



25 October 2024

Mr Tas Larnach
Committee Secretary
Rural and Regional Development and Transport Committee

via email to rrat.sen@aph.gov.au

Dear Mr Larnach

The Regional Aviation Association of Australia (RAAA) welcomes the opportunity to provide a submission in response to the Senate Rural and Regional Affairs and Transport Legislation Committee inquiry into the ***Sydney Airport Demand Management Amendment Bill 2024 (the bill)***.

The RAAA is a not-for-profit organisation formed in 1980 to protect, represent and promote the combined interests of its regional aviation organisations across Australia. Several of our member airlines who fly into and out of Sydney airport, and currently participate in the Sydney Slot Management Scheme, will be directly affected by the proposed legislative changes.

These include Alliance, Rex, Link Airways and Fly Pelican. Other member airlines operating at other locations across Australia include Airnorth, Nexus, Skytrans, Sharp Airlines, Skippers. Our membership also includes airports, engineering and flight training companies, finance and insurance companies and government entities. RAAA's members operate successful and growing businesses providing employment and economic sustainability within regional and remote areas of Australia.

The RAAA's AOC members provide critical connectivity services between regional communities and city centres like Sydney which enables those living in remote and regional locations to access services such as healthcare and education. It also facilitates the delivery of services to regional communities including emergency medical or disaster relief services, transport of FIFO workers and the delivery of cargo and mail. Given the geography of Australia and the proportion of Australians residing in remote or regional locations, the regional aviation sector is vital to ensuring Australians can access the services they need.

It is in this context that the RAAA makes submissions with respect to the proposals regarding the ***Sydney Airport Demand Management Amendment Bill 2024***.

The RAAA acknowledges that the bill will amend the ***Sydney Airport Demand Management Act 1997*** which regulates the allocation and use of slots for aircraft to take off and land at Sydney Airport.

The RAAA broadly supports the government's proposed legislation recognising that the bill intends to increase efficiency of aircraft movements within the current movement caps. The bill also seeks to address any potential anti-competitive behaviour by producing a stricter compliance regime around the slot allocation to reduce the potential for slot-hoarding and slot-misuse.

The RAAA also understands that the changes introduced through this legislation were recommended by the 2021 Review of the Sydney Airport Demand Management Scheme (Harris Review) and, if appropriately implemented, may:



- improve efficiency and competition by delivering new civil penalty provisions for failing to use a slot, applying for slots with no reasonable prospects of using them, and failing to return or transfer unused slots.
- replace the current compliance and enforcement regime with one that is based on modern, international standards.
- reform the Compliance Committee to ensure it can provide independent advice to the government to effectively inform compliance action.
- deliver new transparency powers to support the strengthened compliance and enforcement regime, including giving the government power to compel airlines to produce information on slot usage and
- allow the government to make changes to get increased access for new entrants and more access for NSW regional airlines.

On closer examination the proposed reforms to increase Sydney Airport's operational resilience by introducing a strictly controlled recovery period that will help reduce delays when there is severe weather or other major disruptions. In a recovery period up to 85 aircraft movements per hour will be allowed.

Whilst the proposal is that the Airservices Australia will be able to temporarily permit an extra five movements per hour for a maximum of two hours following the disruption, the RAAA strongly urges the government to increase the proposed five movements up to the airports operating capacity which is closer to 100 aircraft movements per hour, and for long as is required even if it is greater than the proposed two hours. It would be far more useful to the travelling public and the airlines if the additional capacity could be allowed until any substantial delays are fully recovered.

Noting that these events are generally due to adverse weather that is beyond everyone's control the RAAA would also support that any operational time extension may need to also extend into the curfew hours for a short period of time.

All interested parties would agree on the broader benefits allowing the aviation network to recover and return to schedule as fast as possible and also enable travellers to reach their destinations on time.

The RAAA also notes that The bill changes the responsibility for the Slot Management Scheme, and that Ministerial responsibility for developing and making the Slot Management Scheme will enable the government to implement improved transparency and governance arrangements for the Slot Management Scheme.

Thank you again for the opportunity to provide feedback.

Kind regards

Rob Walker

Chief Executive Officer