

25<sup>th</sup> February 2009

Aviation Green Paper  
Department of Infrastructure, Transport,  
Regional Development and Local Government.  
PO Box 594  
Canberra ACT 2601

Dear Sirs,

**National Aviation Policy Statement - Green Paper**

Please find attached a submission from Moorabbin Airport Corporation Pty Ltd (MAC) providing comment regarding issues raised by the National Aviation Policy Statement Green paper from the perspective Moorabbin operates as a General Aviation airport. There are a number of other issues in the Green paper which deal with major airports to which MAC has not provided a response.

Moorabbin Airport Corporation fully supports the submission made by the Australian Airports Association ("AAA") to the Green Paper. Comments made in our submission are intended as a supplement to the AAA submission.

Moorabbin Airport welcomes the various stakeholder consultations which have occurred in the Green paper process to date. It is our view that these processes serve to benefit the overall integrity of outcomes and we would welcome, as with all airports, the opportunity to continue to be a part of the process in developing these most important initiatives.

Please feel free to contact the undersigned if you would like any further information regarding this submission.

Yours faithfully



**Philip McConnell**  
Airport General Manager  
**On behalf of Moorabbin Airport Corporation**

# **National Aviation Policy Green Paper**

## **Submission by Moorabbin Airport Corporation Pty Ltd**

### **1. Context statement: Moorabbin Airport**

Moorabbin Airport Corporation (MAC) is the Airport Lessee Company (ALC) for Moorabbin Airport. MAC is a privately owned Corporation that purchased a 49 year leasehold on the airport from the Commonwealth in 1998. The airport operates under *The Airports Act 1996*. Both the Act and the *Airport lease* requires that the ALC **operate the airport as an airport**, and that the primary function of the ALC be that of airport operator.

The current aviation business of the airport is General Aviation, being one of the busiest airports in Australia. The vast majority of this is commercial flying training. There is future potential for RPT services to Australia capital cities.

#### **Overview of Moorabbin Airport**

##### **a) Regulatory and Planning Environment:**

Moorabbin has the following:

- An Approved Master Plan 2004 within the requirements of the Airports Act 1996.
- An Approved Environment Strategy within the requirements of the Airports Act 1996.
- An Approved Transport Security Program within the requirements of the Aviation Transport Security Act 2004.

##### **b) Airport business:**

- 350 based aircraft and helicopters.
- 70 based aviation-related companies.
- 30 non-aviation companies on main airport site. One large retail tenancy (DFO) with 100 sub-tenants, and one industry park (Chifley Business Park) with approx 30 tenant corporations.
- 1,000 personnel employed in aviation directly on-airport.
- 800 plus students undergoing flight training at any given time.
- 2,500 personnel employed off-airport in non-aviation activities
- Over 6,000 indirect jobs related to the airport site
- Estimated \$30 Million in export dollar earnings for overseas flight training.
- 351,000 aircraft movements in 2008.

## 2. National Aviation Green Paper Section 5: General Aviation.

- **General Aviation: The role of urban GA Airports.**

The development of a healthy, sustainable, General Aviation industry in Australia is crucial to the development of the country as a whole. In no other location is the “tyranny of distance” so important, and in no other location can aviation play such a crucial role in its future.

**Recommendation: It must be practically supported at all levels throughout the community.**

Urban General Aviation airports play a significant role in the service to General Aviation and in particular the training of future aviators. They are significant contributors to job creation, skills development and export dollar earnings and Australia has developed a world regarding reputation for commercial flying training at such airports.

**Recommendation: They are recognised as critical infrastructure assets by all State governments.**

- **The Economic Reality of airport operations.**

The reality is that virtually no airport in Australia can operate even at a break-even level simply from revenues derived from aeronautical activities. In the case of the privatised urban airports the Commonwealth has recognised that non-aeronautical or aeronautical related developments are absolutely vital if an airport operator is to have the capacity to invest in necessary infrastructure to sustain aviation operations. (Airports Act 1996).

