

RE (F200)
(Contact Officer: Robyn Eisermann - 9399.0994)

16 January 2007

Committee Secretary
Senate Rural and Regional Affairs and Transport Committee
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600
Australia

Dear Committee Secretary,

RE: Submission on the Airports Amendment Bill 2006

Thank you for the opportunity to provide comments to the Senate Committee Rural and Regional Affairs and Transport Please.

Please find enclosed two copies of Randwick City Council's submission.

Should you have any further enquiries please contact Robyn Eisermann, Coordinator Strategic Planning on 9399 0994.

Yours faithfully,

Sima Truvert
Acting General Manager



Submission to
Senate Committee
Rural and Regional Affairs and Transport

Airports Amendment Bill 2006

**Randwick City Council
January 2007**

Executive Summary

Randwick City welcomes the opportunity to provide a submission for consideration by the Senate Rural and Regional Affairs and Transport Committee on the Airports Amendment Bill 2006.

Being a close neighbour to Sydney Airport, Randwick City continues to maintain an interest in the future development of Sydney Airport. Council has previously made submissions to the Sydney Airport Master Plan 2003/04, the Environmental Strategy and a number of Major Development Plans.

Randwick City has and will continue to raise objection to the significant development of non-airport related uses and the propensity of the airport planning to look at the site in isolation of the surrounding region.

This submission to the Bill reiterates our previous concerns and in summary Randwick City raises objection to the following:

- Expanding the range and permissibility of non-airport related uses for airport sites.
- Reducing the exhibition and submission period for masterplans, environmental plans and major development plans from 90 to 45 days.
- Reducing the exhibition and submission period for minor amendments to masterplans, environmental plans and major development plans from 30 to 15 days.
- Continuing the exclusion of State and Territory laws.
- Increasing the value of development considered to require a Major development plan from \$10million to \$20million.
- Concern regarding competition through increases to certain airline ownership and watering down of the Australian Competition and Consumer Commission (ACCC) role in monitoring the quality of airport services and facilities.

The State government has recently completed the Greater Metropolitan Strategy (GMS), a 25 year plan for the city's growth and development and is preparing in conjunction with local Councils more detailed regional strategies. Additionally Randwick City has recently completed their City Plan, a 20 year vision for the future of the City. The GMS clearly articulates the role and location of centres in the function of the greater metropolitan area and their relationship and integration with public transport to reduce car reliance. The proposed development of retail/commercial uses proposed at Sydney Airport eclipses the floorspace of many of the largest commercial centres in the metropolitan area and the annual floorspace growth of the CBD. This scale of development will have an impact on existing centres as far west as Bankstown Square and south beyond Westfield Miranda. In addition the proposed development is almost entirely car reliant. Randwick City raises concern that the proposed airport development has no regard for any State or local planning legislation, is prepared in isolation of the GMS context and has the potential to undermine good commercial and transport planning for the greater metropolitan area of Sydney.

Introduction

On 7 December 2006, the Senate referred the provisions of the Airports Amendment Bill 2006 to the Senate Rural and Regional Affairs and Transport Committee for inquiry and report by 26 February 2007. Submission on the Bill are welcomed until 19 January 2007.

The stated purpose of the Airports Amendment Bill 2006, which amends the *Airports Act 1996*, is "to improve the land use planning system in place at the leased federal airports through increasing the focus on strategic planning, simplifying planning controls and improving development assessment processes. The Bill also implements a number of recommendations arising from the June 2000 Senate Committee 'Inquiry into the Development of the Brisbane Airport Corporation Master Plan', aligns the planning arrangements for Canberra Airport with those for other federal airports and provides for greater flexibility for further updates of some day-to-day on-airport activities."

Scope of council's submission

Randwick City's submission is based on a review of the Bill for an Act to amend the *Airports Act 1996* and for related purposes, titled *Airports Amendment Bill 2006*. Comments are substantially related to the applicability of the Bill in relation to the Sydney Airport.

Comments

Whilst amendment to the existing Airports Act 1996 and the general tidying up of clauses is welcomed, the Bill further validates and reinforces the potential for retail and commercial, non-airport related uses rather than tackling the array of conflicts from non-airport related land uses and state and local planning objectives and suitability with respect to areas surrounding airports. Thus, Randwick City expresses strong disappointment in the direction and contents of the Bill and objects strongly to the Bill for the following reasons:

1. The amendment raises concern over competition. The amendment effectively permits exceeding the 5% limit on airline ownership for certain [unspecified] airports. This has the potential to permit an airline to hold commercial advantage within an airport. (*Section 4 and 38*). This is too broad and vague, and should be clarified.

