



Submission on

Australian Government

**Department of Infrastructure, Transport,
Regional Development and Local Government**

Issues Paper:

Towards a National Aviation Policy Statement

Bankstown City Council

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A. Introduction

Bankstown City Council welcomes the opportunity to make a submission on the Australian Government Issues Paper, *Towards a National Aviation Policy Statement*. As a Council having a major general aviation airport within its boundaries, Council has significant issues and concerns that need to be addressed during the process of formulation of a national aviation policy.

As the Federal Government will potentially be reviewing the current arrangements for managing the nation's aviation infrastructure and systems, it is considered an appropriate time to review and reform some of the arrangements for planning control and aviation growth management on privatised airports.

Given the significant issues raised in this submission, Council requests that the matters raised by Council receive a fair hearing.

B. Background

The 313-hectare Bankstown Airport site, which is situated wholly within the City of Bankstown, was first earmarked in 1929 for development as a second or training aerodrome for Sydney. During World War II, it was used as an RAAF station and then as a base for the US Army Air Corps. In November 1948, after the selection of the present Mascot site as the site for Sydney's International Airport, the Department of Civil Aviation took control of the Bankstown site for use by training and charter aircrafts and for private flying and aircraft manufacture. Since then Bankstown Airport has progressively grown to become today one of the largest general aviation airports in Australia and the second busiest by number of aircraft movements.

The Federal Government's announcement in December 2000 about upgrading aviation activities at the airport for use as an overflow airport for Sydney Kingsford Smith Airport met with strong opposition from Bankstown Council and the community. Council and community groups organised protests and made representations against the proposal and the plan was subsequently shelved.

Under the 1996 Airports Act, airport lands are federal territory as such neither state governments or local councils have any planning control over airport land. Since December 2000, Bankstown Council has made several unsuccessful representations to the former Federal Government on various issues including the right for Council to determine non-aviation development proposals in airport land. This remains Council's preferred position.

Bankstown Airport's steady growth over decades has obviously had an impact on the amenity of our City suburbs. Nevertheless, there has been a general level of community acceptance of the Airport in its current form. The Council itself has been committed to a policy of supporting the existing general aviation (GA) nature of Airport operations.

In October 2003, Bankstown Airport, together with Camden and Hoxton Airports, was leased to a private consortium. The post privatisation changes now unfolding are being keenly followed by Council and the Bankstown community.

In August 2004, complying with the Airports Act 1996, a draft Master Plan was exhibited by the Bankstown Airports Ltd (BAL), who had purchased the Airport in 2003. Although the key objectives and aviation development concept proposed in the Plan included a commitment to retain Bankstown Airport's role as the premier GA (general aviation, including pilot training) facility in NSW, much of the actual focus of the Master Plan was

on the 160 hectares of commercially developable land within the total site of 313ha. The Master Plan also clearly detailed the intention of the private owners to make Bankstown Airport a regional distribution, logistic and retail hub, well apart from general aviation.

Strategic Council Policy on the Airport

Council's comprehensive 2004 submission on the Bankstown Airport Draft Master Plan included, among others, a reiteration of its long-maintained policy that the general aviation character of the Airport should be retained, a request that the change in aviation mix proposed be reviewed and minimised, and that large-scale commercial development on airport land with impacts on local amenity, economy, infrastructure, traffic and environment be discarded. Other than gaining some minor concessions on noise management, flood control and consultation issues, most issues raised by Council and also by the NSW Government, who made a separate submission, in relation to commercial development and resulting excessive demand on existing infrastructure have largely remained unaddressed in the Airport Master Plan approved by the Federal Minister in 2005.

The privatisation of Bankstown Airport and its 20-year Master Plan approved in 2005 poses an ongoing challenge for Council and its community to ensure that the growth and evolution of the Airport follows a path consistent with the objectives of the City.

Notwithstanding the above, it has been Council's policy to continue and build upon the mutual consultative arrangements that existed with the Airport prior to privatisation. Since 2004, Council and the Airport have maintained an effective working relationship. Bankstown City Council is the only council to conclude a memorandum of understanding (MOU) with the privatised airport within its local government area. This exemplifies an overall commitment on the part of both parties for cooperation and consultation on issues of importance between us.

Council representatives also participate in the quarterly deliberations of the Bankstown Airport Community Consultative Forum (BACCF), established as part of the Airport's master plan process and continuing since then. While this is a useful forum, it has limitations as it does not involve Council officers, and consequently key issues such as environmental management issues can be overlooked.

Council recognises the contributions of Bankstown Airport to the City's economy. However, significant ongoing development and expansion, both aviation and non-aviation, must occur in a way that is consistent with state and local planning regimes and effectively consider the wider effects of airport development on local communities, infrastructure and existing businesses.

1. Airport Planning and Development

Bankstown City Council remains concerned that, while during the last decade or so 22 major airports throughout the country including the Bankstown Airport have moved from public ownership to management by private lessee operators - the issues of land use, and planning control of non-aviation commercial development at these airports have not been seriously considered or appropriately addressed prior or subsequent to the privatisation of these airports.

