ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 124

Program: 2.4 Air Transport

Division/Agency: Aviation and Airports

Topic: Third Party Report

Proof Hansard Pages: 97-98 (24 February 2014)

Senator Back, Chris asked:

Senator BACK: Mr Mrdak, this might go a little bit wider than just CASA. There are three recommendations, and perhaps rather than ask for your comments on them, I will read them out from the report from that particular group—first of all, the recommendation that the review include the possible impact of a turbine upon the signal of a navigation aid; secondly, the recommendation of an assessment surface of 5.24 per cent—three degrees—which is extrapolated from ICAO and CASA criteria, if that is the case; and, thirdly, that CASA and/or the department undertake a full review om wind turbines and their impacts on aviation safety and aviation activities. Obviously, there are a number of issues—firefighting aircraft come to mind, crop dusting aircraft and, naturally enough, recreational aircraft in the vicinity. If it is the case that you or CASA do not have more information now, I will not take more time of the committee, but I would be very keen to get a response once you have had a chance to consider the report and recommendations of that group. Indeed, their recommendation, which was accepted by the New South Wales department, was that that particular industrial wind turbine facility should not proceed.

Mr Mrdak: Certainly, Senator. The issues raised there are, as Mr Cromarty has indicated, matters of grave concern. Over the last three or four years the department has been leading work to try and have state regulatory agencies—land planning agencies—look at these types of aviation issues much more seriously in their planning consideration. The reality is that the Commonwealth has limited powers in relation to such facilities. Our powers are largely concerned with making sure that planning authorities require them to be properly marked. But you are right. For low-flight operations, particularly agriculture aircraft, recreational aircraft and the like, we are seeing an increasing number of hazards coming into our aviation operations. I am happy to look at that report and come back with a full response to you in relation to it. We have the next meeting of Commonwealth state group, the NASAG group, coming up. We will ensure that we come back to you with a full report on how that is traversing.

Answer:

In January 2015, the NSW Department of Planning and Environment published the Secretary's Environmental Assessment Report into the proposed Yass Valley Wind Farm under Section 79C of the NSW *Environmental Planning and Assessment Act 1979*. The proposal is to build and operate up to 134 wind turbines approximately 20 kilometres west of Yass.

The Assessment Report concluded that the proposal failed to demonstrate the level of risk to the integrity of the operation of the Mt Majura Primary and Secondary Surveillance Radar and Mt Bobbara Secondary Surveillance Radar, which support air traffic control services critical to the safe operation of Canberra and Albury Airports. The Report concluded there is too much uncertainty about the level of risk to both the operation of Canberra and Albury airports and did not support the applicant's approach to undertake key assessment work in the preconstruction phase of the project. The Report also concluded the applicant had not fully evaluated the level and nature of adverse impacts on local commercial and/or non-commercial aviation.

The Department of Planning and Environment has now referred the proposal to the independent NSW Planning Assessment Commission for a final decision, with a recommendation that the proposal be refused.

All State and Territory governments agreed to implement the National Airports Safeguarding Framework (NASF) in May 2012. The aims of the NASF include the improvement of safety outcomes by ensuring aviation safety requirements and community amenity are recognised in land use planning decisions. It comprises a number of guidelines including guidelines relating to wind turbine farms as physical obstacles to air navigation.

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The approach taken by the NSW Department of Planning and Environment in relation to the proposed Yass Valley Wind Farm is consistent with the NSW Government's commitment to the principles of the National Airports Safeguarding Framework.

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Question no.: 125

Program: 2.4 Air Transport

Division/Agency: Aviation and Airports **Topic: Soil transfer on Bankstown Airport Proof Hansard Page:** 125 (24 February 2015)

Senator Heffernan, Bill asked:

CHAIR: Could you provide to this committee the environmental approval that allowed that build-up to be done?

Mr Wilson: Certainly, Senator. I do not have it with me, but I can take that on notice.

Mr Mrdak: What we might do, Senator, is, if you could set out the issues, then we will answer what we can tonight or take them on notice and give you detailed answers. So, if you could give to us your questions or assertions.

CHAIR: As you know, the destruction of this flood plain is going to have an affect on the residential people in the area in the event of a flood incident. It is going to have a serious impact on the people who have had nothing to do with this dodgy deal, but who happen to live adjacent. The flood plain has been filled and the flood has to go somewhere. The council knows about it and the guys that did it knew about it as they were doing it. To add to that the fill, which was the cheapest that they could find, is full of contaminated material, which allegedly was supposed to be supervised under the environment approval process. I rest my case. You have a problem, boys. **Mr Mrdak:** Senator, with those matters, we will take them up and come back to you with a detailed response.

Answer:

1. The South West Precinct (SWP) site background

The South West Precinct (SWP) at Bankstown Airport covers 41 hectares or 13% of the airport site, and includes land that was part of the former Runway 18/36.

- The SWP was earmarked for commercial development as part of the Airport Management Agreement to BAC Devco, and was identified for commercial development in both the 2009 and 2014 Master Plans.
 - The Airport Management Agreement, established in 2003 as part of a lease process, gave BAC Devco development rights over land on Bankstown Airport that was deemed surplus to aviation requirements.
- The site is currently vacant apart from the Aviation Museum which is earmarked to be relocated to Camden Airport (although a soil platform has been established as detailed below).
- In 2008, the Airport Building Controller (ABC) issued a works permit to Craig & Rhodes Pty Ltd for earthworks on the SWP as preparatory works for a freight facility development that did not proceed (Attachment A).
- This works permit remains current until the identified earth works are completed, and is not tied to the development of a freight facility.
- Initial earthworks were completed, consisting of building up a platform of soil on the northern section of the SWP, in part using soil from adjacent 'borrow pits' within the SWP.
- In 2010 BAC Devco went into receivership and works on the SWP were suspended.
- KordaMentha was appointed as receivers for BAC Devco in 2010.
- Since 2011, soil has been transferred to the SWP from sites on Steel Street (on airport but outside the SWP) in preparation for developing the SWP. KordaMentha manages both areas.
 - Soil was transferred from Lots 801 and 803 (previously Lot 301) on Steel Street, east of the runway (see approvals at <u>Attachments B, C and D</u>).
- At present, LEDA Holdings (LEDA) intends to develop the SWP as a retail and business park, subject to a Major Development Plan (MDP).

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- The details of arrangements between the parties LEDA and KordaMentha are a commercial matter and are not available to the Department of Infrastructure and Regional Development (the Department).
- o LEDA and Bankstown Airport Limited (BAL) conducted an aviation/airport tenant briefing on the proposed SWP development (Bankstown Business Estate) on 5 March 2015 as a precursor to the MDP process. The information distributed included a site map, estimated costs and intent to begin the MDP consultation process in the second quarter of 2015. (Attachment G). It is understood approximately 30 airport tenants attended the meeting.

2. Closure of Runway 18/36

The closure of Runway 18/36 in July 2005 was approved by the then Minister for Transport and Regional Services as part of the 2004 Bankstown Airport Master Plan on the basis the runway was used infrequently. Wind analysis was conducted which found over a 10 year period, the weather conditions at Bankstown Airport required the cross wind runway to be used less than two per cent of the time. Operations on runway 18/36 were also restricted to daylight hours and to aircraft with Maximum Take-Off Weight under 5,700t. The general aviation community at Bankstown Airport was widely consulted on the matter and this issue generated minimal interest or objection. During the 2004 Master Plan process only seven submissions raised the issue (with six objecting), two of those being from aviation industry operators.

The Civil Aviation Safety Authority (CASA) and Airservices Australia provided views on the feasibility, safety and operability aspects of changes to the configuration of aircraft movement surfaces at the airport. The closure was implemented by Bankstown Airport with approval from CASA and Airservices.

Airservices has confirmed that should an emergency result in an aircraft requiring a runway with a similar alignment to runway 18/36 at Bankstown that plane can land at a range of alternate airports in the Sydney basin, including Sydney Airport using the north south runways. Alternate similarly aligned runways are available for general aviation operators in the Sydney Basin including:

- Wollongong (16/34);
- Wedderburn (17/35);
- The Oaks (18/36);
- Warnervale (02/20); and
- Sydney (16/34) (only available to general aviation operators without a landing slot in the case of emergency).