**Recommendation: It is essential that this fundamental aspect and recognition is not diminished in any way.**

- **Infrastructure Planning at General Aviation Airports**

Airports are significant activity centers and the detailed planning and consultation processes currently in place and significantly strengthened via the most recent legislative changes to the Airports Act are considered to be robust and extensive.

**Recommendation: Whilst continuous review is constructive, like any significant activity center and major infrastructure asset of both State and Federal significance certainty of long term orderly planning is a necessity mechanism in the framework of legislation.**

- **Protection of the airports role.**

If the Commonwealth values the operation of such urban airports, operations must be protected from diminution by imposition of measures such as curfews, capacity restraints or limiting procedures. This can potentially result in a conflict of purpose with the issues identified in the Aircraft Noise section of this Green

Paper and it is essential that a clear statement of continuing support for such urban airports is made within the National Aviation Policy Statement.

**Recommendation: A policy of initiating noise mitigation measures by way of blunt instruments such as curfews and capacity control would only serve to destroy the very industry that these airports serve.**

- **Prescribed Airspace around airports**

Urban airports such as Moorabbin face continuing challenges in relation to protection of airspace beyond the airport boundaries. This does not affect the airport operator as such, but affects the customers of the airport operator in terms of potential for limitation of amenity- in this case aviation amenity. The onus for regulation enforcement also lies upon the airports whereas it should properly lie elsewhere.

**Recommendation:**

- **All local government planning schemes should include a referral authority. The referral criteria should be clearly enunciated.**
- **Privatised airports should not have a role in the regulation of Prescribed Airspace. This should rest with CASA Office of Airspace Regulation**

- **Aging Aircraft.**

Consideration should be given to ways in which our home-grown industry can be stimulated to take up the market to provide new airframes to Australia. Gippsland Aeronautics in East Sale, VIC already produces the GA8 Airvan in the utility category and has recently announced plans to re-open production of the former Government Aircraft Factories Nomad turboprop twin utility aircraft.

**Recommendation: Assistance and encouragement with this activity could have considerable future benefits to aviation in Australia.**

### **3. National Aviation Green Paper Section 8 Airport Investment and Infrastructure.**

Moorabbin Airport Corporation welcomes confirmations in the green paper recognising the importance of continued investment on airports and the need not to over-regulate and make planning processes so cumbersome as to deter investment.

It is in this regard that Moorabbin Airport makes its comments regarding the issues raised in the Green Paper with respect to Airport investment and infrastructure and the need to retain focus only on necessary changes which strengthen the existing planning regime rather than changes which provide uncertainty and cumbersome planning processes, thus deterring future investment in airports.

Airports, even General Aviation Airports are significant economic and employment activity centers within the municipalities in which they reside. As can be seen from the Overview of airport business earlier in this paper, Moorabbin Airport, amongst other things currently provides employment for approximately 3,300 direct and 6,000 indirect employees and generates an estimated \$30m in export dollar income. Airport employment has grown significantly over successive planning periods from approximately 600 direct and 1200 in-direct jobs at privatisation to the levels we see today.

The Green paper acknowledges the significant economic benefit and investment which airports have provided since privatisation and the fine balance between effective planning controls and over-regulation which could deter investment. In order for airports to continue to invest in infrastructure and employment generation, airports need certainty of planning requirements.

Moreover, with the current financial climate, financiers are placing emphasis on certainty of outcomes when deciding to finance large scale projects. A system of uncertain planning outcomes will deter financiers from continuing to support airport investment.

We note in relation to the initiatives discussed in the Green paper that Moorabbin Airport, as with many airports have a number of functioning processes which address many of the initiatives outlined in the Green paper. These initiatives have been set up as part of an orderly planning process and in accordance with existing Airports Act arrangements, including:

- Consultation process with all State Infrastructure and transport authorities to develop infrastructure transport initiatives both on and off airport.
- Local consultative committee with members from Federal, State and local authorities, local community groups and airport operators (with an independent chair).
- Consultation process with all State emergency/security authorities
- Agreed Airport Environs overlay

- An expert planning committee which considers applications and consults with State and Local authorities at pre and post application level
- Consultation with various aviation, regulatory, emergency and airport planning committees at Local, State and Federal level.