It is Council's considered opinion that the fundamental problems with the current airport planning regime include:

- The continued exemption of commercial development at airports from state and local planning laws - resulting in developments which may be inconsistent or incompatible with surrounding developments or local growth strategies.
- The absence of any developer contributions regime to ensure that Airport Lessee Companies (ALCs), and not the local ratepayers, pay for the enhanced infrastructure costs of their developments.
- The inadequate community consultation, lack of transparency and public accountability in the development approval process for developments worth less than \$20 million. Unlike other development control authorities, the Airport Building Controller is not required to give any public notice of such approvals sought and approved.
- The inadequate planning assessment, which fails to consider impacts of airport development on environment, amenity, infrastructure, properties and business in surrounding areas.
- Ineffective master planning and development approval process resulting in unrestrained retail development at airports at the expense of future aviation expansion needs.

Airport Planning Regime: Exclusion of State and Local Laws and Controls

The Airports Act 1996 expressly excludes the application of State, Territory, and local planning laws and controls to development on airports. The 2006 amendments to the Airports Act had presented an opportunity to address the issue but did not do so. In fact, the amendments reduced opportunities for consultation and input from the local communities in the airport development approval process.

Airport Planning Arrangements Contrary to that Adopted by COAG

The current arrangement for non-aviation developments on airport land is not only often inconsistent with state and local government planning regimes and having serious and adverse consequences, they are also inconsistent with an agreed national policy. The NSW Government in its January 2007 submission to the Airports Amendment Bill 2006 noted:

In 1997, the Council of Australian Governments (COAG) signed a Heads of Agreement on Commonwealth/State Roles and Responsibilities for the Environment. Under this agreement, all parties agreed that tenants and persons undertaking activities on Commonwealth land would be subject to State environment and planning laws. The only exception to this in relation to airports is aviation airspace management and on-ground airport management (see Appendix 1). The Commonwealth's failure to regulate the planning of non-aviation developments in a manner consistent with State Government planning regimes is therefore contrary to the position agreed by COAG.

The risk is that airport master plans and major development proposals prepared with no statutory reference to state planning legislation or local development control regimes can allow an unrestrained commercial development on airport sites. This can then make them inconsistent or incompatible with off-airport developments surrounding the airports.

Council believes there is no public interest justification for exempting non-aviation development on airport land from the state and local planning laws that apply to every other development surrounding an airport. While, given their national significance, Commonwealth control of aviation development at airports is justified and warranted, there is no similar justification for exempting non-aviation development from local planning laws and not subjecting these to the same rules and controls as applied to similar developments on off-airport properties.

It is also not in the public interest that rate payers must meet the cost of any extra maintenance or upgrade required as a result of these commercial developments going into airport land because state and local government cannot make airports pay rates or development contributions as in other cases to fund the mitigation of impacts of those developments. Though to be fair Bankstown Airport is rigorous in applying and paying to Council a rate equivalent payment on non-aviation properties.

Economic or financial imperatives appear to be the principal driving factor for development proposals in the master plans for leased airports. But there are no readily available review or appeal mechanisms in relation to decisions on these development proposals. The only attempt so far to challenge this through legal proceedings in the Federal Court was undertaken by the owners of Westfield and Centro against a major retail development proposal at Brisbane Airport, which was unsuccessful. Clearly, it is not a practical or affordable option for local councils or community groups to take similar proceedings involving constitutional issues to resolve their concerns.

Bankstown Airport occupies a huge tract of land in the middle of built-up suburbs. Council along with its community, especially those who reside in proximity to the Airport, are of the opinion that the community should be permitted to have an effective say in relation to land use proposals - particularly the non-aviation use of land and those that might result in further affectation on local living conditions and neighbourhood amenity. This is also consistent with Ecologically Sustainable Development (ESD) and Local Agenda 21 principles, both enshrined in various Commonwealth legislation and policies. These principles support the assumption that local government, with its grassroots understanding of local communities, is best equipped to deal with development decisions for local areas. The only way to effectively implement this is to allow local Councils the right to determine non-aviation development proposals on airports within their jurisdiction.

Ideally, the privatisation of airports should have been accompanied by a legislatively mandated and effective planning, management and regulatory regime to ensure developments on airports are consistent with developments in surrounding areas, however unfortunately this was not the case. Notwithstanding a litany of well-argued submissions, including one from Bankstown Council, to the Senate Committee - the Airports Amendment Bill 2006 also fell short of addressing this issue.

Inadequate Community Consultation

The present regime of controlling development on privatised airports such as Bankstown Airport - as provided for in the Airports Act 1996 - only allows limited public input during master planning and major development approval processes. The Airport Building Controller administers the development approval process without any reasonable exposure to local community wishes and often without the benefit of utilising detailed local environmental knowledge in such decisions.

