

Sydney Airport Demand Management Compliance Committee—Compliance Committee Terms of Reference

May 2026

Introduction

Sydney Airport is Australia’s largest domestic and international air transport hub. Enacted in October 2025, the reforms to the *Sydney Airport Demand Management Act 1997* (the Act) along with the Sydney Airport Demand Management Regulations 2025 (the Regulations) and the Sydney Airport Slot Management Scheme 2025 set out a new regulatory framework for slot management at Sydney.

The reforms included amendment to Part 7 of the Act providing for increased independence of and new functions for the Sydney Airport Demand Management Compliance Committee (the Committee). The Committee’s core role is to be an independent body providing information and advice to the Minister on the operation of and compliance with the slot management system at Sydney Airport. The Committee is not a regulator and does not make regulatory decisions. The Act transfers the Committee’s former responsibilities for individual compliance and enforcement actions to the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (the department).

These Terms of Reference outline the Committee’s functions in the new legislative environment and address the *Sydney Airport Demand Management (Compliance Committee) Directions 2026* (the Minister’s Directions) issued to the Committee in February 2026 by the Hon. Catherine King MP, Minister for Infrastructure, Transport, Regional Development and Local Government and how the Committee intends to deliver them.

Legislative context

Sydney Airport Demand Management Act 1997

Section 66 of the Act establishes the Committee and sets out its membership and functions.

Membership

Subsection 66(2) of the Act defines the Compliance Committee membership as comprising an independent Chair and 3 independent members appointed by the Minister and three *ex-officio* representative members drawn from Airservices Australia as air traffic manager, Sydney Airport Corporation Ltd (SACL) as airport operator and Airport Coordination Limited Asia-Pacific (ACL APAC) as the Slot Manager.

Functions

Subsection 66(6) of the Act sets out the Committee’s functions as follows:

- a) On its own initiative or at the request of the Minister, to inquire into and report to the Minister about any of the following matters:
 - i. the allocation or use of slots at Sydney Airport,
 - ii. gate movements at Sydney Airport; and
 - iii. compliance with the Act.
- a. To publish information held by the Committee in accordance with the regulations,
- b. Such other functions conferred on the Committee by the Act, and

c. To do anything incidental to, or conducive to, the performance of the above functions.

In addition to these functions, subsections 66 (7-10) of the Act provides for the Minister to request the Committee to undertake specific inquiries into matters and report to the Minister on its findings.

Matters related to the operation of Sydney Airport which lie outside the Committee's functions include:

- Maximum aircraft movement limits at Sydney Airport and for the Recovery Period as set in the Act,
- Flight paths managed by Airservices Australia and matters of aircraft noise, and
- Aircraft operations during curfew periods as set out in the *Sydney Airport Curfew Act 1995*.

Sydney Airport Demand Management Regulations 2025

Part 3 of the Regulations describes conditions of Committee membership and the procedures and operation of the Committee. Section 30 of the Regulations sets out attendance by representatives of the department at Committee meetings as non-voting observers.

Part 4 of the Regulations sets out the obligations of the Slot Manager to provide the Committee with access to records to undertake its functions (section 33). It also provides for the Committee to request access to Slot Manager records (section 34).

Section 44 of the Regulations describes the obligations of the Committee in regard to generation, retention and destruction of its records.

Sydney Airport Demand Management (Compliance Committee) Directions 2026

In accordance with section 67A of the Act, Minister King issued the Minister's Directions on 16 February 2026. The Directions set out the Minister's priorities for the Committee as well as other specific requirements.

Statutory objectives

Section 5 of the Minister's Directions states the Committee must perform its functions consistent with the following statutory objectives. The Committee will undertake its functions with a view to the:

- Competitive use of Sydney Airport's limited capacity,
- Fair application of the legislative framework to all operators,
- Efficient utilisation of slots, particularly during peak periods, and
- Transparent monitoring and reporting of compliance.

Priorities of the Committee

Section 6 of the Minister's Directions establishes two priorities for the Committee:

Priority 1: Regularly review and advise on the effectiveness of compliance and enforcement tools available under the Act, Regulations and Scheme.