3. Approvals process on Commonwealth owned airports

- Building and works approvals are issued by the ABC in consultation with the Airport Environment
 Officer (AEO) and in reference to the provisions of the Airports Act 1996 and the associated
 regulations Airports (Building Control) Regulations 1996 and Airports (Environment Protection)
 Regulations 1997.
 - The ABC is contracted to the Department to undertake functions on behalf of the Commonwealth on Commonwealth owned airport land.
 - Approvals can be issued with conditions attached, including conditions relating to environmental issues based on specialist advice such as that provided by the AEO.
- Airport building and works sites are subject to inspection by the ABC.
- The ABC works permits (<u>Attachments A and B</u>) note the approvals have 'effect until' 23 March and 5 August 2011. This is the date by which works must have 'substantially commenced' in order for the permit to remain open. ABC approvals do not expire.
- Due to the fact that Bankstown Airport is located on Commonwealth land, Commonwealth legislation and regulations are applicable.
- The *Environmental Planning and Assessment Act 1979* has no operation in relation to land use planning and building control on Bankstown Airport. This is the consequence of s 112 of the Airports Act and the Building Control Regulations.
- Clause 30 of the Bankstown Airport lease provides: 'This Lease is governed by and construed in
 accordance with the laws of New South Wales'. This clause simply operates so that laws in force in
 New South Wales, including the common law, concerning the interpretation and operation of leases,
 apply to the lease. The clause does not affect, and has no relevance to, the application to the leased
 area of other laws of NSW.

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4. Works on the SWP

The following pre-building earthworks have been conducted on the SWP:

- Elevated soil platform
 - O Works were undertaken by BAC Devco prior to bankruptcy. The applicant was Craig & Rhodes Pty Ltd, intending to build a freight logistics and handling facility on the SWP. The raised platform was built as the first stage of preparatory works for the development. This development did not proceed.
 - o Some soil was brought in from off the Airport site. The soil was analysed and approved by a professional consultant for reuse on commercial/industrial land in 2008.

• Borrow pits

- o Soil was excavated ('borrowed') to build up the elevated platform.
- Flood modelling by consultants DHI Water and Environment stated no flood impact was expected if the borrow pits were filled in on completion of the works.

Stockpile

- Soil transferred from Lots 801 (~80,000 m³) and 803 (~20,000 m³) on Steel St was intended to fill in the borrow pits.
- O Due to uncertain development plans, soil was instead stockpiled on site nearby the borrow pits pending final site design.
- The volume of the stockpile does not exceed the volume of the borrow pits.
- The SWP earthworks remain ongoing, meaning the SWP remains a construction site. The ABC may
 conduct inspections and will not provide a certificate of compliance for the site until all conditions on
 the works permit have been fulfilled.

5. Floodplain

- Bankstown City Council and BAL have recently agreed to undertake a joint flood management study
 of the Georges River Floodplain including the airport site. The study is expected to be complete by
 April/May 2015.
- BAC Devco commissioned flood modelling by DHI Water and Environment for development on the SWP. The approval for earthworks on the SWP (<u>Attachment B</u>) includes requirements to comply with flood mitigation measures as recommended in flood modelling by DHI Water and Environment. The model looked at a fully developed SWP and concluded:
 - A site developed with compensatory (flood mitigation) measures would have no flood impact
 - O Even without compensatory works, a fully developed site would have negligible off-airport impact there would be an impact of +0.02m of flood water on Milperra Road (south of the site) during a 1 in 100 year flood event (i.e. a 2 centimetre impact). This impact would reduce commensurate with distance from the airport site.
- The Construction Environment Management Plan (CEMP) (May 2014) includes erosion and sediment controls to slow flow velocity and trap sediment. These controls reduce the potential for erosion and/or discharge of surface runoff from disturbed areas
 - o KordaMentha have confirmed the CEMP measures have been followed.
- If KordaMentha seeks to leave the borrow pits empty or use the fill for a different purpose, an amended works permit would be required.
- BAL has developed and implemented the *Bankstown Airport Storm Water and Flood Management Strategy 2006*. BAL requires proponents for developments on airport to provide certification from a suitably qualified hydrologic engineer that, having regard to Bankstown Airport's Strategy, appropriate flood mitigation and storm water measures are installed.
- Bankstown City Council (BCC) has raised concerns in the past regarding Bankstown Airport's flood
 management. BCC has indicated it is now comfortable with the engagement it is receiving from
 Bankstown Airport. Bankstown Airport and BCC continue to work cooperatively to improve planning
 coordination and environmental management.

6. Soil transfers

Asbestos in soil on South West Precinct (SWP)

- Soil currently stockpiled on the SWP was transferred from Lot 801 and Lot 803 on Steel Street.
- As the Former Training Trotting Track on Steel Street (including Lots 801 and 803) was remediated the most highly contaminated soil (including asbestos) was stockpiled on Lot 803. The remediation involved removing all visible pieces of asbestos.

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- Soil has been assessed in accordance with the health screening levels found in the National
 Environment Protection (Assessment of Site Contamination) Measure 1999 (Schedule B1 Table 7).
 Soil can contain very low levels of asbestos and still be considered suitable for use.
- Soil testing and assessment on Lot 803 was undertaken by Precise Environmental Consulting Environmental Scientists before and after transfer.
- Soil testing undertaken on Lot 803 before fill transfer found low levels of asbestos, but it was considered suitable for commercial/industrial reuse provided certain measures were followed.
- Soil testing undertaken on Lot 803 after fill transfer found low levels of asbestos and concluded Lot 803 could be managed by covering ~97% of the site in concrete and asphalt, with Lot 803 to be added to BAL's contaminated site register. The site is considered suitable for commercial use.
- Soil testing and assessment on the SWP was undertaken by DLA Environmental Services.
- Soil transferred to the SWP from Lot 801 has been tested and found to qualify for National Environment Protection Measure (NEPM) 1999 Measure Column A – 'Residential with garden / accessible soils' use.
- Soil transferred from Lot 803 has been tested and found to qualify for NEPM 1999 Measure Column A 'Residential with garden / accessible soils' use.
 - o The test results were provided to the Department on 27 March 2015.
 - The Department is considering its position regarding management and use of the soil on the SWP.
- All earthworks on the site are subject to an 'unexpected finds' protocol and other management protocols in the event of asbestos or other pollutants being found during works.

Other issues raised in recent Ministerial correspondence

7. Proposal from aviation tenants to 'buy out' the Airport lease from BAL [this issue was also raised by Senators Heffernan and Fawcett in June 2014]

- BAL holds a 50 year lease (to 2048) over the Airport site, with an option to renew for a further 49 years
- BAL has not been found to be in breach of its lease, and there is no cause to terminate the lease.
- This proposal appears to seek to split the Airport site into smaller blocks of land. It is not the Commonwealth's intention to split the Airport lease, nor would the Commonwealth consider resuming responsibility for the maintenance of aviation assets in the manner implied.
- Proponents wishing to take over the Airport lease would need to approach BAL in the first instance.
- If BAL agreed to the sale of the lease of Bankstown Airport, the *Airports Act 1996* sets out restrictions on acquisition and transfer of airport leases.
- There is a process for the airport lessee company to transfer the lease:
- o It is a decision for the airport lessee company, not the Commonwealth.
- o The lease would be transferred as a whole to a new airport lessee company which would step into the role of BAL.
- The Commonwealth would need to review the proposed ownership structure and be satisfied that any foreign ownership or cross ownership was consistent with the *Airports Regulations 1997*.
- An airport lease must not be transferred without the written approval of the Minister (s24(1) *Airports Act 1996*).
- The Minister may refuse consent on several grounds (\$2.02 Airports Regulations 1997), including:
 - (a) that the proposed transferee does not have the financial strength and managerial capabilities necessary to:
 - (i) operate and develop the airport over the remainder of the lease period; or
 - (ii) provide high-quality airport services consistently with the sound development of civil aviation;

8. Allegation that Stamp Duty has not been paid.

The Lease was stamped and registered by the NSW State Government. The Department understands the NSW Government would not have registered the lease without Stamp Duty being paid. The payment of Stamp Duty has no bearing on the validity of the lease between the Commonwealth and BAL. Registration of the lease with the State Government does not mean the land becomes subject to State Law.

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9. Alleged failure to maintain "Heritage" buildings. The original RAAF and USAF Headquarters building, built in 1942 has been allowed to fall into a state of disrepair.

Section 9.1 of the Bankstown Airport Lease states the Lessee must keep and maintain the Airport site and structures in good and substantial repair, with the exception of fair wear and tear.

The Bankstown Airport *Heritage Management Strategy 2005* identifies those elements having heritage significance and provides principles, policies and specific guidelines for managing the heritage values of items at Bankstown Airport during ongoing operations and proposed future development.

