

Submission to the Modernising Australia's Airport Regulations

Stage 1a: Cutting red tape, duplication, inconsistencies and reporting; leasing and management of airports; airport ownership.

Since privatisation, outside the major airports, the direct costs to aviation entities to operate from an airport has not been conducive to encouraging a flourishing air transport or the economic growth of the community that each airport serves.

The basis for an airport is to provide services for the air transport system that move people and freight, commercial and/or private, as an alternative mode of transport to road, rail and sea. The use of airports for medivac services, agricultural services, floods and fire services cannot be under stated let alone any future use of airports during unsettled international situations.

Air Transport simply means the carriage of persons or freight commercially or privately.

The Australian airport sector plays a defining role in connecting families, friends and communities, promoting tourism and trade and supporting essential and emergency services, such as the Royal Flying Doctor Service, providing aviation skills training and supporting community groups. Regardless of size or location, all airports play a role in connecting individuals to essential services and connecting Australia to the world.

The airport sector in Australia is highly diverse. It is characterised by around 155 airports which receive Regular Public Transport (RPT) services and more than 2000 smaller airfields and landing strips around the country.

АМКОВА

What has never been correctly been identified in aviation legislation is airport land must be associated to aviation development, not non-aviation business parks & shopping centres.

Unlike other nations, our regulating system is not protected from non-aviation development so future developments that currently have not been recognised can be facilitated at the airport. Too many airport master plans are about development in the present not what could be in the future.

The criteria spelt out for the master plan does not restrict non-aviation development on these leased Federal Airport Lands as has been evident at all the metro airports leased by private operators (Property Developers) who are forcing aviation companies off the airports.

It is obvious the Airport Acts need amendment so that airport development means aviation development, not non-aviation businesses.

The Government review must look closely at how foreign governments' approach development, especially in the US for example, the additional <u>California Airport Land Use Planning Handbook</u>.

"The purpose of the California State Aeronautics Act (SSA) "is to protect the public interest in aeronautics and aeronautical progress." General aviation airports offer a wide variety of services, ranging from flight instruction and recreation, to air cargo, emergency medical transportation, law enforcement, and firefighting operations. Each ALUCP must be customized to reflect the individual conditions of each airport."

Therefore, AMROBA supports Option 3: Remake the Airport Regulations and the AOISRs with changes. A number of changes are needed to protect Federal Airport Lands for aviation.

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Issues Caused by Airport Operator's Unmonitored Master Plans

Many approved Airport Master Plans preference non-aviation business development at metro and some other community airports over aviation businesses. The only outcome will be government endorsed differences between aviation and non-aviation business.

1. Who provides government "regulatory oversight"?

It is obvious that there has been no regulatory oversight of non-aviation development at metro and some community airports where aviation businesses have been given notice to vacate for this development. The failure of government to oversight the "privatisation" process has seen to incompatibility of non-aviation development at metro and some community airports that places these new tenants in direct conflict with airport users.

2. Is the Airport Act fit for purpose?

One only has to look at the objects of this Act and what is practically happening at metro and some community airports to see that these Objects are fictional.

The objects of this Act are as follows:

- (a) to promote the sound development of civil aviation in Australia;
- (b) to establish a system for the regulation of airports that has due regard to the interests of airport users and the general community;
- (c) to promote the efficient and economic development and operation of airports;
- (d) to facilitate the comparison of airport performance in a transparent manner;
- (e) to ensure majority Australian ownership of airports;
- (f) to limit the ownership of certain airports by airlines;
- (g) to ensure diversity of ownership and control of certain major airports;
- (h) to implement international obligations relating to airports.

Individual Comments

- a) "Promote the sound development of civil aviation" by who?
 - Airports are seen by aviation businesses as negative promoting aviation by supporting the expansion of non-aviation businesses.
- b) "Due regard to the interests of airport users"
 - Ask any tenant at metro and some community airports are their interests being regarded by the airport operator? The answer is NO.
- c) "promote the efficient and economic development and operation of airports"
 - Aviation tenants are not aware of such development.

Unless the Objects provide better clarity regarding airport development to mean aviation development, then the government is supporting the closing of very vital airports, especially metro airports that will provide benefits for the local communities in the future.

The failure of this Act to protect airport users from non-aviation development has all but finished these airports as viable airports. The following explains why.

3. Impacts, surrounding communities

It is important to understand the ways in which an airport interacts with the land uses around it. Despite the mutually beneficial economic relationship that airports can have with the communities around them, the reality is that airports also create certain unwanted impacts. Airports can create impacts such as noise, vibration, odours, and risk of accidents. Likewise many land uses can cause direct or indirect impacts on the way airports grow and the safety of their operations. Development around an airport, particularly in the approach and departure paths, can create obstructions in the airspace traversed by an approaching or departing aircraft. Additionally, certain land uses have the potential to attract wildlife or to create hazards to aircraft such as a distracting glint or glare, smoke, steam, or invisible heat plumes.