Notwithstanding the fact that some sort of consultation occurs, it seems submissions lodged by State and Local Government, community groups or individuals receive superficial or at best little consideration. Issues raised on individual planning proposals are rarely if ever assessed in a comprehensive and transparent manner or result in material changes to proposed developments.

The 2006 amendments to the Airports Act raised the dollar threshold for construction costs, which determines when a major development plan needs to be submitted, from \$10 million to \$20 million, meaning that development costing less than \$20 million can now be undertaken at airports without the need for a major development plan and associated public exhibition and opportunity for public comment. This has the potential to strip communities of their right to have a say about development decisions that affect their amenity and life.

Council recognises that the *Airports Amendment Bill 2006* and the *Airport Development Consultation Guidelines 2006* has made some new requirements to make development plans more readily available to the community and councils, and made more explicit the expectation that ALCs demonstrate how they have given due regard to public comments on master plans, major development plans and airport environment strategies but there is no mechanism specified as to how the improved consultation should happen. The Guidelines are voluntary and do not have the force of law required to balance the position of an Airport in controlling the master plan process, against that of members of the community.

The effectiveness of Community Consultation Committees/Forums established in some airports including Bankstown is yet to be assessed as to whether they simply act as a conduit for the airport to disseminate information about decisions already taken by the Airport or whether they constitute an effective two way consultation and communication process between stakeholders. In some cases at least, their meeting frequency results in many issues discussed subsequent to or towards the end of the decision making process, when the development is so far advanced that neither Council nor resident input is likely to influence the outcome.

Inadequate Planning Assessment and an Ineffective Master Planning Process

As a planning instrument the 1996 Airports Act has significant inadequacies and the master planning process under it is fundamentally flawed. Commonwealth control of land use on leased airports have practically become ineffective because master plans approved so far give airport lessee companies the sole control of what will be approved on their airports. The current provision for deemed approval of an airport master plan or major development plan if the Minister does not make a decision within the maximum time allowed to him tends to substantiate this concern.

Flood Management

Bankstown Airport is situated within the floodplains of the Georges River. A significant part of the site is already a flood hazard area susceptible to riverine and local flooding, which has been exacerbated by the development of the Bunnings Warehouse and recent fillings on Airport land. The flooding implications of the proposed development in Bankstown Airport are of major concern to Council. Although modelling carried out by the Airport showed that filling within the Airport will result in an increase in peak flood level along an approximate 16 km stretch of the Georges River, the Airport chose to absolve itself simply by making qualitative statements in its Stormwater and Flood Management Strategy, including that this increase in peak flood level is insignificant.

A review by an independent consultant (LACWE 2007) of the Airport's Stormwater and Flood Management strategy document in conjunction with the Milperra Catchment Flood Study report and the NSW Floodplain Development Manual concluded that increase in

flood levels will have an impact upon more than 500 existing residential properties that currently experience above floor inundation in a 1 in 100 year flood event. The potentially increased annual flood damage to these hundreds of properties, as a result of the proposed developments at the Airport, have been estimated to be in the range of millions of dollars.

Threat to Biodiversity

Several parts of the Bankstown Airport site have been identified as areas with threatened plant species and threatened vegetation communities listed under the Threatened Species Conservation Act 1997 (NSW) and there is also a potential biodiversity corridor along the eastern edge of the Airport site. Yet the Airport Master Plan only states that environment impacts "will be determined and assessed during the development approval process for individual projects." Council considers that this is not the most suitable process for assessing or addressing environmental impacts given the significant volume of development that would be made permissible on more than half of the 313ha Airport site under the approved Master Plan and that a development costing below \$20 million can now be approved without any public consultation. Council considers that a detailed environmental assessment of impacts, including cumulative impacts, was warranted as part of the master plan process.

Federal Planning Approval

Currently, the primary focus of the Airports Act is on regulating aeronautical matters, runways and terminals and this has resulted in a very inadequate land use planning and assessment regime for non-aviation development. This perhaps reflects the fact that planning assessment and development control usually has not been a Federal responsibility, which does not have a historical track record of expertise in this area. Apparently, the Department which undertakes the planning assessment of master plans and major development plans has little expertise in land use planning and very little local knowledge.

To achieve improved local area planning and environmental outcomes, it is essential to utilise available knowledge of ecosystems, site opportunities and constraints. Therefore, a reform of the current planning regime to put in place a statutory obligation for the ALCs to use a joint approach with the local government in the master planning and impact assessment of development seems to be the solution.

Vague and Accommodating Land Use Provisions in Master Plans

In most cases, zonings in the approved master plans of airport are characterised by such vague generalities that they are ineffective. There is almost no conceivable development which would be prohibited by any of the master plans so far approved. Additionally, often they have a provision to go for any other type of development, if the ALC intends to do so. For example, a typical example of such provision in the master plan of a major airport, whose declared planning objective is to "maximise the strategic value of airport land", states:

"The land uses are intentionally broad to provide an overall vision for the airport's property whilst accommodating flexible resolutions to future opportunities."

