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Time to Act on Sydney's Aviation Capacity

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The Federal Labor Government has today announced the next steps in our plan to increase Sydney's aviation capacity in order to create jobs and unlock economic investment.

The 2012 Joint Study on Aviation Capacity in the Sydney Region Report shows that existing aviation infrastructure in Sydney will not cope with aviation demand.

The study, commissioned jointly by the Australian and NSW governments, makes it clear that Sydney needs a second airport—sooner rather than later.

The joint study also shows that road and rail access to the existing airport needs to be improved urgently and existing airport infrastructure in the region better investigated.

That is why the Government will take the next steps to tackle aviation capacity constraints on the economy. These include:

- a detailed investigation into the suitability of Wilton, including conducting preliminary economic, social and environmental studies;
- making sure that the Sydney Airport Corporation Limited develops a strategy to invest in terminal, apron, taxiway and other improvements to operate Sydney Airport to maximum efficiency;
- working with the NSW Government to develop a long-term plan to meet projected demand on the road and rail networks servicing Sydney Airport; and
- assessing the scope and consequences of utilising RAAF Base Richmond for limited civil operations, including consideration of social, economic and environmental impacts.

Importantly, I have written to Sydney Airport Corporation Limited today to advise that the Government will now initiate the consultation requirements under the right of first refusal clause under the Sydney Airport Share Sale Agreement.

I have also written to the airport, directing them to immediately develop a new Master Plan for my approval in accordance with the *Airports Act 1996*. This is about making sure that the airport is better able to cope with demand and addresses the issues raised in the study.

These next steps build on the commitments we have already made to retain the movement cap and curfew and ensure current access by regional airlines to Sydney.

Following this work, the Government will determine how Sydney's long term aviation needs should be met.

The economic cost of doing nothing is substantial.

The joint study shows that unmet demand for aviation in Sydney will cost the national economy \$6 billion by 2035 and \$35 billion by 2060. This means that up to 77,900 jobs will be forgone across the country.

Already, we are seeing major problems arising from a lack of aviation infrastructure in Sydney. For example:

- Right now, on weekdays, there is no scope for new regional services during the morning and afternoon peaks, that is, for eight and a half of the 17 hours that the airport operates daily;
- In just three years (2015), there will be no take-off and landing slots available for any new services during peak times;
- Road and rail access to Sydney Airport is already approaching gridlock. By next year, morning peak trains will be at capacity before they reach the airport stations and the road network will be at capacity by 2015; and
- By 2020, a delay at Sydney Airport during the morning peak would have flow-on effects for around 500 flights affecting every major capital city airport.

The Government is committed to increasing Sydney's aviation capacity in a bipartisan and consultative manner.

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