



Airservices Australia Proposal - Brisbane New Parallel Runway Works

Public Works Committee Inquiry

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Submission by Brisbane Airport Corporation

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1. Background

As Queensland's primary aviation gateway, Brisbane Airport is a key driver of the long term economic growth for Queensland and Australia. Brisbane Airport is the third busiest airport in Australia, welcoming 22.9 million passengers in the last financial year. By 2041, passengers are expected to more than double to 56 million per annum.

Over the past two decades, Brisbane Airport Corporation Pty Ltd (BAC) has privately invested more than \$3.4 billion in upgrading and expanding this critical piece of public infrastructure. BAC is currently constructing a 3,300-metre new runway and taxiway system located two kilometres west of and parallel to the existing main runway. The new runway is the most important piece of aviation infrastructure to be built in Queensland in the last 30 years. Without this investment, the existing runway system would find it increasingly difficult, and ultimately impossible, to meet forecast demand. Over time, this would have significant financial and social impacts on Brisbane and Queensland more generally.

Planning for a parallel runway system started more than 40 years ago and a second parallel runway was part of the ultimate master plan for the airport when construction began in the early 1980s. As part of planning for the new runway system, BAC prepared an extensive Environmental Impact Statement (EIS) and airport Major Development Plan (MDP) which, following engagement with all levels of government and a public comment period, were approved by the relevant Commonwealth ministers in 2007. As part of that assessment process, BAC detailed the economic benefits of the project, including the flow-on benefits to the Queensland and national tourism industries and the local and national economies.

The new runway is on track to open from mid-2020. In June 2017, BAC's Board committed the final \$500 Million investment in the new runway and awarded the construction contract to Skyway, a joint venture between BMD Construction Pty Ltd and CPB Contractors Pty Ltd, a member of the CIMIC Group. The total project cost is projected to be \$1.2 to \$1.3 billion, representing the largest single aviation construction project in Australia since airport privatisation began in 1997.

Brisbane's new runway is evidence of the success of the investment framework which supports Australian airport infrastructure. The project is entirely funded by the private sector, with no requirement for support from Australian taxpayers. Funding is supported by commercial agreements between BAC and airline customers which have created the investment certainty required to underpin a project with such long lead times.

To support the commissioning of such a major piece of aviation infrastructure, it is essential that the appropriate navigation systems and aviation rescue firefighting services be planned and established to the appropriate regulated safety standards. The expenditure by Airservices Australia which is the subject of the current Parliamentary Standing Committee on Public Works inquiry includes additional airfield equipment and infrastructure, including navigational aids at each end of the new runway, a surface movement radar system, a new fibre optic network, associated civil works and a new Aviation Rescue Fire Fighting Service station.

2. Airservices' proposal

BAC understands the Public Works Committee is required to consider and report on public works referred to it under the *Public Works Committee Act 1969*, and that, in considering works, the Committee must have regard for:

- the stated purpose of the proposed work and its suitability for that purpose;
- the need for, and advisability of, the work;
- the cost-effectiveness of the proposal;
- if revenue-producing, the amount of revenue the work will produce if that is its purpose; and
- the current and prospective public value of the work.

2.1 The need for the work

Management of airfield infrastructure is highly regulated through a range of international standards and Commonwealth legislation including the *Airports Act 1996* and the *Civil Aviation Act 1988*. Airport runways must meet safety and environmental standards and be supported by a range of navigation aids and operational procedures that meet



regulatory standards. In addition, aviation rescue and firefighting services need to be able to meet prescribed response times in the event of an emergency, and to have appropriate lines of sight to all airport runways.

BAC is responsible for construction and maintenance of the runway and taxiway infrastructure at Brisbane Airport, including runway and taxiway marking and lighting. Airservices Australia is responsible for installation, operation and maintenance of air and ground-based navigation equipment and for aviation rescue and firefighting services. These are functions exclusive to Airservices Australia under the *Air Services Act 1995*.

The required Airservices Australia infrastructure was identified in the EIS & MDP documents approved in 2007. Since that time, BAC has worked closely with Airservices Australia to refine the requirements for this infrastructure, including through the detailed design of the new parallel runway which BAC undertook in 2015-2016.

The new parallel runway at Brisbane Airport will be a 3,300 long, 60 metre wide runway, fully compliant with international standards to accommodate all aircraft up to Code F category (such as the A380). Its operation is dependent on the provision of the appropriate navigation equipment to ensure safe operation of aircraft using the runway, most of which can only be provided and operated by Airservices Australia.