Besides its flexible long list of uses, which may be approved in various zones, the Sydney Airport Master Plan also includes the provision that, "*Development uses which are not specified in a particular zone may be permitted on a case by case basis, following consideration by SAAC [Sydney Airport Corporation Limited]......*"

The 2005 Bankstown Airport Master Plan is no different in its "broad range and mix of commercial and business development" including a long list of activities such as hotel,

motel, hospital, childcare, bulky goods, transport terminal, depots, industry, and retail etc that would be allowed almost identically in all three zones identified in the master plan for non-aviation development. The Plan goes on further to add, "*Other employment generating development will be permitted within the zone in locations that are compatible with this commercial activity.*"

Seemingly, the reason why no proposals, save for a Sydney Airport one rejected by the then Minister on public safety grounds because of proximity to runways, have so far been rejected is because there is no proposal which would not comply with the extraordinarily accommodating land use planning provisions of the airport master plans. Nothing is prohibited under the master plans and there is no provision within the master plans to reject any proposal. An example substantiating this is the then Minister's approval in 2006 of a \$100 million brick works on a 32 hectare site at Perth Airport, against stiff opposition from the community already heavily impacted by pollution from several other nearby brick works.

In its comprehensive 2004 submission to the Bankstown Airport Preliminary Draft Master Plan, Council expressed its serious concerns that the vagueness, the lack of detail and extremely broad range of uses that would be permissible in the non-aviation zones actually provides no certainty or little indication of the actual nature of land uses in future. Uses like bulky goods, large retail premises, transport terminals and depots may have significant impact on surrounding residential and commercial communities, including significant community and environmental costs such as increased levels of traffic on the City's road network, noise affectation and economic impacts on established commercial centres. The siting of such major trip generating development in a dispersed location such as the Bankstown Airport is also inconsistent with State and local planning regimes.

Retail/Commercial Development at the Expense of Future Aviation Need

A look at the master plans of various privatised airports suggests a pattern of airport lessee companies (ALCs) using the master planning process to allocate the absolute minimum quantity of land they require to undertake aviation activities and develop the remainder for maximum commercial gain, in some cases even by dismantling existing aeronautical infrastructure such as runways. In the case of Bankstown Airport, the Master Plan has earmarked 160 hectares i.e. more than half (51%) of its total land (313 ha) for non-aviation commercial development.

Unrestrained large scale retail/commercial development can effectively tie up important vast tracts of airport land for long periods much of which may be required for expansion of aeronautical infrastructure in future and during the period of lease. According to a just released Commonwealth report, *Air passenger movements through capital city airports to 2025-26*, the number of air passengers is expected to annually grow by 4 - 4.7 per cent in major airports and 3.3 - 3.6 per cent in other airports and is expected to be doubled by 2025-26.

In this context, limiting the potential future aviation expansion at airports is contrary to the report's long term predictions and inconsistent with the original purposes of compulsory acquisition of vast airport sites in the past. It is a short-sighted poor economic management approach, which is likely to impact on capacity, efficiency and viability of future air travel, training, and freight distribution needs.

The privatisation of Bankstown Airport and consequential introduction of increased market-based rents resulted in lot of stress for a number of existing smaller aviation training and aero-support engineering businesses whose viability has been at stake. Not surprisingly, these businesses saw the attempt as a move to free up land for lucrative retail development. In any case, this has the potential to undermine the very general aviation, including training, character of the airport and is likely to contribute to the increasing skill shortage within the industry.

An analysis by the NSW Government, quoted in its 2007 submission to the Senate Inquiry into the *Airports Amendment Bill 2006*, indicated that the forecast peak growth included in the Sydney Airport Master Plan could occur up to 10 years earlier. This is likely to bring forward the need for additional land for aviation purposes including aircraft parking. Council is concerned that this might rekindle the idea, once discarded in the face of strong opposition from Bankstown Council and its community, of using Bankstown as a spill over airport for Sydney Airport and also increases the likelihood that regional airlines may be displaced from Sydney Airport because of space limitations.

It may be argued that the Commonwealth in passing on their privileged powers to the private lessee companies have effectively allowed a significant deviation from the original intent and purpose and may have exceeded the purpose for the compulsory acquisition of the airport sites.

Development Approval Process with No Check and Balance: Inconsistency with National Competition Policy

Commercial non-aviation development on airport land should be subject to the same level of scrutiny, community consultation and planning assessment as similar developments under state or local planning laws and regimes.

Currently, the Minister or the Airport Building Controller is the sole determiner of a development proposal. There is no judicial review process. The process is not transparent or accountable.

With the exception of a single case of rejection on safety grounds of a retail development close to a runway at Sydney Airport referred to earlier, the absence of any substantial evidence of significant amendment or rejection of a development proposal by the former Government substantiates the ineffectiveness of the whole process.

