas Drive, Keith Smith Avenue, roads in the vicinity of the International Terminal and some other roads all lie within the leased airport area and are therefore SACL's responsibility.

Proposed section in Bill	Issue	Comments
		<p>contractually prevented itself from freely developing or substantially upgrading an alternative subsidised land based public transport route between the Sydney CBD and Sydney Airport.⁷ This resulted in the NSW Government progressively withdrawing public bus services from the airport to the point where today, there is only <u>one</u> bus route servicing the airport's three terminals, and it doesn't even pass through the CBD or the area where most airport workers live. The Government has, to date, been unwilling to provide any additional public bus services to and from the airport. Passengers and airport workers are also discouraged from using the train because to do so, they must pay a premium which results in their train fare being around 400% higher than normal CityRail fares. Taken together, this illustrates the NSW Government's failure to provide an adequate public transport system at the airport.</p> <p>With respect to the road network surrounding airports, the lead time for the delivery of NSW road infrastructure will, in many instances, be much longer than the five year period covered by the ground transport plan. In the case of Sydney Airport, delivery of the necessary motorway infrastructure is subject to significant external risks and constraints. For example, completion of the M5 East duplication and M4 Extension – both of which are necessary to support growth in aviation activity at Sydney Airport <u>and</u> maritime activity at the Port Botany – is, at best, more than five years away. The NSW Government has also indicated it will not proceed with construction of the M4 Extension unless the Australian Government and/or private sector provide the necessary funding.</p> <p>While any future ground transport plan for Sydney Airport will clearly identify this failure to provide an adequate public transport system and the ongoing delays in enhancing the motorway network, SACL would be concerned if the NSW Government's unwillingness and/or inability to provide the necessary off-airport landside ground transport infrastructure and services was interpreted by the Australian Government in such a way as to prejudice the final approval of the master plan or to invalidate the underlying transport assumptions and conclusions on which it is based. To do so would put at risk a major portion of a master plan, which would subsequently require variation or amendment in response to any change by the State Government to its transport policies or strategies or to the timeframe within which transport infrastructure projects are delivered.</p> <p>To the extent that SACL must rely upon known or unknown ground transport projects, even after consulting with 'state or local or other bodies', the development of a ground transport plan therefore becomes a key risk to the master planning process. This is due to the implication that, if such projects are <u>not</u> delivered by the state government, the master plan will need to be substantially altered and/or proposed land use zonings changed to match the capacity of the off-airport ground</p>

⁷ The Contract Summary can be downloaded at [http://www.wwg.nsw.gov.au/NSW Projects/new southern railway stations agreement](http://www.wwg.nsw.gov.au/NSW_Projects/new_southern_railway_stations_agreement)

Proposed section in Bill	Issue	Comments
		<p>transport infrastructure and services that the state government had indicated a willingness to provide at the time of consultation. In such circumstances, this would effectively act as a state government imposed brake on growth in aviation activity at Australia's major airports, an outcome that would clearly be against the national interest.</p> <p>SACL stresses that this is a very real risk. For example, in recent years, the NSW Government has announced and then deferred or cancelled a range of ground transport projects including:</p> <ul style="list-style-type: none"> • M4 East Extension • M5 East duplication • North west rail line • South west rail line • Hurstville to Strathfield Rail Line • Chatswood to Parramatta rail line • Fast train to Newcastle • Fast train to Wollongong • Western Metro • North west Metro • Rozelle Metro • F6 North • Rail extension to Bondi • Liverpool Y Link rail line • F3 link to the M2 or Westlink M7 • Thirroul rail tunnel • Blacktown – Wetherill Park Bus Transitway • Parramatta – Strathfield Bus Transitway <p>A more realistic approach would be for airports to include in their master plan the forecast airport-related vehicle traffic at each point where the airport interfaces with the road network in the surrounding area, as well as the forecast demand for the various modes of public transport.</p> <p>Ground transport plans should also make it clear that as state or local authorities are responsible for the landside road network and public transport system, those authorities should also be responsible for and be held accountable for providing effective <u>implementation</u> arrangements.</p> <p>This objective could be progressed in a practical sense through application of the new Capital Cities Planning System requirements which COAG adopted in December 2009. COAG agreed that:</p> <p style="text-align: center;"><i>Capital city strategic planning systems should ... provide for nationally-significant infrastructure (both new and upgrade of existing), including transport corridors, international gateways [and] intermodal connections .</i></p> <p>The COAG Reform Council will independently review the consistency of capital city strategic plans with the above (and other) national criteria during 2010 and 2011.</p>