The AEO has inspected and raised this obligation with BAL. The Department will carefully review information provided by BAL in relation to the heritage management of all heritage listed sites on the airport as part of the annual lease review process.

10. Alleged failure to maintain the public toilets

BAL provides the Department with annual maintenance records that show various maintenance works being undertaken on public toilets.

11. Alleged failure to maintain Tower Road

Tower Road is currently open for public use. It was closed by BAL on 1 January 2010 due to deteriorating conditions and was repaired by BAL and reopened in November 2010. A weight limit has been introduced on Tower Road to minimise future damage by heavy vehicles.

12. The use of Australian Government letterheads to grant approvals

The use of Commonwealth letterhead is not a breach of the Airport Lease. Airport planning and environmental matters are regulated under the *Airports Act 1996* and associated regulations.

The ABC is contracted by the Department to undertake functions on behalf of the Commonwealth. It is appropriate that approvals issued by the ABC on discharging these functions be presented on Departmental letterhead. See 'Approvals process on Commonwealth owned airports' above in relation to the application of State legislation on Commonwealth land.

Attachments

Attachment A: Amended Works Permit 08/3340 for South West Precinct (SWP) (16/09/08)

Attachment B: Stage 3 Works Permit 07/7405 for Lots 801, 803 Steel Street (24/11/08)

Attachment C: Approval letter for transfer from Lot 801 to SWP (20/04/11)

Attachment D: Approval letter for transfer from Lot 803 to SWP (5/06/14)

Attachment E: Map of airport with sites marked

Attachment F: Map of SWP with earthworks marked

Attachment G: Bankstown Business Estate proposal tenant briefing

Attachment H: Acronym guide

Airport Environment Protection and Building Control Office

Level 1, AQIS Building, 1 Crewe Place, Rosebery, NSW 2018 PO Box 105 Rosebery Post Shop, Rosebery NSW 1445

Airport Building Controller Telephone: 02 8344 3113 Facsimile: 02 8344 3144

AMENDED WORKS PERMIT

Airports Act 1996 Airports (Building Control) Regulations Regulation 2.11

File no. 08/3340

Issued To Craig & Rhodes Pty Ltd

Name Andrew Halmarick

Postal Address PO Box 233

Epping, NSW Postcode 1710

Contact Person Andrew Halmarick

Telephone 9869 1855 **Fax** 9869 2341

Email ahalmarick@crhodes.com.au

Lessee Details

Name BAC DEVCO

Postal Address Airport Avenue

Bankstown Airport Postcode

Location of Works Lots 303, 304 & 305, South West Precinct

Bankstown Airport

Contractor

Name To be approved

Address

Postcode

Telephone Fax

Contact Person

Telephone Fax

Details of Works Experts

to be engaged in the works:

	Name	Cat./Class	Reg. No
1.	lan Piper	Engineer/Civil	830645
2.	Andrew Halmarick	Surveyor	1201

Nature of Works

Description of Works Bulk earthworks and drainage

Stage of work permitted Whole

Cost of work \$4,000,000.00

Value of Fee for Works \$6,000.00

Inspection Requirements

The mandatory inspection stages are: Final Inspection

Use of Works

A certificate of compliance is required to be issued by the Airport Building Controller prior to the use of this work or part.

Duration of Approval

This approval has effect until: 5th August 2011

This permit incorporates the drawings, specifications and documents listed below:

Drawing Nos.

Amended Architectural					
Drawing Number	Revision	Date	Drawing Number	Revision	Date
1747-01-CC2	03	11/08/08	1747-01-CC13	01	13/08/08

In issuing this permit, reference has been made to the following: documents. Amended documents are in italics

- a) The Airports Act and Building Control Regulations 1996.
- **b)** Bankstown Airport Limited final consent DA 2008.07C dated 4th August 2008 & Bankstown Airport Limited letter dated 19th March 2008
- **c)** Bulk earthworks, civil & drainage design certification prepared by Craig & Rhodes dated 30th July 2008
- d) Plan as prepared by Craig & Rhodes dated 30/07/08 referenced as "1747-01-DHI Areas" identifying areas referred to in the DHI Final report "Bankstown Airport Flood Modelling South West Precinct" revision 03 dated 28/04/08 and the DHI letter dated 16/07/08
- **e)** Air Services Australia email from Joe Doherty to Anthony Mayo of BAC Devco dated 6th September 2007 identifying there is no impact on Air Traffic Control operations.
- f) Statement by Craig & Rhodes dated 09/04/08 with regard to the protection of persons using the Airport whilst the building activity is being carried out.

- g) DHI flood modelling report referenced as Bankstown Airport Flood Modelling South West Precinct revision 03 dated 31/03/08
- h) DHI letter dated 16th July 2008 stating there are no adverse impacts to flood levels
- i) Email by Craig & Rhodes dated 01/08/08 stating headwall details to channel one drain will be provided to the Airport Building Controller prior to its installation
- j) DHI letter dated 27th August 2008 stating provided borrow pits are reinstated to current (pre development) ground surface levels there are no adverse impacts to flood levels
- k) Bankstown Airport Limited amended consent by email dated 16 September 2008

Conditions

This work permit is subject to the following conditions:

General Requirements

- 1. This amended consent is to include the amended borrow pit and fence alterations as shown on the approved drawings listed above. Note all amended conditions are in italics.

 Reason: To identify the scope of the amended approval.
- 2. The borrow pits are to be reinstated to current (pre-development) ground surface levels prior to a final certificate of compliance being issued for the project. A surveyors report is to be provided identifying the finished levels are in accordance with drawing 1747-01-cc2 revision 02 dated 30/07/08 identifying the pre –development levels.

Reason: Statutory

- 3. The borrow pit reinstatement is to be compacted in accordance with AS 3798. Reason:-Statutory
- 4. Compliance must be given to the provisions of the Airports Act 1996 and Airports (Building Control) Regulations 1996.

Reason: Statutory.

- 5. This approval relates to works within the confines of the Airport boundaries only Reason: To clarify the extent of the approval
- 6. The flood mitigation measures as identified in the DHI report referenced as Bankstown Airport Flood Modelling South West Precinct revision 03 dated 28/04/08 are to be completed in conjunction with and prior to the new earthworks being completed.

Reason: To ensure flood mitigation measures are in place

7. Details and design certification from a civil engineer for the proposed head wall to channel one are to be submitted to the Airport Building Controller prior to the installation of the headwall.

Reason: Statutory

8. The temporary construction access roads as stated in the Craig & Rhodes letter dated 9th April 2008 are to be removed upon completion of the development & prior to the issue of a certificate of compliance for the new works.

Reason: To ensure temporary construction activities which do not form part of the Building activity approval are removed.

9. Final survey report & plans are to be provided from a registered surveyor on completion of the works stating the as completed works are in accordance with the plans as approved by the Airport Building Controller.

Reason: To ensure RL's are in accordance with approved plans

10. Earthworks inclusive of the batter, platform and drainage channels are to be provided with control measures to prevent sediment run off from the site. Details of the control measures provided are to be submitted to the ABC / AEO prior to a certificate of compliance being issued. Refer to AEO conditions on "Water Quality & Erosion Control"

Reason:- To ensure there is no sediment run off from the completed works

11. The temporary sedimentation basins as shown on drawing 1747-01-CC13 are to be removed prior to the issue of a certificate of compliance and after the permanent sedimentation control measures are in place.

Reason:- To ensure the area is reinstated.

12. Details of proposed variations to the approved work must be submitted to the Airport Building Controller for consideration and approval. The plans, in duplicate, are required to be coloured or otherwise marked to distinguish the proposed variations.

Reason: Statutory.

13. An application for a Certificate of Compliance / Use (copy attached) must be applied for and obtained prior to use commencing.

Reason: Statutory.

14. Prior to the Airport Building Controller issuing a Certificate of Compliance for Occupancy / Use a written sign off from Bankstown Airport Limited must be provided to the Airport Building Controller indicating the conditions of the Bankstown Airport Limited consent DA 2008.07C dated 4th August 2008 have been complied with.

Reason: To ensure the Bankstown Airport Limited consent is complied with.

15. Prior to a certificate of compliance for occupancy / use being issued the applicant must provide the Airport Building Controller with a copy of all "As Built" and "As Installed" documentation inclusive of architectural, structural and services drawings. Design and installation certification from appropriately qualified persons shall accompany drawings which differ to the drawings as approved.

Reason: To provide as constructed documentation for appropriate records.

16. The contractor must restore all areas affected by the proposed works to the satisfaction of the Airport Building Controller.

Reason: To ensure the surrounding area is restored to original state.