4. Government fails to control Land Use on & adjacent to airports for safety reasons

Airport land use compatibility is the reconciliation of how land development and airports function together. The concept of compatibility has been defined as: "Airport compatible land uses are defined as those uses that can coexist with a nearby airport without either constraining the safe and efficient operation of the airport or exposing people living or working nearby to unacceptable levels of noise or (safety) hazards. Compatibility concerns include any airport impact that adversely affects the liveability of surrounding communities, as well as any community characteristic that can adversely affect the viability of an airport.

Incompatible development near an airport can lead to a politically contentious relationship between an airport and the communities around it, resulting in complaints and demands for restrictions on airport operations, ultimately threatening the airport's ability to operate efficiently and serve its function in the local economy.

5. Government created local complaints and demands for restrictions

With regard to noise and overflight, the goal of airport compatibility planning is to reduce annoyance and to minimize the number of people exposed to excessive levels of aircraft noise.

Nothing substantial has changed with respect to where the highest number of aircraft accidents are occurring. Typically accidents occur along the extended runway centreline. Proper safety and airspace protection minimizes the number of people on and off the airport that are exposed to the risks associated with potential aircraft accidents and avoids flight hazards that interfere with aircraft navigation.

6. Airport Master Plans

The current regulatory Airport Master Plan criteria has failed aviation businesses at secondary airports and some community operated airports. The operators priority, at these airports, has been non-aviation development to the detriment of the aviation businesses that provide services and economic benefits to the local community.

• The following is an example of the FAA's Master Plan requirements.

The Airport Master Plan (FAA USA Concept)

An AMP is an airport-sponsored, comprehensive planning study that usually describes existing conditions as well as interim and long-term development plans for the airport that will enable it to meet future aviation demands. An AMP contains an FAA-approved activity forecast and an ALP.

"An airport master plan is a comprehensive study of an airport and usually describes the shortmedium and long-term development plans to meet future aviation demand. The elements of a master planning process will vary in complexity and level of detail, depending on the size, function, issues, and problems of the individual airport (FAA 2007, p. 1). <u>The FAA reviews</u> all elements of the AMP to ensure that sound planning techniques have been applied. However, the FAA only approves the following two elements of the AMP:

- 1) the 20-year forecast of demand, and
- 2) the ALP. Airport Layout Plan.

The AMP functions as a long range, comprehensive study of the airports facilities and property needs. Even though an AMP may be "suggestive" of property outside of its boundaries, this document cannot dictate changes beyond the airport boundary (unless owned by the airport).

An Airport Layout Plan (ALP) is a scaled, graphical presentation of the existing and <u>future</u> <u>airport facilities</u>, their location on the airport campus, and pertinent clearance and dimensional information.

There is no non-aviation development included in the FAA approval.

AMROBA

Recommendations Stage 1a.

Option 3 Subleases and licensing

1. Do you agree or disagree with the proposed amendments? Please specify.

Basically agree as long as sub-lessees at airports are visible to Department.

All sub-leases should be based on a Federal Template.

2. Can you suggest any improvements to the proposed amendments (e.g. is there anything else that should be included)?

The Department should control a national register that holds all licences, leases and sub-leases.

All sub-leases should identify which sector of aviation the leaser business operates in.

Sub-leases agreements must be concluded within 3 months,

3. What level of benefit would you expect these changes to bring to your business?

A national standard approach that should reduce sub-lease costs.

4. Are there other opportunities to streamline and reduce red tape in regard to subleases and licensing?

The length of lease, sub-lease must be a minimum of 5 years so financial funding can be more easily be obtained by the lessor. Sub-lessor.

5. Do you agree with the Department's estimate of the regulatory impact of proposed changes?

Not considered – as long as it reduces red tape, costs.

Option 3 - Ownership

1. Do you agree or disagree with the proposed amendments? Please specify.

Agree that the Annual Report should be 3 years supported by an Annual Activity List.

2. Can you suggest any improvements to the proposed amendments (e.g. is there anything else that should be included)?

An airport yearly activity should be submitted electronically into a national database administered by the Department. This would simplify for airport lease and Department.

This would provide beneficial data for industry and government.

3. What level of benefit would you expect these changes to bring to your business?

Reduced airport administrative costs eventually benefits airport users.

4. How could airport ownership remain as competitive as possible, while protecting Australia's national infrastructure?

Airports cannot be competitive unless they are in the same geological location.

Each airport is, or should be competing with the local costs of travel by the road, rail or sea transport systems. Airport costs have to be contained so air transport can compete.

5. Do you agree with the Department's estimate of the regulatory impact of proposed changes?

Not considered – as long as it reduces red tape, costs..

AMROBA looks forward to the following stages of the regulatory review to reduce red tape and encourage civil aviation at airports in Australia.