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

Dear Sir,

Inquiry into the Airports Amendment Bill 2006

At the outset I would like to thank the Australian Government and, in particular, the Minister for Transport and Regional Services for embarking on the review of the *Airports Act 1996*. This important and timely initiative is of considerable relevance to all urban growth areas in Australia containing or located in proximity to major airports.

As you would expect, this initiative is of particular significance to Brisbane City Council given the unprecedented population and economic growth in Brisbane and South East Queensland over the last decade. It is for this reason the primary focus of the South East Queensland region is now on ensuring there is a clear and highly effective framework for the planning and the delivery of an appropriate urban structure closely integrated with an equally effective and timely process for the planning, financing and supplying urban infrastructure.

Brisbane Airport is located some 13 km from the Brisbane's Central Business District, on one of Brisbane's key transport corridors of the Gateway Arterial. It is also in close proximity to well established residential areas and the growing communities of the inner north-eastern and south-eastern suburbs.

The Brisbane Airport Master Plan 2003 (Master Plan) foreshadows, over the period of 20 years, massive developments associated with the upgrading of the airport infrastructure, including the construction of the new parallel runway. The Master Plan also allocates a significant proportion of the Brisbane Airport Corporation (BAC) land for commercial purposes. Infrastructure required to support these developments is discussed in very general terms and, consistent with the current objectives of the *Airports Act 1996*, is essentially limited to the infrastructure proposed on the BAC land. The Master Plan is silent on how the key infrastructure needs generated by the growth in the airport's aviation facilities and by its aggressive industrial and business expansion will be catered for.

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Telephone 07 3403 8888 Facsimile 07 3403 6211 Finally, the Master Plan makes no commitment to forging a partnership with the Queensland Government and Brisbane City Council in shaping the scope of the infrastructure requirements arising from the development of the Brisbane Airport land and the details of the financial arrangements and of the timing for the delivery of this infrastructure.

As you would be aware, the implementation of the BAC's vision for the airport's development is progressing including the incremental growth of the business precinct at Number 1 Airport Drive. The recent introduction, by BAC, of the Discount Factory Outlet in this location without the provision of complementary improvements on the surrounding road network has resulted in very serious traffic congestion forcing the planning, financing and the delivery of significant road improvements by the Queensland Government and Brisbane City Council to be brought forward, ahead of other important and programmed roadworks elsewhere in the City.

Given the significance of the new parallel runway to the further expansion of the passenger aviation services of Brisbane Airport and the expected consequential high growth of commercial activities on the airport land, Brisbane City Council has concluded that the new parallel runway project must be considered in the context of the overall development and management of the airport rather than simply as a construction issue. It is now the appropriate time to examine the overall airport development issues, to understand the likely future impacts and to seek an agreement on the approach to mitigating these impacts.

I am sure you will appreciate that the current uncoordinated and highly reactive approach to the delivery of one of the prime economic growth areas of the State of Queensland is simply unsustainable. For the economic benefits of this particularly important economic growth node to be fully realised a clear framework must be established for the partnership between all levels of government and the lessee of the Brisbane Airport to ensure a responsible, coordinated land use and infrastructure planning, financing and delivery.

Within this context Brisbane City Council submits the following for your consideration.

Airport Planning

- 1. Airport operators must be required to shape airport master plans in close partnership with the relevant State and local governments. Airport master plans must complement State and local government intentions for a relevant area and be integrated with the State and local government planning instruments.
- 2. The process of shaping airport master plans must be underpinned by a rigorous assessment of the likely impacts of the airport's growth. This is particularly relevant to the proposed business and retail operations that may be of a scale that would seriously undermine the intended urban structure and the viability of other, important economic nodes, centres and operators in the city. Further, the understanding of the impacts and of appropriate mitigation measures is particularly relevant to the provision of a range of infrastructure on the airport land and in its general locality.

- 3. Regular updates of airport master plans should be subject to the same partnership arrangements with the relevant State and local governments.
- 4. To ensure competitive neutrality individual commercial development proposals on the airport land must be subject to the same planning processes as any other development proposal within the jurisdiction of the relevant State and local government area. This is a view that has been consistently held by State and local governments as well as peak industry groups.

Infrastructure delivery

- 5. An incremental growth of commercial activities on the airport land without a clear understanding of the level of strain placed on the infrastructure networks can no longer be sustained. Airport master plans must be complemented by an infrastructure works schedule for each infrastructure network affected by the commercial growth on the airport land. The infrastructure works schedule must clearly specify the scope of the required infrastructure works on the airport land and beyond and the expected timing for its delivery.
- 6. The infrastructure works schedule must be complemented by a written agreement on the infrastructure cost sharing arrangements between the airport lessee, other infrastructure users and the infrastructure providers (typically State and/or relevant local governments).
- 7. Each review of an airport master plan must be complemented by appropriate consequential amendments to and endorsement of the infrastructure works schedule and cost sharing arrangements by all relevant stakeholders.
- 8. An infrastructure agreement at the airport master plan level will remove the uncertainty and associated delays in the consideration of individual commercial development proposals on the airport land.
- 9. While BAC has agreed to pursue such an agreement with Brisbane City Council this has only been after a protracted conflict. The airport lessee has also been alluding to special considerations that would advantage them over other developers in the area. The lack of legislation compelling such an agreement is a major oversight and should be corrected.

Consultation and Partnerships

10. The requirement and process for partnership arrangements between the airport operators and relevant State and local governments must be clearly embedded in the revised *Airports Act 1996*.

- 11. While BAC and Brisbane City Council have worked together to improve communication, the potential for such voluntary arrangement to break down is obvious. For this reason alone there is a serious need to compel such arrangements in the legislation.
- 12. The current legislative requirements requiring <u>consultation only</u> are not sufficient to give adequate weight and consideration to matters raised by State and local governments. There is an urgent need to compel far greater involvement of these parties to ensure that outcomes for both the airport and the surrounding urban area are optimised.

Thank you again for the opportunity to comment on the *Airports Amendment Bill 2006*. Given the significance of the issues raised in this submission I am sure the Committee will give due regard to Council's recommendations.

Should the Committee require further clarification of Brisbane City Council's concerns and recommendations, I will be pleased to personally expand on these matters before the Committee.

Yours sincerely

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Chief Executive Officer

Encl.

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