Site Requirements and Structure

17. All civil elements of the works must be designed and monitored by a suitably qualified practising civil engineer. Upon completion of the works and prior to the issue of a certificate of compliance a Civil Engineer's certificate is to be submitted to the Airport Building Controller certifying the adequacy of the civil / structural works. The certification is to include design and installation nominating the relevant standards and drawing numbers to which the certification relates. Copies of the nominated drawings are to accompany the certification, which is to be submitted to the Airport Building Controller.

Reason: To ensure the structural stability of the works.

18. The earthworks are to be compacted in accordance with the design certification and certified by the civil engineer prior to a certificate of compliance being issued.

Reason: Statutory

19. New or altered chainwire fences are to be designed and installed in accordance with the requirements of AS 1725 – 2003

Reason: Statutory

20. Land clearing inclusive of the removal of tress and shrubs is excluded from this approval. In accordance with Division 5 Part 5 of the Airports Act land clearing is identified as a building activity requiring the prior approval of the Airport Building Controller. Should the removal of any shrubs or trees be required details are to be submitted to the AEO & Airport Building Controller for assessment.

Reason: Statutory

Guide to Documentation Required Prior to Use

21. Certification from an appropriately qualified person for the following

Item	Description
1.	An application for certificate of compliance is to be submitted.
2.	Written statement from Bankstown Airport Limited to the effect that the Bankstown Airport Limited consent has been satisfied.
3.	As built drawings (architectural, services, civil) with design and installation certification from appropriately qualified persons.
4.	Hydraulic services installation certification identifying compliance with the design & approved drawing numbers inclusive of the DHI flood modelling report referenced as Bankstown Airport Flood Modelling South West Precinct revision 03 dated 28/04/08
5.	Certification of the termination of the existing hydraulic services to AS/NZS 3500
6.	All civil elements have been designed in accordance with the relevant Australian Standards and Codes and they have been constructed in accordance with the design drawings and specifications.
7.	Compaction certificates for lot filling and an as built plan indicating extent of lot filling to AS 1289 & 3798.
8.	Compaction certificates for borrow pit reinstatement to AS 3798.
9.	As built survey identifying the finished levels of the earthworks
10.	A surveyors report is to be provided identifying the finished levels to the reinstated borrow pit are in accordance with drawing 1747-01-cc2 revision 02 dated 30/07/08 identifying the pre – development levels
11.	Validation certification from licensed landscape suppliers regarding the validity of any imported fill.
12.	Certification that the chain wire fence has been installed in accordance with AS 1725 - 2003.
13.	Certification of all flood mitigation measures as identified in the DHI flood modelling report referenced as Bankstown Airport Flood Modelling South West Precinct revision 02 dated 31/03/08 and the DHI letter dated 16 th July 2008
14.	Verification of the method to prevent sedimentation run off from the completed earthworks
15.	The temporary construction access roads as stated in the Craig & Rhodes letter dated 9 th April 2008 are to be removed upon completion of the development & prior to the issue of a certificate of compliance for the new works

The above schedule is for guidance only. The Airport Building Controller reserves the right to add or delete the items in the schedule as necessary upon inspection on site.

Airport Building Controller

Signature:

Steven Glanville

Date of issue 16th September 2008

This form and the above signature have been made for and on behalf of the Commonwealth of Australia. The Airport Building Controller is a statutory office holder appointed under the Airports (Building Control) Regulations.

Note: Under regulation 5.02 the applicant for the approval may make application to the Administrative Appeals Tribunal to have the decision of the Airport Building Controller to impose a condition on a building approval reviewed.

Environmental Protection Requirements

The Airport Environment Officer (AEO) has reviewed the information provided regarding the proposed subdivision and bulk earthworks for the South West Precinct.

file reference 08/3340

The AEO has reviewed the following reports when assessing this application:

- Amended Construction Environmental Management Plan (Updated March 2008).
- Assessment of Environmental Effects.
- Vegetation Survey and Revegetation Plan.

Environmental Conditions for the Proposed Works

Please note that the ("Regulations") referred to are the *Airport (Environment Protection) Regulations* 1997.

Compliance with the Airport Environment Strategy

All operators of undertakings on the airport must comply with the Regulations and have the following general duties:

R 4.01 General duty to avoid polluting

R. 4.03 Duty to use pollution control equipment and keep it in proper working order.

R 4.06 General duty to prevent offensive noise from occurring.

R 4.09 Duty to use noise control equipment and to ensure that it is properly maintained.

All operators of undertakings on the airport must take all reasonable steps to ensure that they comply with the Bankstown Airport Environment Strategy and Conditions of Consent issued by BAL for this project.

Failure to comply with these general requirements could incur further enforcement action by the AEO under Part 7 of the *Regulations*.

Incident Management and Reporting

All operators of undertakings on the airport have a duty to notify the BAL Environment and Risk Manager immediately should there be any environmental incident during the course of these works.

<u>Reasons</u>: Statutory (R6.04 & R6.05 of the *Regulations*) and compliance with the Airport Environment Strategy.

Noise and Vibration Emissions

Offensive noise and vibration, as defined in Schedule 4 of the Regulations is not permitted from the construction site.

Whether noise or vibration is excessive or not is determined by; the proximity of the site to sensitive or commercial receptors (eg private or commercial premises); the time of day when the noise occurs; the duration of the noise; and the nature and characteristics of the noise.

If your activities are likely to cause a noticeable increase in the background noise levels at commercial or residential properties or in the vicinity of the airport, contact BAL for guidance in relation to legal requirements.

<u>Reasons</u>: Statutory (Schedule 4, and R 4.06 of the *Regulations*) and compliance with Airport Environment Strategy.

Stormwater

The contractor shall minimise the risk of stormwater contamination by ensuring that activities do not take place in close proximity to stormwater drains. If this cannot be avoided, temporary covers should be placed over drains, or temporary bunding should be provided to prevent run-off and contaminants entering the drain.

The following are examples of some contaminants that are **not** to be discharged, or placed in a position where they could lead to discharge to the stormwater system:

- concrete slurry or concrete mixer wash-out;
- cutting saw slurry;
- paint and paint brush wash down water;
- oil, fuel or other hydrocarbon contaminants; and
- vehicle or plant wash-down water.

Reasons: Statutory and protection of water quality (Part 4, & Schedule 2 of Regulations)

Water Quality & Erosion Control

Measures to minimise the risk of soil erosion and sediment loss must be provided and maintained by the contractor for works **pre**, **during and post** construction. Some of these measures include:

- Minimise the area of excavation open at any one time;
- Utilise erosion and sediment control measures such as silt fences, hay bales, geotextile
 matting, sterile hydro seeding or turfing; and
- Maintain sediment and erosion control measures, particularly after heavy rainfall.

Reasons: Statutory and protection of water quality (Part 4, & Schedule 2 of Regulations).

Air Quality

Odour and visible contaminants such as dust, smoke and fumes are not to be released to the environment unless authorised. Conditions where dust is causing visible deposition on cars and buildings, or visible dust clouds should be reported immediately to the BAL Environment and Risk Manager or AEO.

Reasons: Statutory and protection of air quality. (Part 4 and Schedule 1, Regulations)

Importation of Material

The contractor shall provide copies of all validation certificates and/or receipts from licensed landfill suppliers regarding the validity of the imported fill. Copies of these documents should be provided to the BAL Environment and Risk Manager or AEO if requested to do so.

Reasons: NSW legislative requirements and compliance with the Airport Environment Strategy.

Solid and Liquid Waste

All waste materials, whether solid or liquid must be disposed of outside airport land in accordance with local regulations. The exception to this is where the permission of BAL has been obtained to dispose of small quantities solid waste to a general waste bin. No liquid waste may be disposed of to sewer.

The contractor should attempt to recycle waste wherever possible and ensure that all rubbish is disposed of properly and not left lying around the work site. If any waste on the site is generated from hazardous materials, such as asbestos, please notify the BAL Environment and Risk Manager for correct disposal of hazardous waste. No hazardous waste can be disposed of to sewer.

Construction Environment Management Plan

A Final Construction Environmental Management Plan (CEMP) for the civil works/excavation phase of the project has been reviewed and accepted by the Airport Environment Officer. All contractors and sub contractors involved in civil works/excavation works much comply with the CEMP.