The self-regulating form of development approval process in airports has cocooned development in airports and businesses from the rigors applied to all off-airport business. This is not a "level playing field", and creates unfair disadvantage to off-airport businesses in a way inconsistent with the National Competition Policy and the principles of competitive neutrality. It can lead to substantially detrimental impacts on the viability of existing off-airport businesses and retail centres and act as a disincentive for potential new investments there. Land use controls and regulation for non-aviation airport development should be consistent with the regulatory controls that apply to their competitors off-airport and rest of the community.

The master plan and major development plan processes need to be reformed so that land use planning in all leased airports is dealt with in a way that no non-aviation on-airport development enjoy a competitive advantage over similar development off-airport.

Council considers the development process for a National Aviation Policy Statement as the appropriate time for addressing this long outstanding issue by allowing Local Government the right to determine development applications for all non-aviation uses on Airports.

If the Commonwealth is not prepared to allow local and state government to determine commercial developments in airports, a new regime of comprehensive assessment by an independent panel or the local council be introduced to assess the external and overall impacts of the development proposals as well as their compliance with state and local planning regimes. This assessment could then be the basis for approval or rejection of the proposal by the Airport Building Controller or the Minister, as the case may be.

Infrastructure Requirements of Development on Airport and Unmitigated Impact on Local and State Infrastructure, Environment and Properties

When approving major facilities, State and Local Government require by law *developer contributions* to contribute to the costs of providing the new or upgraded infrastructure that might be required by the development.

The standard practice is to levy the developer in proportion to the impact or infrastructure needs of their development and the levies contributed are invested in compensatory works and/or the provision of infrastructure, public services and community facilities. Currently, this is not applicable to developments on airport land due to Commonwealth's leasing (rather than sale) of the airports the lease provisions do not override the privilege of Constitutional exclusion from state planning laws enjoyed by the Commonwealth.

While exclusion from state planning laws for airports may have been acceptable to the community in the past, when airports were operated by the Commonwealth just as airports - predominantly for aviation activities and for common good, it is entirely unacceptable that this exemption should still continue for non-aeronautical, commercial exploitation of the airports for generating lucrative gains for private operators of airports i.e. the ALCs. It also provides airport developments with an unfair cost and competitive advantage.

Exemption of ALCs from paying development contributions to state or local government provides a windfall gain to them at the expense of public benefit, leaving state and local governments to pay for the infrastructure required to service the proposal.

A 2002 Productivity Commission Report estimated that around 69 per cent of total revenue earned by privatised airports was from non-aviation activities. As reported in Bankstown Airport's 2005 Master Plan, 80 per cent of the Airport's revenue is generated from non-aeronautical and property sources.

The 2005 Bankstown Airport Master Plan identified the necessary road infrastructure works that would be required as a consequence of full development of the Airport site. In its submission on the Bankstown Airport Preliminary draft Master Plan, the NSW Government estimated that the total cost of these road works, excluding property acquisition, will be in the tune of \$100 million and that none of these works is currently included in any State funded projects.

There are presently no statutory requirements that the airport master plans should include consideration of the effect developments have on surrounding land and infrastructure or the need to contribute towards mitigation programs or infrastructure upgrades.

Council strongly urges that a provision be made that would require the airport operators to effectively consider the impact that developments on airport land can have on surrounding land and infrastructure and, where necessary, require contributions to infrastructure upgrades, maintenance, and effect mitigation.

Recommendation

1. Council proposes Section 112 of the Airports Act 1996 which excludes State and Territory planning laws for airports be removed from the Act to allow State Governments and local Councils the right to determine development applications for all non-aviation uses on airports.

In the event that Commonwealth does not find this practicable, an alternative would be to amend the Act to require the airport lessee companies to lodge all their DAs

(development applications) with the local council as well as the Commonwealth department administering the Airports Act and give Council 60 days to prepare a full planning assessment of the proposal vis a vis State and local planning regimes to be lodged with the Commonwealth Minister and the Minister will be required to give due consideration of the matters raised in the assessment report when making his decision on the proposal.

2. Alternatively, Council proposes the Airports Act 1996 be amended to require:
 - Greater consistency between airport development policies and approval processes with the State and local government planning regimes.
 - Mandated obligation for the airport operators to use a joint approach with the local government in the master planning and impact assessment of development in privatised airports.
 - Defined consultation processes by airport operators with State, Local Government and the community.
 - Provision for referral of major development applications to an independent assessment panel, for example, a federal development assessment commission, to approve or reject any development proposal.
 - Appeal mechanism for both the airport operator (as an applicant) and affected parties i.e. State or Local Government or communities where developments have a significant impact on them.
 - Land use planning control regime for leased airports that, consistent with national competition policy principles, ensure that no non-aviation on-airport development enjoy a competitive advantage over similar development off-airport.
 - Amend Section 112 of the Airports Act to allow the operation of a State law that imposes a financial impost, including local government rates, on land owned by the commonwealth but leased by a private company, as if the land was not a Commonwealth place. A provision such as this will provide better certainty to ALCs' obligation to pay Council rates and will make this enforceable by Councils.
 - Statutory obligations for funding infrastructure upgrade and impact mitigation requirements of developments on airport.
 - Statutory obligation to pay local government rates, charges, fees, including state and local government developer contributions.
3. Amend Section 112 of the Airports Act 1996 so that aeronautical developments on land shown in the master plan of airports as zoned for aviation uses shall be excluded from the operation of State or Territory laws relating to land use planning, but that all non-aviation development in an airport shall be subject to the relevant State /Territory and local land use planning laws and controls.
4. Alternatively, all non-aeronautical development on airports should be assessed by an appropriate Commonwealth Department with town planning assessment skills to ensure that such developments comply with the State or Territory legislation.