Proposed section in Bill	Issue	Comments
section 71(2)(gb)	Inclusion of five year detailed proposed development plans in 20 year master plans	<p>This provision would require the 20 year master plan to include within it a more detailed master plan or quasi-precinct plan covering the first five years.</p> <p>In effect, this would require the master plan to identify specific proposed developments for each individual allotment of land within the airport site. This is contrary to the general principles of land use zoning, whereby a range of uses are identified as being permissible within a particular zone. When linked to the proposed ground transport plan, this new requirement would result in airports needing to produce a detailed five year development plan which would include specific details on the footprint, design, height and use of any proposed building, as well as the likely transport, environmental, employment, economic and community impact of that building. For airports, such detailed assessment is usually undertaken when preparing a preliminary draft major development plan, prior to it being exhibited for public and stakeholder comment.</p> <p>Further, if such a detailed assessment identified a need to make changes to any of the abovementioned features of the building or its proposed use, the master plan would again need to be varied or amended, resulting in additional costs and regulatory uncertainty for airports. At the time airports are preparing their master plan, they may not know precisely what type of development may be required, or demanded by prospective tenants in five years time (for example, due to external demand factors). This makes meaningful impact analysis difficult to undertake.</p> <p>SACL refers the Committee to Chapter 15 of the Sydney Airport Master Plan 2009⁸, which indicates that the actual timing for each of the specific developments proposed for the first five years of the plan's 20 year planning period in various parts of the airport "...will depend on the realisation of the demand triggers, SACL's assessment of prevailing and forecast market conditions, the carrying out of any necessary environmental assessment and approvals processes and the outcome of stakeholder consultation processes." The likely environmental and ground transport implications of these developments are outlined in Chapter 5 of the Sydney Airport Environment Strategy 2010 – 2015.⁹</p> <p>SACL believes this provision will only work in a practical sense if the requirement to include 'detailed information' in the proposed five year development plans is interpreted in such a way as to allow airports to present a five year plan which includes a broad range of development options, each of which is consistent with the permissible uses within the particular zoning.</p> <p>If additional detail is required then the minor variation provisions should <u>only</u> be triggered by substantive changes.</p>

⁸ which can be downloaded at <http://www.sydneyairport.com.au/SACL/Master-Plan.html>

⁹ which can be downloaded at <http://www.sydneyairport.com.au/SACL/Environment--Environment-Strategy.html>

Proposed section in Bill	Issue	Comments
section 71(2)(gc)	<p>Inclusion of five year employment, economic and community impact analysis</p> <p>Alignment with local planning schemes</p>	<p>As with proposed section 71(2)(gb), an airport may not know precisely what kind of development, or what mix of developments, will proceed on any particular site at the time it is preparing its master plan. Such decisions will necessarily depend on the range of abovementioned criteria. As such, the detailed aspects of employment, environmental or community impact would not be known. Changing the use of the land, even if the new use was still consistent with the zoning as expressed in the master plan (for example from an office building to a hotel), may trigger the need to revise the impact analysis and, more than likely, vary or amend the master plan itself.</p> <p>External factors such as changes in adjoining local government land use zonings, as well as supply/demand factors will also influence the analysis. Such analysis is based on a range of known factors and assumptions, and can, over a relatively short period of time, change.</p> <p>An analysis of how "...the proposed developments fit within the planning schemes for commercial and retail development in the area that is adjacent to the airport" may, in some instances, result in an unfair comparison because many of the developments that are located on airports are necessarily airport-specific or related thus attracting different development standards. For example, an on-airport hotel would require less car parking than that proposed in local planning schemes for an off-airport hotel because of the air passenger market catchment and ability to use the airport's pre-existing car parks.</p>
section 71(2)(h)	<p>Inclusion of five year airport environment strategy in 20 year master plan</p>	<p>The inclusion of the five year airport environment strategy (AES) in the 20 year master plan has merit and is supported.</p> <p>However, it should be noted that, as an unamended section 116 (contents of draft or final environment strategy) of the Act is simply being moved to become the new section 71(2)(h), the AES will still be required to contain the specific actions, policies and targets that the airport proposes to undertake or meet over the first five years of the master plan planning period to address the range of ground-based environmental aspects and impacts associated with the operation of the airport.</p> <p>Therefore, as with the proposed five year ground transport plans, five year detailed development plans and five year employment/economic/community impact analysis, the linking of relevant actions, policies and targets to specific developments proposed in the master plan will need to be interpreted flexibly. This is because, at the time the master plan is prepared, an airport will not necessarily know exactly what kind of development will proceed on any given site or precisely when it will proceed. Such decisions will depend on a range of factors, as outlined in Chapter 15 of the Sydney Airport Master Plan 2009 and as listed above. It is also the case that innovative and environmentally sustainable service provision can sometimes be costly, thus requiring long lead times and certainty over the future demand for such services.</p>