This equipment includes certain navigation aids at each end of the runway and augmentation of the existing surface movement guidance systems. The existing communications network will also need to be upgraded to support the new infrastructure and a new fibre optic network installed as part of the new parallel runway works.

Aviation Rescue and Firefighting Services (ARFFS) at Brisbane Airport are currently located across two sites; one primary location to the eastern side of the current main runway 01/19; and one secondary site on the southern side of the existing cross-runway 14/32. With the new runway sited two kilometres to the west of the existing main runway, it is not possible for either the existing primary or secondary sites to service the new runway in the required response times or to achieve the line of sight requirements of the regulations.

2.2 Cost-effectiveness of the proposal

BAC will work closely and cooperatively with Airservices in relation to the delivery of its infrastructure. This will allow both parties to explore ways to minimise risk to the overall runway project and to maximise the opportunity for efficient and cost-effective outcomes. For example, BAC will undertake site preparation activities for certain Airservices infrastructure as part of the overall runway works, which provides a direct time and cost saving to Airservices and reduces the need for contractor interfaces on this complex project.

There is limited flexibility in how the navigation services to the new runway can be provided. Two new instrument landing systems (one at each end of the runway) are required along with Distance Measuring Equipment (DME) and anemometers servicing each end of the new runway.

Civil works supporting the provision, installation and integration of a second Surface Movement Radar (SMR) and additional Multilateration System (MLAT) remote units into the existing Advanced Surface Movement Guidance and Control System (ASMGCS) are required.

Civil works supporting the provision of a new airport fibre network communications infrastructure are also required to replace existing fibre optic cabling which will be affected by the BAC Dryandra Road realignment works and a new runway fibre ring is needed to permit the operation of the new navigation, surveillance and communications equipment and support the future replacement of the current airport fibre ring.

Over a number of years, BAC assisted Airservices with its assessment of options for the future ARFFS site, focussing on four options, which were carefully considered:

1. New single facility (Not preferred) – This option included the establishment of a single, large, centrally located facility which would provide services for both future runways. This option failed to achieve compliant response times to all runways as per the relevant regulations.



2. New Fire Station to the south-west of the existing Satellite Station, maintaining existing main station (Not preferred) – This was the most expensive and highest risk option due to the poor geotechnical conditions at the site.
3. Upgrade of the Existing Satellite Station (Not preferred) – This option introduced unacceptable cost increases to the project due to the poor geotechnical conditions and supporting infrastructure required.
4. New, centrally located Fire Station (Preferred option) – The preferred option requires the construction of a new, centrally located facility which provides compliant sight lines and initial response to the new runway. The existing Main Station will continue to be used to provide visibility and initial response to the existing main runway.

2.3 Revenue aspects

BAC's comments about any revenue aspects of proposal are restricted to the following general comments about established charging arrangements for Airservices' operations.

Airservices' operations are entirely cost-recovered from the aviation industry, primarily aircraft operators. Charging is established under a five-year long term pricing arrangement overseen by the Australian Competition and Consumer Commission.

2.4 Current and prospective public value of the work

The proposed investment by Airservices of \$24.92 million for navigation equipment, communications infrastructure and aviation rescue and firefighting services will provide critical support for the operation of Brisbane Airport's new parallel runway. The investment is required to ensure safe operations on the new runway and compliance with relevant safety regulations.

The new runway represents an investment of \$1.2 to \$1.3 billion by BAC to cater for demand from 2020 through to the latter part of the century. As well as its direct value to the aviation industry, the investment supports business and tourism growth in south-east Queensland and nationally.

3. Conclusion

BAC strongly supports the proposal of Airservices Australia - *Brisbane New Parallel Runway Works* - currently under consideration by the Public Works Committee of the Australian Parliament.

The works have been scoped and planned in close cooperation and consultation with BAC to support the operations of Brisbane Airport's new runway, which will effectively double capacity at the airport. Both the \$1.2 to \$1.3 billion BAC runway works expenditure and the \$24.92 million investment in the navigation, communications and firefighting services by Airservices are being funded by commercial arrangements in the aviation sector, with no requirement for funding by Australian taxpayers.

BAC will continue to work closely with Airservices to facilitate the delivery of the works detailed in the proposal. BAC will also be conducting extensive community engagement activities up to and beyond 2020, to provide the public with information about the operations of the new runway and associated flight paths.