Rates or Rate Equivalent Payments

The issue of rate equivalent payments to council for airport land which are sub-leased to tenants or on which trading or financial operations are undertaken has been the cause of protracted concern for a number of councils in other parts of Australia (eg. Perth and Adelaide), who had difficulty in securing this payment from airport lessee companies (ALCs). This is in spite of the fact that Commonwealth's lease agreements with ALCs require them to pay this to local council. Fortunately, the sound working relationship between Bankstown Council and Bankstown Airport Limited has avoided such problems.

Under the current arrangements, airport lessees suffer no penalty for failure to comply with their obligation to pay rate equivalent amounts to their local council. Also, the Department of Transport does not accept responsibility for any payments not made. This and other shortcomings in the airport lease agreements contributed to escalating dispute between some airports and their council, in some cases involving millions of dollars payable to council.

Although more recently, due to insistence from the Commonwealth, there appears an improved willingness on the part of non-complying ALCs to meet their contractual obligations, some councils in other parts in Australia still have outstanding issues relating to rate equivalent payment with their airport.

Recommendation

Bankstown Council recommends an amendment to Section 112 and any other relevant section of the Airports Act to allow the operation of a State law that imposes a financial impost, including local government rates, on land owned by the commonwealth but leased by a private company, as if the land was not a Commonwealth place. A provision such as this will provide better certainty to ALCs' obligation to pay Council rates and will make this enforceable by Councils.

2. Aircraft Noise

Due to the impact of aircraft noise on their quality of life and value of their properties, both current aircraft noise and future forecast impose a considerable burden on communities surrounding airports. Likewise, the noise impact from aircrafts using Bankstown Airport has been a significant issue for many Bankstown residents as well as Council.

According to the Bankstown Airport 20-year Master Plan, forecast aircraft movements in 2024/25 will represent a 72 per cent increase on 2003/04 levels. The Master Plan also provides for introduction of regular passenger transport (RPT) flights, a significant increase in freight activity, and an increase in night time movements - including movements between 11pm-6am (otherwise known as curfew hours). Council's investigation, carried out for its 2004 submission on the Airport's preliminary draft master Plan (PDMP), indicated that noise levels from forecast activities will result in unacceptable impacts on many residents in our City and communities further afield.

Council in its comprehensive submission to the Draft Master Plan had pointed out lack of detail information on aviation development proposals and their noise impacts on the community and inadequate exploration and consideration of potential mitigating measures. Council also advocated for imposing a curfew or at least night time activity caps on freight and other movements but these remained unaddressed.

Unfortunately, the Airport Noise Management Plan developed by the Bankstown Airport relies only on a voluntary *Fly Neighbourly* procedure by pilots and engine ground running recommended procedure to mitigate noise impacts on the community. These types of controls rely upon pilots complying with guidelines and the problem with these controls is that these are not enforceable and there are no sanctions for a breach of the guidelines. Flight track analysis, which uses a transponder (flight recorder) fitted to each aircraft that allows identification of pilots and aircrafts breaching noise abatement requirements. Apparently, no GA airport in Australia uses this system and introduction of it will require a decision from the Federal Government.

Aircraft Noise and Shortcomings of ANEF as a Tool

Under section 117 of the NSW Environmental Planning and Assessment Act 1979 Councils have a statutory obligation to incorporate appropriate provisions in their Local Environmental Plans (LEPs) controlling development near licensed aerodromes against increases in residential density and incorporation of insulation against aircraft noise - based on what might happen in 20 years time.

In a city like Bankstown, improvements to the existing built environment can only occur through redevelopment and restrictions like this can prevent redevelopment from being viable. Therefore, it is essential that current and future aircraft noise information (eg. ANEFs) is accurate, able to be scrutinised, and easy-to-understand by the community.