There should not be a presumption that the current system does not operate to effectively plan airports with respect to airport imperatives and integration with State imperatives whether they be aeronautical or commercial development nor should there be a presumption that airports are operating in a vacuum or less stringent processes than comparable sites off airport.

Whilst consultation with local communities is important and has been a focus of Moorabbin Airport since privatisation (Moorabbin Airport was one of the first airports to set up a consultative committee and continues to support this framework), airports reside close a number of local government municipalities each with differing roles, objectives and strategic imperatives within the wider region and in relation to operation of the airport. Planning at airports of any nature always creates community concern. Often local communities struggle with the bigger “strategic” picture and are unable to consider the regional, state and national significance of airport infrastructure and development. Even in State planning systems, a number of significant development sites of State, regional and or local importance are handled at “State level” in order that the planning outcomes are sympathetic to the need to take account of local community concerns but with the overriding imperative that development of these sites is handled within a framework of overall strategic State imperatives.

We note that airports plan over a long planning period, with airport leases running for 99 years. It is important that the planning process, which in many cases is planning initiatives well beyond the five year time horizon of Master Plans do not introduce uncertain sub processes which will de-rail planned initiatives which rely on orderly staged planning of the various elements.

Whilst Moorabbin Airport supports the intent of many of the statements made in the Green paper and in fact already undertakes many of the processes discussed (**as it is required to under the existing Airports Act arrangements**), given the regional and national importance of airports and the importance of the continued role of airports in providing quality air transport infrastructure, investment and employment within their sub-region any processes established must:

1. Not be instigated in isolation to the airport operator.
2. Provide for consultation at a local level.
3. Provide for strategic planning and alignment initiatives at State level. State governments should then align the overall outcomes at local government levels.

Whilst local communities and the number of local Councils surrounding airports views are important, established in this way, proper airport planning will be about integration with State initiatives and how they relate to the sub-region rather than local issues (which can be handled at local consultative level) often un-connected to the overall strategic and investment decisions required at airports.

With the above in mind, we make the following general comments with respect to the major policy considerations outlined in the green paper:

- “Co-operative arrangements will be developed with the states, territories and local government to better integrate airport planning and development, and regulatory oversight with local, state and territory planning arrangements.”
- “Planning process: Examining the impact of airport development on surrounding transport and community infrastructure. “

#### **Recommendations:**

**It is our view that the existing Airports Act arrangements adequately allow for orderly planning with a view of integrating airport initiatives with State initiatives and Moorabbin Airport as with all airports have, over successive Master Plans undertaken extensive consultation with State authorities in relation to transport and infrastructure as it is required to under the existing Airports Act arrangements.**

**Given our earlier comments, we note however that any additional arrangements are supported if they are structured as above, that is consultation should be at a local level, initiatives to integrate airport planning with State initiatives should be at a State level with State governments integrating State policies and objectives with respect to airports with Local government, particularly in relation to General Aviation airports.**

**Final decision making must rest with the Commonwealth in conjunction with the airport operator.**

- “An expert Airport planning and Advisory Panel will be established at each major airport to assess Airport Master Plans and Major Development Plans.”
- “Airports will have to establish community consultation groups with an independent chair”.
- “Planning process: Airport Master Plans will have to articulate in detail development plans in the 3-5 years following the Master Plan review.”
- “Planning process: Minister to have a power to call for additional detail in precinct development plans for non-aeronautical development. “
- “Planning process: Trigger point review for MDP’s to ensure they are subject to proper community consultation.”
- “Planning process: Minister to have call-in power for “sensitive development proposals” that would not otherwise be subject to consultation.”
- “Planning process: Identifying uses which are not compatible with airport sites.”