Proposed section in Bill	Issue	Comments
		<p>As a result, the detailed environmental impacts associated with particular developments will not necessarily be known with precision at the time the master plan is being prepared. Changing the use of the land – even if the new use was still permissible in the relevant zone – may trigger a need to revise this environmental analysis and, more than likely, amend the master plan itself. This would create regulatory uncertainty as well as be time consuming and costly.</p>
Sections 71(6) and 91(4)	Analysis concerning the alignment of state and local planning laws, and justification for any inconsistencies	<p>The Bill would require airports to undertake a detailed analysis of a range of off-airport local and state planning laws and schemes, with a view to identifying and justifying any inconsistencies with the proposed on-airport planning scheme.</p> <p>With respect to Sydney Airport, SACL notes the following existing general inconsistencies:</p> <ul style="list-style-type: none"> • The periods for public comment under the <i>Airports Act 1996</i> are not comparable with those operating off-airport. For example the NSW <i>Environmental Planning and Assessment Act 1979</i> (for both the major project and development application processes) are 30 days compared to 60 business days or more under the <i>Airports Act 1996</i>.¹⁰ In the case of council areas adjoining Sydney Airport, the public comment period can be as short as 14 days; • State planning laws have been recently reformed to reduce bureaucracy and streamline development assessment processes for major projects. Conversely, the amendments proposed in the Bill would increase complexity in the development assessment process for airports; and • Local environmental plans, which in terms of land use zoning are equivalent to an airport master plan, do not prescribe specific developments as the Bill would require airports to do.
Section 71(10)	Definition of 'airport service'	'Airport service' is loosely defined. The language should be more specific and include supporting developments, including (but not limited to) hangars, airport car parks and hotels.
Amendments concerning major development plans		
Section 89(1)(ba)	A development that consists of altering a runway	<p>This amendment – which was not foreshadowed in either the Aviation Issues, Green or White papers – is flawed and will result in unintended consequences. It would catch any runway alteration, and not just those that would affect flight paths or aircraft noise. And there is no definition of what constitutes “altering” - does it extend, for example, to simple routine maintenance such as surface repair, runway resheeting or the installation of new or the maintenance of existing runway lighting ? In practical terms this amendment, if enacted in its present form, could result in essential maintenance work that</p>

¹⁰ for example, see

http://www.planning.nsw.gov.au/LinkClick.aspx?fileticket=717X16ikH_A%3d&tabid=203&language=en-AU