The ANEF system was developed in Australia in the 1980s primarily as a land use planning tool, a purpose it has served well. But ANEF is not a very useful tool for the provision of noise information to residents affected by aircraft noise. Because the Airports Act 1996 requires the production of ANEF contours only, most Australian airports are still providing this as both a land use planning tool and noise information for the community. Based on experience in Sydney and other major airports, the shortcomings of ANEFs as currently used as an approach to providing aircraft noise information to the public have been identified and are outlined below:

- An ANEF map is not a suitable noise information tool for use by a non-expert noise affected resident. Usually, ANEF maps are also particularly deficient as they provide noise information based on an annual average day, which is rarely a typical day and often does not relate closely to a person's actual experience.
- Also, usually no information on noise exposure patterns beyond the 20 ANEF is provided. But impact of aircraft noise does not stop at the outer most noise contour prepared by the ALCs, which is often 20 ANEF. In fact, evidence has been mounting in recent years that most complaints about aircraft noise at Australian airports came from residents living in areas outside the conventional (ANEF) noise contours.
- For some airports, community concern and noise complaints against location of flight paths can extend up to 30-40 km from the airport. This has been a key reason behind community demands for information on the location of, and the level of activity on flight paths. This type of information has proven to be useful both because it is much more comprehensible and because it generally extends to areas well outside those covered by the conventional contours.
- Since privatisation of airports, there has been a deviation from historic practice in the production of ANEFs. ANEFs are now produced by ALCs, rather than a government agency (Airservices).
- The 'endorsement' process for technical accuracy of ANEFs undertaken by Airservices Australia reportedly does no more than confirm that the modelling used to compute ANEFs has been run correctly and does not check the assumptions and choices upon which the result is dependent. This means Airservices only reviews ANEFs prepared by ALCs for technical accuracy in producing an accurate ANEF from ALC's assumptions deemed to be accurate. There is no opportunity for public debate or input on these. This has the potential for the ALC to overstate the needs of the airport at no cost or other disadvantage to itself but with the consequence of imposing an unnecessary burden on the surrounding community.
- The inadequate technical review of ANEF contours by Airservices Australia who do not critically scrutinise the traffic assumptions on which the ANEFs are based is likely to put communities at a distinct disadvantage. The affected communities or the local

council hardly have any access to the presumptions or procedures used and any effective opportunity to comment on their validity.

The long 20 year planning timeframe for forecasting aircraft movements and using these for ANEFs is also seen as a problem. There are past instances when even five year forecast of aviation activities have been found to be unreliable. But surprisingly, for example, ANEF for Perth Airport has a 50 year horizon. Given the uncertainties regarding the future situation in the aviation industry, including fossil fuel costs and security environment, forecast movement targets may never be achieved.

As a planning tool, the main purpose of ANEFs is to prevent long term residential encroachment in close proximity to airports. Therefore, its relatively longer time frame is acceptable but the noise information usually sought by public are often immediate or short term, which warrants the use of some other tools.

Aircraft noise information based on numbers and times of movements (eg. N60 or N70 maps), location of flight paths, etc can be readily verified by an affected resident simply by keeping a log of the time each craft passes near their home, which then can be cross checked with the 'official' published data. On the other hand complex noise metrics generated by computer models, even if understood, cannot be easily verified by a member of the public.

Noise Complaint Services

It is not known whether there has been any formal evaluation of the effectiveness of the existing noise enquiry and the noise complaint services. Currently, the noise complaint services appear to be under promoted. The availability of this service needs to be promoted among communities surrounding and impacted by aircraft noise.

Recommendation

1. The Airports Act 1996 be amended to require airports, including major secondary and GA airports to:
 - (a) Review and remodel ANEF contours every five years.
 - (b) Produce and publish revised ANEF and N60 or N70 contours every five years.
 - (c) Develop and make available to public detailed and easy-to-understand information including flight path maps, and respite charts on current and proposed flight paths within 30 nautical miles of an airport.
2. The 'endorsement' process for technical accuracy of ANEFs undertaken by Airservices Australia be enhanced and made comprehensive to also include a check for soundness of assumptions and forecasts used by airports for developing these.
3. Noise management experience gained at Sydney Airport through community and council participation and initiatives under its noise abatement and sharing regime called the LTOP (Long Term Operating Plan), which included publishing of detailed flight path maps for the community, provision of 'respite' or break from aircraft noise, noise sharing between suburbs, and rotational use of runways should be considered for use in major secondary or GA airports including Bankstown, where practicable.
4. A curfew (11pm - 6am) which effectively prohibits night time aircraft movements would be Council's preferred option for Bankstown Airport. However, if a curfew is not feasible, a night time movement cap be introduced in major secondary or GA airports like Bankstown to protect surrounding communities from excessive night time noise impact, particularly during 11pm-6am.

5. Major general aviation airports like Bankstown be statutorily required to undertake trial and use the flight tracking system in order to identify noise impacted areas and level of compliance with voluntary *Fly Neighbourly* guidelines and to generate information for future noise management plans.
6. More intensive airport-community-local government partnership approaches in noise management through provision of information in a comprehensible manner and undertaking genuine consultation.
7. Measures should be taken to promote the noise complaint service among communities surrounding and impacted by aircraft noise.

3. Aviation Emissions and Climate Change

Since the emergence of airports on urban landscapes, communities around airports have been concerned about the aircraft noise, traffic congestion and air pollution. But recent evidence shows that aviation emissions are contributing significantly towards a far greater threat - climate change. Emission from aircrafts is the world's fastest growing source of greenhouse gases. According to a 1999 report (*Aviation and the Global Atmosphere*) from Intergovernmental Panel on Climate Change (IPCC), aircrafts currently cause about 3.5 per cent of global warming from all human activities and this will continue to rise and could within 50 years contribute up to 15 per cent of global warming from all human activities.