**Recommendations:**

The airports Act under Parts 5 & 6 already provides for a number of processes for the orderly planning at airports and the processes described above in the Green Paper, including processes for the Minister to obtain additional information, stop the clock and ensuring that the airport meet the requirements of Parts 5 & 6. These processes were strengthened as a part of the 2007 review of the Airports Act.

Our view is that the current planning and consultation requirements contained within the Airports Act 1996 in relation to the above matters have been proven to be effective and robust and are not in need of change. The introduction of additional processes such as precinct plans, differing trigger points, call in powers etc. outside of the established planning protocol process set up under the Airports Act only serves to create confusion and uncertainty as to when in fact a development is approved in accordance with the Airport Master Plan and is not recommended.

Moorabbin Airport does support the intent to establish consultative committees at all airports. Moorabbin Airport already has such a committee and it is nearly a mirror image of what is proposed (including the provision of an independent chair). These committees however must be a forum to raise and debate local community concerns. Consultative committees should not have powers as such, the concern being that a consultative committee would have power or authority to alter airport planning philosophies or airport operations. For instance, to institute a curfew against wishes of the operators or airport, limit airport development or place undue requirements on airports. Decisions with respect to airport planning should rest with the Commonwealth in conjunction with the airport operator based on established planning principles already enunciated under the Airports Act.

In relation to advisory panels, whilst we believe that this introduces another process which is adequately covered by existing Airports Acts controls ( and the myriad of processes which airports already have in place under existing Airports Act requirements such as expert planning committees and established consultation processes with Local and State authorities), if an independent planning and advisory panel is required it would be more suitable to airports with a major domestic and international aviation role and capable of handling large capacity RPT jet aircraft. Given the operating environment of General Aviation airports we consider that the various consultative and planning processes adequately provide orderly planning of General aviation airports. We therefore welcome the Green papers recognition that “major” airports only should be considered for these initiatives.

## 4. National Aviation Green Paper Section 10 Noise Impacts

- Consideration of industry-funded noise amelioration programs where airport operations places residences into high noise exposure zones.

Our concern is, as far as urban airports are concerned, what would be the trigger point? More importantly if this extended beyond major passenger airports (which

can at least impose a passenger noise levy) how would non-passenger airports have an ability to recoup costs?

The collection of noise levies has, in the past, been undertaken by Airservices Australia through their Air Navigation Charges. This, in turn was passed on from the airline to the passenger by a charge on the ticket for the arrival leg. The nature of data collection at GA airports does not support such a scheme.

- Focus on night noise:

Much of this section focuses on night noise. However the problem facing urban airports is not night noise- we have few night movements. It is the volume of air traffic during the day. It is essential that any changes do not impact on the ability of an urban airport to efficiently operate its primary business that is, in the case of Moorabbin, flight training.

While airports have some residual responsibility for the orientation of the runways and therefore flight paths in the immediate vicinity of the runway ends, they have little influence over the operation of the aircraft once airborne.

- Aircraft flight paths

Aircraft flight paths are influenced by;

- a) the aircraft operator and aircraft performance characteristics
- b) Airservices Australia at controlled airports through traffic management and the application of noise abatement procedures

Aircraft identification, through radar services and the Noise and Flight Path Monitoring Service is administered by Airservices Australia.

Ministerial Direction M37/99 requires Airservices Australia to;

“(v) Develop and implement effective noise abatement procedures and monitor and report to the Secretary on compliance with those procedures at Australian airports  
(vi) Provide advice and information on aircraft environmental related matters to, and committee.”

The function of Airservices Noise Enquiry Service is to register the communities' concerns regarding aircraft noise around airports. Community perception is that there is no action taken on their complaints and since the centralisation of this Service to Sydney, there is little understanding of local operational matters or practices.

There would be no benefit gained in transferring the responsibility back to airports. Prior to 28 August 1991 when a Ministerial Direction was given to the CAA (precursor to Airservices), transferring the function from the airport operator (FAC), airports were responsible for the receipt of aircraft noise complaints. Airports were unable to satisfactorily respond to enquiries as they did not have any operational jurisdiction or airspace responsibility. Enquiries were referred to ATC for identification and comment