Proposed section in Bill	Issue	Comments
		<p>would cause part of a runway to be unavailable for only a short period of time being extensively delayed by a lengthy major development plan process, thereby potentially compromising aviation safety.</p> <p>As with the Australian Airports Association, SACL would not object to a requirement that runway developments that significantly affected flight paths or increased aircraft noise on an ongoing rather than simply temporary basis should be classified as major airport development and therefore subject to approval of a major development plan.</p>
section 89(1)(na)	A development of a kind that is likely to have a significant impact on the local or regional community	<p>The vague nature of this proposed amendment is of concern as it has the potential to create significant regulatory uncertainty for airports. No definition is provided as to what constitutes 'significant impact'. While SACL understands administrative guidelines will be prepared to assist airports when making such judgements, this amendment would, if enacted, give the Minister the power to call in virtually every development at an airport. As such, clarity is needed and airports should be consulted before these guidelines are finalised.</p> <p>For example, if the Bill's Explanatory Memorandum is used as a guide, to assist when deciding what constitutes a significant impact on a local community, airports are to ask themselves 'Will the proposed development increase traffic in the immediate surrounds of the airport?'¹¹. Of itself, this has the potential to capture any new development because, as outlined in the main body of this submission, it would (for example) result in a fast food outlet, small service station or minor airfreight handling facility being subject to the preparation and Ministerial approval of a major development plan.</p> <p>This provision could also result in an additional burden being placed on Departmental officers as airports consult the Minister each time a development is conceived in order to ensure that development is not 'at risk' of requiring the preparation of a major development plan.</p>
Section 89(5)	Major development plan not required in certain circumstances	<p>This provision would empower the Minister to determine, in certain defined circumstances, that a proposed development does not constitute major airport development, thus removing the need to prepare a major development plan.</p> <p>SACL notes the following relevant extract from the National Aviation Policy White Paper:</p> <p><i>"... the Australian Government proposes to remove the triggers for lodgement of a major development plan for aeronautical-related developments, such as building a new or extending an existing passenger terminal, or a taxiway that does not affect runway configuration. Such proposals have historically attracted minimal interest in the public</i></p>

¹¹ refer page 26 of the Explanatory Memorandum to the Bill.

Proposed section in Bill	Issue	Comments
		<p><i>consultation processes. Proposal would still be subject to all applicable safety and security controls.</i>¹²</p> <p>However, the reality of the proposed new section 89(5) is that the same triggers for lodgement of a major development plan will continue to exist as before, though with additional discretion provided to allow the Minister to excuse a proposed development subject to it meeting a number of defined tests. These tests are outlined in proposed section 89(5)(b).</p> <p>SACL is of the view that the language used in these tests will result in many, if not in all proposals, still being classified as major airport development, thus requiring preparation of MDPs. Such an outcome would undermine the achievement of the abovementioned White Paper policy objective.</p> <p>The requirement for the Minister to be satisfied, on reasonable grounds, that the development will not increase the operating capacity of the airport is a good example. 'Operating capacity' thresholds can be nebulous and open to misinterpretation. Increasing operating capacity is not limited to the provision of new infrastructure (such as runways, taxiways, rapid exit taxiways etc.) An airport can increase its operating capacity by a range of non-infrastructure means, such as by optimising check-in services or installing more efficient scanning equipment. Unless the meaning of 'operating capacity' is clarified, some non-infrastructure innovations and initiatives at airports, some of which could be relatively minor, could be classified as major airport development, and therefore subject to preparation and Ministerial approval of a major development plan. SACL doubts this to be the Government's intention in proposing this clause.</p> <p>Further, in line with SACL's understanding of the intent of the White Paper, the relaxation of major development plan triggers should be extended to other relevant airport services and/or aeronautical-related developments (such as hangars, maintenance facilities, freight facilities and catering facilities) and not be limited to terminals and taxiways as is currently proposed.</p>
Section 91(1)(ga)	Additional contents for major development plans	This proposed amendment will expand the existing required contents of major development plans. In SACL's case, it will be difficult to understand regional traffic flows because it is not apparent that future modelling will be undertaken by the NSW Government. Since the study area thresholds for the impact analysis are not defined, this provision will be difficult to implement in practice.
Section 94(6)	Timeframe for assessing draft major development plans	The Bill creates an option allowing a 10 business day extension to the existing 50 business period during which the Minister has to assess draft major development plans or master plans before they are deemed to be approved. Given the existing 'stop the clock' provisions, this provision is unnecessary. While SACL's preference is that the clause be removed, as an alternative, and

¹² see page 165

Proposed section in Bill	Issue	Comments
		<p>assuming the intention is to create flexibility in the assessment period, the period after which approval is deemed to have been given could be reduced from 50 to 40 business days, with the option of extending that by 10 business days.</p>