Advancements in aircraft technology, improved operational measures, on-ground infrastructure management enhancements or even a cleaner fuel can all improve fuel efficiency and emissions. But the IPCC report concluded, "Improvements in aircraft and engine technology and in air traffic management will not offset the projected growth in aircraft emissions."

To address the issue, major stakeholders like the International Civil Aviation Organisation (ICAO), the International Air Transport Authority (IATA) and the European Union have been considering both market-based and voluntary measures. Because it is now widely agreed that these are likely to offer more flexible and less expensive emissions reductions than traditional regulatory measures.

Internationally, a major initiative currently underway to address the aviation emissions is the European Union (EU)'s 2006 decision to include aviation in the EU Emissions Trading Scheme (ETS), which has been in operation since 2005 and covers major industrial emissions in Europe. After extensive analysis and wide ranging stakeholder consultation, the European Commission (EC) concluded "bringing aviation into the EU ETS would be the most cost-efficient and environmentally effective option..."

From the start of 2011, emissions from all domestic and international flights between EU airports will be covered. At the start of 2012, the scheme will be expanded to cover emissions from all international flights- from or to anywhere in the world which arrive at or depart from a EU airport. The plan is for the EU ETS to serve as a model for other countries considering similar national or regional schemes, and to eventually link these to the EU scheme. It is therefore expected that the EU ETS will form the basis for a wider, global action.

Australia's ratifying the Kyoto Protocol and its current commitment to working through the International Civil Aviation Organisation (ICAO), as reiterated in the Issues Paper, is definitely a move in the right direction. It would be in Australia's further interests to closely follow the implementation experience of EU ETS for aviation, for a possible replication in Australia.

Recommendation

1. Australia should continue to work through ICAO and with other international aviation stakeholders to ensure implementation of voluntary industry initiatives for emissions reduction, including advanced technology, fuel efficiency, and operational improvements.
2. Once a positive evaluation of the EU ETS for aviation is available, Australia should consider replicating it.
3. As planned by the European Commission, light aircraft, military, police, air ambulance, customs, flights on state business, training or testing flights may be exempted from the emissions trading scheme.

4. Security at Airports

Current security measures in 11 designated major airports and 29 security controlled and passenger-screened airports in Australia are considered to be in line with international standards in major aviation states.

Bankstown is one of the 148 other security controlled airports. Although approved in the Master Plan, Bankstown Airport currently has no regular passenger transportation service. But it does have considerable and growing training and freight traffic as well as private and personal jet traffic, and recreational air traffic. The risks of security and access to the Airport precinct need to be monitored and reassessed. The recent theft of a helicopter, which remained undetected for months, highlights the possibility of broader security issues which could have significant broader community safety ramifications. There is no room for complacency.

The Bankstown Airport Master Plan provides for security upgrades in line with the Federal Government's requirements with a new risk-based security review. But it is not known whether any review was undertaken or, if there was a review, whether this resulted in any upgrade of security.

Recommendation

An immediate independent security and risk assessment of the Bankstown Airport (and other similar airports) should be undertaken and appropriate security measures such as fencing, CCTV surveillance and other appropriate measures should be considered, with an ongoing commitment to investment in security and risk management at the Airport.

5. Emergency Management at Airports

According to the Bankstown Airport Master Plan approved in 2005, forecast aircraft movements will undergo a steady annual growth to achieve a 72 per cent increase in 20 years - from 247,398 movements in 2003/04 to 424,129 in 2024/25. Passenger movement forecast included in the Master Plan due to the proposed introduction of RPT (regular passenger transport) services will generate 288,000 passenger movements per annum through the Airport during 2009/10 to 2024/25.

In its 2004 submission to the Airport's preliminary draft master Plan (PDMP), Council noted that an overall emergency management framework must be established for the

Airport prior to any substantial increase in aviation traffic and introduction of RPT movements. It is understood, the Airport operator intends to rely on external agencies to assist in any emergency incident at the Airport. Nevertheless, it is considered that an on-site emergency unit should be employed to provide the initial response during an incident. An overall emergency management framework, including protocols, is needed that would provide details as to how the Airport would manage an incident and allocate roles and responsibilities to various support services (eg. SES, Fire Brigades, Police, Ambulance Services and the hospitals) to ensure adequate preparedness, response and recovery.

Recommendation

1. For secondary airports with considerable forecast growth in movements, including passenger movements:
 - (a) A series of protocols, under an overall emergency management framework, need to be established that would provide details as to how the Airport would manage an incident and allocate roles and responsibilities to various emergency support services to ensure adequate preparedness, response and recovery.
 - (b) The feasibility of establishing an on-site emergency response unit to provide initial response during an incident may be investigated.