The CEMP outlines the following key aspects are described in detail:

- Waste management particular focus should be place on the removal of potentially contaminated soils/groundwater (if found), waste classification, demolition waste from old infrastructure, hazardous wastes;
- Water quality management e.g. groundwater dewatering and stormwater collection/treatment prior to disposal.
- Air quality management dust control and FOD
- Noise and Vibration Management particularly focus should be provided on activities that may be carried out during periods between 11:00pm and 6:00am; and

 Incident/emergency Response Plan – The plan must be consistent with the Airport Emergency Plan

Failure to comply with these general requirements could incur further enforcement action by the AEO under Part 7 of the Regulations.

Site Inspection

The AEO may visit the site during the proposed works to ensure compliance with the above conditions.

Reasons: Statutory (R 4 of the Regulations).

If you have any queries, please contact the Airport Environment Officer (AEO) on (02) 8344 3126

Airport Environment Protection and Building Control Office

Level 1, AQIS Building, 1 Crewe Place, Rosebery, NSW 2018
PO Box 105 Rosebery Post Shop, Rosebery NSW 1445
Airport Building Controller
Telephone: 02 8344 3113
Facsimile: 02 8344 3144

APPLICATION FOR CERTIFICATE OF COMPLIANCE - OCCUPANCY/USE

Airports Act 1996	Airports (Buil	ding Control) Regulations	Regulation 3.02
То:	Sydney Airport Building (Controller	
Postal Address	GPO Box 594		
	Canberra City, ACT	Postcode 2601	
Works Permit Refere	nce Number: -	08/3340	
From (Name of Person	on applying)		
Position		Category/Class	
Business Name			
Postal Address		Post Code	
Contact Person		Telephone	
		Facsimile	
•			
In accordance with A Compliance for the E		ol) Regulation 3.02, I hereb	y apply for a Certificate of
Location:			
USE APPLIED FOR:			
Part of building/site			
Use			
BCA Class (if applical	ble)		
BUILDING EXPERTS ENGAGED IN BUILDI		TITIONERS AND ARCHITEC	CTS) WHO WERE
Name		Category/Classification	Membership or Registration Number.
		Architect	J.
		Engineer-Civil	
		Engineer-Mechanical	
		Engineer-Electrical	
		Engineer-Hydraulic	
		Builder	
Signature of Applica	nt	Date:	



Airport Environment Protection and Building Control Office

Level 1, AQIS Building, 1 Crewe Place, Rosebery, NSW 2018 PO Box 105 Rosebery Post Shop, Rosebery NSW 1445 Airport Building Controller

Telephone: 02 8344 3113 Facsimile: 02 8344 3144

STAGE 3 WORKS PERMIT

Airports Act 1996 Airports (Building Control) Regulations Regulation 2.11

File no. 07/7405

Issued To

Name BAC Devco Pty Ltd

Postal Address PO Box WJ

Bankstown Airport NSW Postcode 2200

Contact Person Rick James

Telephone 9925-6698 **Fax** 9925-6696

Email

Lessee Details

Name BAC Devco Pty Ltd

Postal Address PO Box WJ

Bankstown Airport NSW Postcode 2200

Telephone Fax

Location of Works Lot 301, DP 1077440, former Trotting Training Track, Milperra Road

Bankstown Airport

Contractor

Name To be advised

Address

Postcode

Telephone Fax

Contact Person

Telephone Fax

Details of Works Experts

to be engaged in the works:

	Name	Cat./Class	Rea. No
1.	Craig & Rhodes	Engineer/Civil	
2.	To be advised	Contractor	

Nature of Works

Description of Works Earthworks, Roadworks and Drainage Works for Industrial

Subdivision

Stage of work permitted Stage 1 - Earthworks to allow Alterations to Site Levels,

Drainage Works, & Construction of Road from Chainage 45

to the Northern End of the Road

Stage 2 – Entire Project

Stage 3 - Relocation of approved bulk fill from the former Training Trotting Track to the South West Sector of the

airport.

Cost of work \$2.4 Million

Value of Fee for Works \$5,000

Inspection Requirements

The mandatory inspection stages are: Final Inspection

Use of Works

A certificate of compliance is required to be issued by the Airport Building Controller prior to the use of this work or part.

Duration of Approval

This approval has effect until: 23 March 2011

This permit incorporates the drawings, specifications and documents listed below:

Drawing Nos.

Civil

Drawing Number	Revision	Date
1747-02-DA01	03	23/11/07
1747-02-DA02	05	20/02/08
1747-02-DA02	07	28/08/08
1747-02-DA03	02	18/02/08
1747-02-DA04	02	29/01/08
1747-02-DA05	02	29/01/08

	1747-02-DA06	03	18/02/08
	1747-02-DA07	01	23/11/07
	1747-02-DA08	01	23/11/07
	1747-02-DA09	01	18/02/08
	1747-02-DA21	00	23/05/08
	1747-02-D024	00	23/07/08
Hydraulic	Drawing Number	Revision	Date
	1747-02-DA12	03	18/02/08
	1747-02-DA13	03	18/02/08
	1747-02-DA14	00	-
	1747-02-DA19	02	18/02/08
	1747-02-DA20	02	18/02/08
Soil & Water Management	Drawing Number	Revision	Date
	1747-02-DA15	05	18/02/08
	1747-02-DA16	02	18/02/08
Traffic Management Plan	1747-02-DA17	02	18/02/08
	1747-02-DA18	01	18/02/08

In issuing this permit, reference has been made to the following: documents:

The Airports Act and Building Control Regulations 1996.

The Building Code of Australia 2007

Bankstown Airport Limited consent DA 2007.36 dated 14 March 2008

Bankstown Airport Limited consent DA 2007.36 Mod B dated 23 September 2008

Bankstown Airport Limited consent DA 2008.28 dated 10 November 2008 authorising the haulage and reuse of bulk fill from Lot 31, DP 1077440 & Lots 303, 304, 305 & Part 300 of DP 1077440.

Structural design certification of the retaining wall by R.C. Springett of Craig & Rhodes dated 31 January 2008

Stormwater design certificate by Alan Denniss of Craig & Rhodes dated 20 February 2008

Stormwater design certificate by Alan Denniss of Craig & Rhodes dated 1 September 2008

Road & Drainage design certification by Ian Piper of Craig & Rhodes dated 30 January 2008

Letter dated 19 February 2008 from Craig & Rhodes in relation to the proposed development.

Construction Environment Management Plan by BAC Devco dated November 2007

Assessment of Environmental Effects by Craig & Rhodes dated November 2007.

Preliminary Traffic Assessment Report by SKM dated September 2006.

Ecological Assessment of BAC Devco Development Sites by Cumberland Ecology dated August 2007

Addendum to Ecological Assessment of BAC Devco Development Sites by Cumberland Ecology dated 18 August 2008

Flora Assessment Report by Cumberland Ecology dated 12 November 2007.

Vegetation Survey & Revegetation Plan by ENSR Australia Pty Ltd dated 3 March 2008

Letter dated 19 February 2008 by Andrew Halmarick of Craig & Rhodes re proposed project.

Letter dated 1 September from Rick James of BAC Devco

Letter dated 12 November 2008 with attached plans from Bill Anthony of BAC Devco requesting approval to relocate the bulk fill from the former Training Trotting Track to the SW Sector of the airport.

Conditions

This work permit is subject to the following conditions:

General Requirements

1. This is the Stage 3 Works Permit for the entire scope of works plus the relocation of approved bulk fill from the former Training Trotting Track to the South West Sector of the airport. All amendments to the Amended Stage 2 Building Permit are identified in italics.

Reason: To clarify the extent of this permit.

2. No spoil can be relocated to the south west sector of the airport until a Works Permit is issued by the Airport Building Controller for the earthworks and drainage works in the south west sector.

Reason: To clarify the extent of this permit.

 Compliance must be given to the provisions of the Airports Act 1996 and Airports (Building Control) Regulations 1996.

Reason: Statutory.

- 4. This approval relates to works within the confines of the Airport boundaries only. Reason: To clarify the extent of the approval
- This permit authorises the removal of vegetation from the site in accordance with the Vegetation Survey & Revegetation Plan by ENSR Australia Pty Ltd dated 3 March 2008.
 Reason: To clarify that this permit permits the removal of vegetation.
- An application for a Certificate of Compliance / Use (copy attached) must be applied for and obtained prior to use of the service commencing.
 Reason: Statutory.
- 7. Prior to the Airport Building Controller issuing a Certificate of Compliance a written sign off from Bankstown Airport Limited must be provided to the Airport Building Controller indicating that the conditions of the Bankstown Airport Limited consent DA 2007.36 dated 14 March 2008, and DA 2007.36 Mod B dated 23rd September 2008 have been complied with.

Reason: To ensure the Bankstown Airport Limited consent is complied with.

