

Question on notice no. 65

Portfolio question number: SQ24-000069

2023-24 Additional estimates

Rural and Regional Affairs and Transport Committee, Infrastructure, Transport, Regional Development, Communications and the Arts Portfolio

Senator the Hon. Matthew Canavan: asked the Department of Infrastructure, Transport, Regional Development, Communications and the Arts on 12 February 2024—

Senator CANAVAN: No, I'm asking whether, if the deferral is not granted and these regulations are sunsetted, would that mean Qantas might lose its share of the slots? Just a yes or no—it's a fairly factual and probably the most crucial question. I would have thought it would have been discussed.

Mr Vincent: I'd have to come back on the implications.

Senator CANAVAN: Can you take that question on notice?

Ms Purvis-Smith: We can take that on notice. Senator McKENZIE: The department will have assisted the minister to write a letter to the Attorney-General seeking a deferral in August last year. As part of that work, I'm assuming you will have briefed the minister on

what happens if it does sunset, what happens if it gets the deferral and what happens if it doesn't get the deferral. I

am very confident in this department's ability to provide its ministers with the options they need to make sound

decisions. My question to the officials who are in charge of this area is: was the minister briefed on the

implications for deferral, extension and sunset? Yes or no?

Ms Werner: Yes, the minister would have been briefed on those things.

Senator McKENZIE: I think Senator Canavan's question is: what are the implications for it sunset? If

you've already provided that advice to the minister, I'm still confused listening to the evidence here and I don't

really have clarity on what happens if it does sunset in April.

Ms Werner: The issue is that there are four different instruments: the act, the regulation, the compliance

scheme and the slot management scheme. We would need to take on notice the relationship between the

compliance scheme and the slot management scheme, and the regulation.

Answer —

Please find answer attached

Rural and Regional Affairs and Transport

QUESTION ON NOTICE

Additional Estimates 2023 - 2024

Infrastructure, Transport, Regional Development, Communications and the Arts

Committee Question Number: 65

Departmental Question Number: SQ24-000069

Division/Agency Name: DIV - Domestic Aviation and Reform

Hansard Reference: Spoken, Page No. 103 (12 February 2024)

Topic: Extension of the Sunsetting Instrument – Implications of sunsetting on Qantas

Senator Matthew Canavan asked:

Senator CANAVAN: No, I'm asking whether, if the deferral is not granted and these regulations are sunsetted, would that mean Qantas might lose its share of the slots? Just a yes or no—it's a fairly factual and probably the most crucial question. I would have thought it would have been discussed.

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Senator CANAVAN: Can you take that question on notice?

Ms Purvis-Smith: We can take that on notice.

Senator MCKENZIE: The department will have assisted the minister to write a letter to the Attorney-General seeking a deferral in August last year. As part of that work, I'm assuming you will have briefed the minister on what happens if it does sunset, what happens if it gets the deferral and what happens if it doesn't get the deferral. I am very confident in this department's ability to provide its ministers with the options they need to make sound decisions. My question to the officials who are in charge of this area is: was the minister briefed on the implications for deferral, extension and sunsetting? Yes or no?

Ms Werner: Yes, the minister would have been briefed on those things.

Senator MCKENZIE: I think Senator Canavan's question is: what are the implications for it sunsetting? If you've already provided that advice to the minister, I'm still confused listening to the evidence here and I don't

really have clarity on what happens if it does sunset in April.

Ms Werner: The issue is that there are four different instruments: the act, the regulation, the compliance scheme and the slot management scheme. We would need to take on notice the relationship between the compliance scheme and the slot management scheme, and the regulation.

Answer:

If the *Sydney Airport Demand Management Regulations 1998*, the *Sydney Airport Compliance Scheme 2012* and the *Sydney Airport Slot Management Scheme 2013* sunset, supporting legislation around the following would lapse:

- how slots are applied for and allocated (including Permanent Regional Service Series, use it or lose it test, size of aircraft test and slot swaps, some of which are unique to Sydney Airport);

- how allocated slots are lost; infringement notices; Compliance Committee membership and procedures; and
- requirements for the Slot Manager to maintain records, deliver reports and to respond to requests for information from the Secretary of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

In the case that these instruments were to sunset, it is likely that the Slot Manager would continue to manage slot allocations in line with the Worldwide Airport Slot Guidelines, which represent global best practice for slot coordination. This includes application of the 'use it or lose it' test and applying the general priorities of slot allocation, which are key tenets of the *Sydney Airport Slot Management Scheme 2013*.

These legislative instruments were due to sunset on 1 April 2024. On 15 March 2024, the Hon Mark Dreyfus KC MP, Attorney-General, made the Legislation (Deferral of Sunsetting—Sydney Airport Instruments) Certificate 2024, which deferred the sunsetting date to 1 April 2026.