The Committee will do this by:

- Monitoring trends in the allocation and use of slots, gate movements at Sydney Airport and compliance with the Act,
- Reviewing the effectiveness of the compliance and enforcement system at achieving the statutory objectives, and
- Preparing advice and reporting its findings to the Minister.

Priority 2: Inquire into and report to the Minister about high-risk non-compliant behaviours and emerging circumstances and patterns of behaviour.

The Committee will do this by:

- Identifying high-risk non-compliant behaviours using:
 - Information from the department about its regulatory assessment of non-compliance and operator behaviour;
 - Slot Manager reporting to the Committee;
 - Earlier studies into slot use including the 2019 Productivity Commission’s *Economic Regulation of Airports*¹ public inquiry; the 2021 *Review of the Sydney Airport Demand Management Scheme* (Harris Review)²; and the 2024 *Sydney Airport Domestic Slot Audit*³.
- Inquiring into the impact of high-risk non-compliant behaviours on the statutory objectives; and
- Preparing reports for the Minister about its inquiries.

Secretariat

Section 7 of the Minister’s Directions requires the department to provide a secretariat function for the Committee. The secretariat is responsible for organising meetings including preparing agendas, noting attendance of members and observers, taking minutes, maintaining an action register and managing the travel arrangements of the Chair and the three appointed members. The secretariat will also maintain a register of conflict of interest disclosures made by members.

In performing its functions, the Committee will engage constructively with the department and consider information or materials provided by the department. With the assistance of the secretariat, the Committee will establish and maintain internal processes and systems to support the performance of its functions.

The secretariat also supports the requirement set out in Section 8 of the Minister’s Directions for the Committee to meet 4 times in a calendar year.

Annual report

Section 12 of the Minister’s Directions requires the Committee to deliver an annual report to the Minister by 31 October each year.

The Committee will prepare an annual report with information relating to the last 12 months of its operations including:

- The performance of its functions;
- Trends in slot use and high-risk behaviours relating to non-compliance;
- Meetings held;
- Any requests by the Minister for inquiry into a matter (as per subsection 66(7) of the Act); and
- Any other matters related to the conduct of the Committee’s work.

Section 17 of the Minister’s Directions state the Committee’s initial annual report will only cover information related to the Northern Winter 2025 (NW25) scheduling season.

The Committee’s approach

In developing these Terms of Reference, the Committee has considered the above matters and the Act, Regulations and Ministerial Directions more generally and has decided it will focus on:

- Formal compliance with the scheme,
- The adoption of regulatory best practice by the Department and the Slot Manager,
- The identification of potential reforms to improve compliance and regulatory efficiency,

¹ [Economic Regulation of Airports \(2019\) - Public inquiry | Productivity Commission](#)

² [Review of the Sydney Airport Demand Management Scheme](#)

³ [Sydney Airport Domestic Slot Audit](#)

- The identification of existing and emerging anticompetitive conduct and other conduct that might lead to consumer detriment, and;
- Any requests made by the Minister

It will do this by:

- Meeting four times a year,
- Receiving and reviewing compliance information from the Slot Manager and the Department at its regular meetings,
- Undertaking detailed analysis on specific matters as it feels appropriate or as requested by the Minister,
- As it deems appropriate, engaging with stakeholders including but not limited to the Department, Airservices, the Slot Manager, Sydney Airport, airlines and other aircraft operators using Sydney Airport,
- Seeking further information from the Department, the Slot Manager and Airservices to further investigate issues, and
- Reporting to the Minister annually and at other times as the Committee feels appropriate.

Reviewing the Terms of Reference

The Committee will review these Terms of Reference every two years to ensure it is up to date, or earlier as required. Should the Minister’s Directions be reissued to the Committee, it will review these Terms of Reference to ensure they remain aligned with the new Ministerial Directions.

Document control

Version	Release date	Approver	Reason for update
1.0	April 2026	Chair	Initial draft
1.1	May 2026	Committee	Endorsed as final ToR