- 8. Prior to the issue of a Certificate of Compliance, "As Built" drawings must be submitted. Reason: To provide as constructed documentation for appropriate records.
- 9. The permitted site discharge from each of the development lots must be limited to the following to comply with the stormwater design certificate by Alan Denniss of Craig & Rhodes dated 1 September 2008:

Lot	PSD Litres/ Sec
Lot 801	284
Lot 802	401
Lot 803	451

Reason: Flood Management

 The contractor must restore all areas affected by the proposed works to the satisfaction of the Airport Building Controller.

Reason: To ensure the surrounding area is restored to original state.

Site Requirements and Structure

11. Milperra Road must not be obstructed during the proposed works.

Reason: To ensure public safety.

12. The structural retaining wall, including balustrade, must be monitored by a suitably qualified practising structural/ civil engineer. Upon completion of the works and prior to the issue of a Certificate of Compliance, a Structural/ Civil Engineer's certificate is to be submitted to the Airport Building Controller certifying the structural adequacy of the retaining wall.

Reason: To ensure the structural stability of the works.

13. The balustrade to the retaining wall must comply with D2.16 of the Building Code of Australia. Prior to installation of the balustrade, details must be submitted to the Airport Building Controller for approval.

Reason: Statutory

Documentation Required Prior to Use

Certification from an appropriately qualified person for the following:

Item	Description
1.	An application for certificate of compliance is to be submitted.
2.	Written statement from Bankstown Airport Limited to the effect that the Bankstown Airport Limited consent has been satisfied.
3.	Proof that the RTA has accepted the completed driveway upgrade works.
4.	Proof that the new easements have been registered.
5.	As built drawings.
6.	Structural Engineer's certification that the retaining wall has been constructed in accordance with the design drawings and specifications.
7.	Compaction certificates for the site following earthworks.
8.	Road pavement compaction certificates.
9.	Material compliance certificates for road pavement materials.
10.	Survey plan of finished ground levels on completion of earthworks.
11.	A Certificate of Clearance from an independent auditor for compliance with the Remedial Action Plan for the site.
12.	GPS coordinates of the location of the bulk fill that has been placed in the South West Sector of the airport.
13.	Validation certification from licensed landscape suppliers regarding the validity of any imported fill.

The above schedule is for guidance only. The Airport Building Controller reserves the right to add or delete the items in the schedule as necessary upon inspection on site.

Airport Building Controller

Signature:

Trevor Dartnell

Date of issue 24 November 2008

This form and the above signature has been made for and on behalf of the Commonwealth of Australia. The Airport Building Controller is a statutory office holder appointed under the Airports (Building Control) Regulations.

Note: Under regulation 5.02 the applicant for the approval may make application to the Administrative Appeals Tribunal to have the decision of the Airport Building Controller to impose a condition on a building approval reviewed.

07/7405 Stage 3 Works Permit for Subdivision Works for Former Bankstown Trotting Training Track, Milperra Road

Environmental Protection Requirements

Please note that the ("Regulations") referred to are the Airport (Environment Protection) Regulations 1997.

Compliance with the Airport Environment Strategy

All operators of undertakings on the airport must comply with the Regulations and have the following general duties:

R 4.01 General duty to avoid polluting

R. 4.03 Duty to use pollution control equipment and keep it in proper working order.

R 4.06 General duty to prevent offensive noise from occurring.

R 4.09 Duty to use noise control equipment and to ensure that it is properly maintained.

All operators of undertakings on the airport must take all reasonable steps to ensure that they comply with the Bankstown Airport Environment Strategy and Conditions of Consent issued by BAL for this project.

Failure to comply with these general requirements could incur further enforcement action by the AEO under Part 7 of the Regulations.

Incident Management and Reporting

All operators of undertakings on the airport have a duty to notify the BAL Environment and Risk Manager immediately should there be any environmental incident during the course of these works.

Reasons: Statutory (R6.04 & R6.05 of the Regulations) and compliance with the Airport Environment Strategy.

Noise and Vibration Emissions

Offensive noise and vibration, as defined in Schedule 4 of the Regulations is not permitted from the construction site. Whether noise or vibration is excessive or not is determined by; the proximity of the site to sensitive or commercial receptors (eg private or commercial premises); the time of day when the noise occurs; the duration of the noise; and the nature and characteristics of the noise.

If your activities are likely to cause a noticeable increase in the background noise levels at commercial or residential properties or in the vicinity of the airport, contact BAL for guidance in relation to legal requirements.

Reasons: Statutory (Schedule 4, and R 4.06 of the Regulations) and compliance with Airport Environment Strategy.

Stormwater

The contractor shall minimise the risk of stormwater contamination by ensuring that activities do not take place in close proximity to stormwater drains. If this cannot be avoided, temporary covers should be placed over drains, or temporary bunding should be provided to prevent run-off and contaminants entering the drain.

The following are examples of some contaminants that are not to be discharged, or placed in a position where they could lead to discharge to the stormwater system:

- · concrete slurry or concrete mixer wash-out;
- · cutting saw slurry;
- · paint and paint brush wash down water;
- · oil, fuel or other hydrocarbon contaminants; and
- · vehicle or plant wash-down water.

Reasons: Statutory and protection of water quality (Part 4, & Schedule 2 of Regulations)

Water Quality & Erosion Control

Measures to minimise the risk of soil erosion and sediment loss should be considered by the contractor. Some of these measures include:

Minimise the area of excavation open at any one time;

Utilise erosion and sediment control measures such as silt fences, hay bales or geotextile matting; Maintain sediment and erosion control measures, particularly after heavy rainfall.

Reasons: Statutory and protection of water quality (Part 4, & Schedule 2 of Regulations).

Air Quality

Odour and visible contaminants such as dust, smoke and fumes are not to be released to the environment unless authorised. Conditions where dust is causing visible deposition on cars and buildings, or visible dust clouds should be reported immediately to the BAL Environment and Risk Manager or AEO.

Reasons: Statutory and protection of air quality. (Part 4 and Schedule 1, Regulations)

Importation of Material

The contractor shall provide copies of all validation certificates and/or receipts from licensed landfill suppliers regarding the validity of the imported fill. Copies of these documents should be provided to the BAL Environment and Risk Manager or AEO if requested to do so.

Reasons: NSW legislative requirements and compliance with the Airport Environment Strategy.

Solid and Liquid Waste

All waste materials, whether solid or liquid must be disposed of outside airport land in accordance with local regulations. The exception to this is where the permission of BAL has been obtained to dispose of small quantities solid waste to a general waste bin. No liquid waste may be disposed of to sewer.

The contractor should attempt to recycle waste wherever possible and ensure that all rubbish is disposed of properly and not left lying around the work site. If any waste on the site is generated from hazardous materials, such as asbestos, please notify the BAL Environment and Risk Manager for correct disposal of hazardous waste. No hazardous waste can be disposed of to sewer.

Construction Environment Management Plan

A Final Construction Environmental Management Plan (CEMP) for the civil works/excavation phase of the project has been reviewed and accepted by the Airport Environment Officer. All contractors and sub contractors involved in civil works/excavation works much comply with the CEMP.

The CEMP outlines the following key aspects in detail:

- Waste management focus should be placed on the removal of contaminated soils/groundwater (if found), waste classification, demolition waste from old infrastructure, hazardous wastes;
- Water quality management (e.g. groundwater dewatering and stormwater collection/treatment prior to disposal);
- Air quality management (dust control, FOD)
- Noise and Vibration Management particularly focus should be given to activities that may be carried out during periods between 11:00pm and 6:00am; and
- Incident/emergency Response Plan.

Failure to comply with these general requirements could incur further enforcement action by the AEO under Part 7 of the Regulations.

Bulk Fill Location

The contractor shall place only the approved bulk fill from the Training Trotting Track to the South West Sector. The bulk fill should be placed in one location within the South West Sector and its location recorded using GPS coordinates. The GPS coordinates shall be provided to the BAL Environment Manager and the Airport Environment Officer for inclusion into BAL's Environment Site Register.

Reasons: Compliance with the Airport Environment Strategy.

This approval does not relieve the applicant / operator from obtaining any necessary approvals or licences from the relevant authorities under other legislation to enable the movement of the bulk fill.

Site Inspection

The AEO may visit the site during the proposed works to ensure compliance with the above conditions.

Reasons: Statutory (R 4 of the Regulations).