In addition, the amendment effectively waters down the requirement for the Australian Competition and Consumer Commission (ACCC) role in monitoring the quality of airport services and facilities. Rather than required monitoring, the regulation, under this amendment, **may** require the ACCC to monitor **certain aspects** of airport services and facilities. (*Section 4*) Clarification is sought as to what aspects of airport services and facilities are to be monitored and what/when is the trigger for the requirement?

2. **Strong objection** is raised to the amendment to *32(1) and (2)* to include activities that are consistent with the airport lease for the airport and the final master plan for the airport as exceptions to non-airport business thus validating and permitting substantial non-airport business within the site.

This amendment contradicts the section's heading, titled "*Airport-operator company must not carry on non-airport business*" and effectively enables expansion, without limit, of the range of land uses permitted on an airport site, increasing the Commonwealth powers provided to commercial organisations.

Randwick City made submissions to the Sydney Airport Master Plan and to a number of the subsequent Major Development Plans for Sydney Airport.

In these submissions we raised the issue of the permissibility/prohibition of the non-airport related uses and the impact of allowing development of a site in isolation of the State and local planning directions, land use provisions, economic context and consideration of the surrounding locality. It is extremely disappointing to see that the Commonwealth has disregarded these concerns completely and instead **expanded** the range and permissibility of the non-airport related uses and continues to provide no consideration or weight to any State or local land use planning provisions.

3. **Strong objection** is raised to the inclusion of *clause (2)* at the end of *Section 70 Final Master Plans*. Whilst including an explanation of a final master plan is reasonable, the clause includes provision for the development of additional uses of the airport site and thus validates to any extent that a master plan identifies, the permissibility of any non-airport retail and commercial uses within the airport site, again with no regard for State and local planning provisions. This direction is not supported by Randwick City.
4. **Strong objection** is raised with regard to the decrease in both the exhibition period and the subsequent submission period for:
 - a master plan, major development plan or environmental plan from 90 days to 45 days;
 - a minor variation to a master plan, major development plan or environmental plan from 30 days to 15 days.

The reduction in exhibition and submission periods reduces the likelihood of the wider community becoming aware of any proposal and thus compromises true consultation with the surrounding community. Additionally, the reduction in exhibition and submission periods creates hardship for local Councils to assess and report any proposal to their respective Council. Often, depending on the scheduling of the exhibition, there is insufficient time to prepare submissions and report them for endorsement by Council prior to the close of submissions. As a result many submissions are lodged prior to reporting to Council. Reporting to Council prior to lodging a submission on a minor amendment would be impossible with an exhibition and submission period of 15 days. This is of great concern given the scope of "minor variations".

5. **Strong objection** to the Bill **NOT** amending *Section 112 Exclusion of State and Territory Laws* thus effectively maintaining the current lack of consideration of the context and impacts of the allowing development of a site in isolation of the State and local planning directions, land use provisions, economic context and consideration of the surrounding locality. This provision continues to afford Commonwealth powers to development by commercial organisations with little or no regard for State and local planning requirements, directions and context.
6. **Strong objection** to the increase in values of development considered to require a Major Development Plan from \$10million to \$20million. This provides a significant increase in the scope and extent of development permitted on an airport site without the requirement for sufficient notification, consultation, or the preparation of a major development plan and assessment.

Whilst it is noted that the Bill makes provision to consider cumulative and concurrent development, this is only at the discretion of the Minister. The

impact of significant incremental and cumulative development should be a required and reported consideration.

Conclusion

The Bill proposes changes that further validate and permit development on airport sites for non-airport related uses. Whilst reasonable development and economic growth of airports is supported, the process of allowing Commonwealth powers for private enterprise, with little or no regard for the State and local planning directions, land use provisions, economic context and consideration of the surrounding locality is not supported.

Randwick City objects strongly to the Bill as it not only validates the current practice but expands the range and scope of non-airport related uses permitted, and reduces the opportunity for consultation, assessment, monitoring and accountability on major airport sites, with potential to undermine good planning and management of NSW and Australia's key cities and in particular the global city of Sydney.