Airport Environment Protection and Building Control Office

Level 1, AQIS Building, 1 Crewe Place, Rosebery, NSW 2018 PO Box 105 Rosebery Post Shop, Rosebery NSW 1445 Airport Building Controller

Telephone: 02 8344 3113 Facsimile: 02 8344 3144

APPLICATION FOR CERTIFICATE OF COMPLIANCE - OCCUPANCY/USE

Airports Act 1996		Airports (Building Co	ontrol) Regulati	ons	Regulation 3.02
То:	Sydney Airp	oort Building Control	ler		
Postal Address	Level 1, AQ	NS Building, 1 Crew	e Place		
	Rosebery	NSW	Postcode	2018	
Building / Works Pern	nit Referenc	ce Number: -	07/7405		
From (Name of Person	n applying)				
Position			Category/C	lass	
Business Name					
Postal Address			Post Code.		
Contact Person			-		
Occupier					
In accordance with A Compliance for the B			ulation 3.02,	I hereby a	apply for a Certificate of
USE APPLIED FOR:					
Part of building/site					
Use					
BCA Class (if applicab	le)				
BUILDING EXPERTS (ENGAGED IN BUILDIN			IERS AND AR	CHITECTS	S) WHO WERE
Name	10.7.0		egory/Classifi	cation	Membership or Registration Number.
		Arcl	nitect		- rogionation rambon
		Eng	ineer-Civil		
		Eng	ineer-Mechani	cal	
		-	ineer-Electrica		
		Eng	ineer-Hydraulio		
		Buil	der		



Airport Environment Protection and Building Control Office Level 1, AQIS Building, 1 Crewe Place, Rosebery, NSW 2018 GPO Box 594, Canberra ACT 2601 Sydney Airport Building Controller

Telephone: 02 8344 3113 Facsimile: 02 8344 3144

20 April 2011

File Ref: 07/7405 & 08/3340

Michael Butler c/- Korda Mentha Pty Ltd GPO Box 2523 Sydney NSW 2001

Dear Michael

Reference: Transfer of Bulk Clean Fill from the Former Trotting Training Track to South West Sector of Bankstown Airport

Reference is made to the Construction Environmental Plan Version 4 dated 14 April 2011 by Bocce Pty Ltd for the relocation of the bulk clean fill from Lot 801 in DP 113371 (former Trotting Training Track) to Lots 303, 304, 305 & Part 300 in DP 1077440 (South West Sector) of Bankstown Airport.

Further to a review of the CEMP by the Airport Environment Officer, Joanne Stuckey, I can advise that approval is granted for the haulage and reuse of bulk clean fill from Lot 801 in DP 113371 of the former Trotting Training Track site to the borrow pits on the Stage 1 area of South West Sector of Bankstown Airport (Lots 303, 304, 305 & Part 300 in DP 1077440), subject to compliance with the following:

- Development consent DA 2008.28A dated 21 January 2011 issued by Bankstown Airport Limited for Haulage and Reuse of Bulk Fill;
- Stage 3 Works Permit 07/7405 dated 24 November 2008 for the Subdivision Works to the former Trotting Training Track site, Bankstown Airport;
- 3. Amended Works Permit 08/3340 dated 16 September 2008 for the Bulk Earthworks and Drainage Works to the Stage 1 area of the South West Sector of Bankstown Airport;
- 4. Construction Environmental Plan Version 4 dated 14 April 2011 by Bocce Pty Ltd for the removal of Fill/ Earthworks. Please ensure that all contractors adhere to all measures outlined in the CEMP regarding the removal of noxious weeds.

You are requested to advise when the works associated with the transfer of bulk fill is completed.

Please note that a separate approval must be obtained from the Airport Building Controller if it is proposed to relocate the contaminated fill from the former Trotting Training Track site to any other location on Bankstown Airport.

Your attention is also drawn to the previous advices provided in relation to the outstanding requirements that must be satisfied before a Certificate of Compliance can be issued for the balance of former Trotting Training Track site, or the Stage 1 area of South West Sector of Bankstown Airport.

Should you have any enquiries please contact me on 02 8344 3113.
Yours faithfully,
Trevor Dartnell

Philip Chun & Associates Pty Ltd

Airport Building Controller

Airport Building Controllers (ABCs) are appointed by the Secretary of the Department of Infrastructure and Transport (the Department) under the Airports (Building Control) Regulations 1996 (the Regulations) to exercise the powers and functions which the Regulations vest in the ABCs, in relation to building control at leased federal airports. ABCs are also appointed as authorised officers by the secretary under the Airports Act 1996 to exercise certain powers under this Act, in relation to leased federal airports.

ABCs are contracted private companies, or employees or officers of such companies, and act independently of the Department. However, ABCs consult with the Department as necessary on certain matters, such as the interpretation of the regulations.



Airport Environment Protection and Building Control Office Level 1, AQIS Building, 1 Crewe Place, Rosebery, NSW 2018

GPO Box 594, Canberra ACT, 2601 Sydney Airport Building Controller Telephone: 02 8344 3113

Facsimile: 02 8344 3113

5 June 2014

File Ref: 07/7405 & 08/3340

Michael Butler Level 5, Chifley Tower 2 Chifley Square Sydney NSW 2000

Dear Michael

Reference: Transfer of Clean Bulk Fill from Lot 803 Steel Street to the South West Sector of Bankstown Airport

Reference is made to your request for approval to transfer clean bulk fill from Lot 803 Steel Street to the South West Sector of Bankstown Airport. Further to receipt of clearance from Bankstown Airport Limited, approval is granted to transfer the clean bulk fill from Lot 803 Steel Street to the South West Sector of Bankstown Airport subject to the following requirements:

- Compliance with development consent DA 2008.28B dated 21 March 2014 issued by Bankstown Airport Limited for Haulage & Reuse of Bulk Fill from Lots 801 & 803, DP 1133371, Bankstown Airport;
- 2. Compliance with the Stage 3 Works Permit 07/7405 dated 24 November 2008 for the subdivision works to the former Trotting Training Track, Bankstown Airport;
- Compliance with the Amended Works Permit 08/3340 dated 16 September 2008 for the bulk earthworks and drainage works to the Stage 1 area of the South West Sector of Bankstown Airport;
- 4. Compliance with the recommendations in the Construction Environmental Management Plan and Soil Contamination Assessment Report by Precise Environmental Pty Ltd being adopted and adhered to during the stockpile removal:
- 5. Submission of validation from an accredited contaminated land specialist that Lot 803 is clean and free from contamination following removal of the stockpiles;
- No contaminated material being transferred to the South West Sector of Bankstown Airport;
- 7. Submission of waste tracking dockets for the transfer of any contaminated fill to an approved landfill site.

An application for a Certificate of Compliance must be submitted to the Airport Building Controller for Lot 803 Steel Street on completion of the transfer of the fill material. Furthermore, the Certificate of Compliance must be granted before any Building Permit approval will be issued for the development of the site.

Should you have any enquiries please contact me on 02 8344 3113.

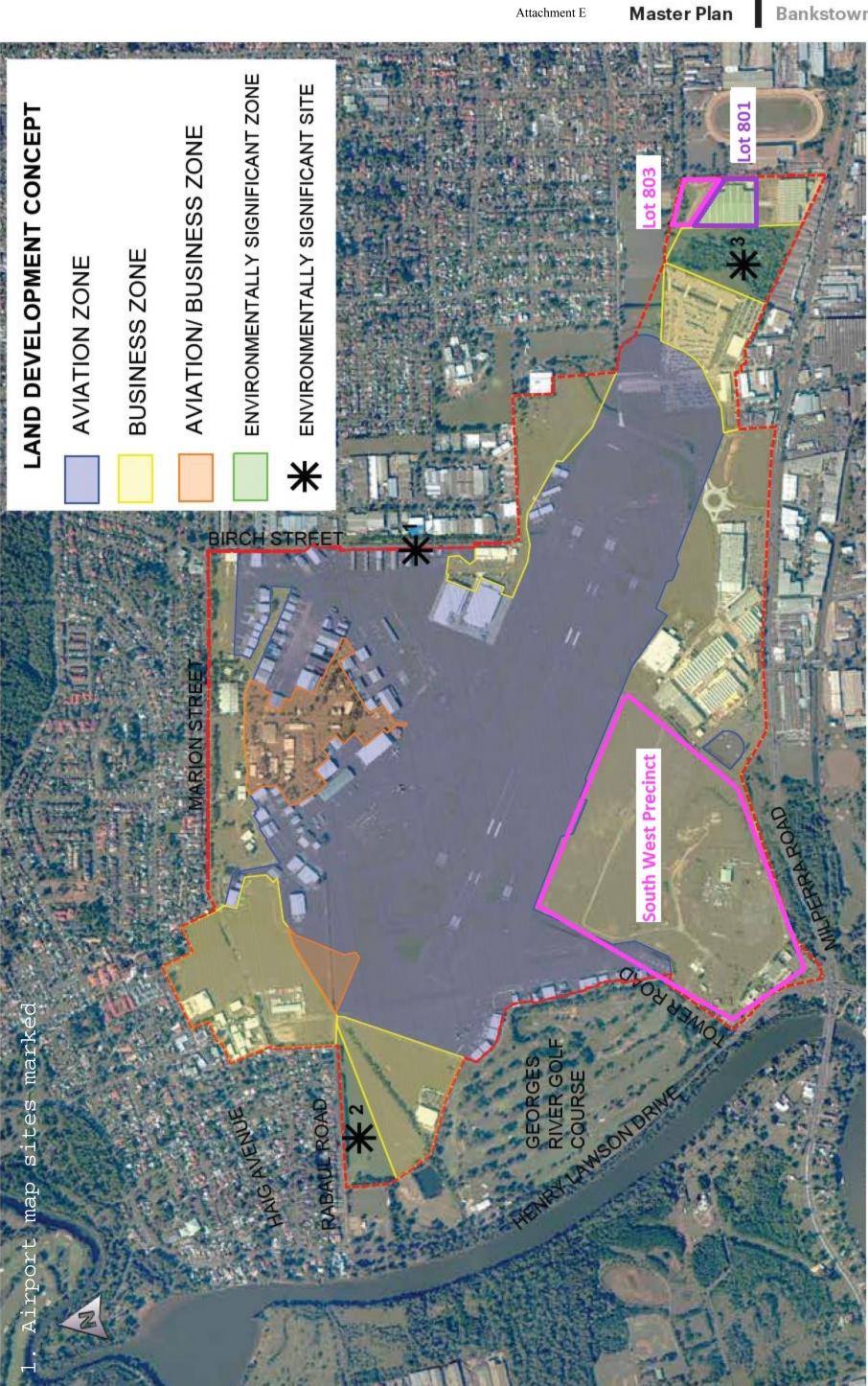
Yours faithfully,

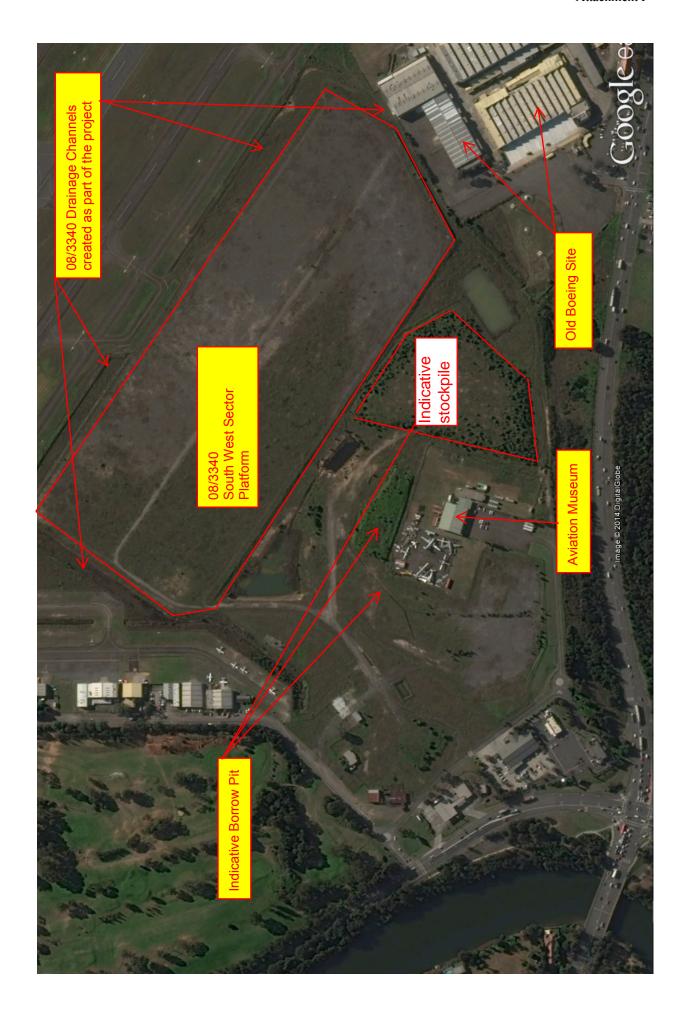
Trevor Dartnell Airport Building Controller

Philip Chun & Associates Pty Ltd

Airport Building Controllers (ABCs) are appointed by the Secretary of the Department of Infrastructure and Regional Development (the Department) under the *Airports (Building Control) Regulations 1996* (the Regulations) to exercise the powers and functions which the Regulations vest in the ABCs, in relation to building control at leased federal airports. ABCs are also appointed as authorised officers by the secretary under the *Airports Act 1996* to exercise certain powers under this Act, in relation to leased federal airports.

ABCs are contracted private companies, or employees or officers of such companies, and act independently of the Department. However, ABCs consult with the Department as necessary on certain matters, such as interpretation of legislation.







24 February 2015 Attachment G

Dear Airport Tenant,

INTRODUCING THE BANKSTOWN BUSINESS ESTATE – PRELIMINARY DRAFT MAJOR DEVELOPMENT PLAN

I am writing on behalf of Bankstown Airport Limited (BAL) to invite you to an Airport Tenant Briefing on Thursday 5th March 2015 to present the draft concept for a Major Development Plan (MDP) for a site in the South West precinct of the Airport that will provide commercial, warehouse, large format (bulky goods) and entertainment land uses in a master planned business estate. The proposed development will be known as the Bankstown Business Estate. The draft concept has been prepared by the development company, the LEDA Group.

The Bankstown Business Estate is a 41 hectare parcel of non-aviation land located in the south western precinct of the Bankstown Airport environs. The land is bounded by Tower Road to the northwest, Milperra Road to the southeast and Starkie Drive to the southwest. The attached information sheet provides further detailed information about the project and the statutory planning process that will be followed under the *Airports Act* 1996

This is an exciting project for South Western Sydney and for the future of Bankstown Airport. The Bankstown Airport 2005 and 2014 Master Plans identified the land as being suitable for non-aviation land uses to enhance the Airport as a business centre and to also support, grow and diversify the Bankstown Economic Corridor. The Bankstown Business Estate has the potential to generate in excess of 2000 permanent jobs, a further 779 through the supply chain and 1,100 during construction.

Prior to the preparation of a preliminary draft MDP for public consultation, BAL and LEDA want to ensure that you as a tenant of Bankstown Airport have the opportunity to comment on the draft concept. The preliminary draft MDP will be placed on public exhibition for a period of 60 days as part of the formal consultation and you will have the opportunity to make a formal submission about the preliminary draft MDP. BAL and LEDA will also undertake further stakeholder consultation at this time.

Following the public consultation process on the preliminary draft MDP and having shown due regard to all submissions received, a draft MDP will be submitted to the Minister for Infrastructure and Regional Development for consideration and approval.

The purpose of the Tenant Briefing on the 5th March 2015 is to present the draft concepts for the Bankstown Business Estate and to obtain your initial feedback to the draft concept prior to preparing the preliminary draft MDP for the formal public consultation process.

The briefing will be held from 10am to 12pm at the Bankstown Airport Terminal Building which is located at the end of Airport Avenue. The location of the venue is illustrated at Figure 1.1.







FIGURE 1.1 - VENUE LOCATION



The briefing will include a presentation followed by a facilitated question and answer session. Members of LEDA's multidisciplinary team who are preparing the preliminary draft MDP will be available on the day to answer your questions. It would be appreciated if you could register to attend the briefing by telephoning Ms. Gemma Wawn, Development Manager at the LEDA Group on telephone number (02) 8226 4415. Registering to attend will help us to plan for this event.

On behalf of BAL and the LEDA Group, I look forward to your involvement in the briefing and to hearing your views about the Bankstown Business Estate on the 5th March 2015.

Yours faithfully

Peter Crowley

General Manager Property Bankstown Airport Limited







Introducing the Bankstown Business Estate

Major Development Plan Concept

Milperra Road, Bankstown

MARCH 2015







Introduction

Bankstown Airport Limited (BAL) is proposing a Major Development Plan (MDP) for a site in the South West Precinct of the Airport that will provide commercial, warehouse, large format (bulky goods) retail and entertainment uses in a master planned business estate. The proposed development will be known as the Bankstown Business Estate.

The Bankstown Business Estate is a 41 hectare parcel of non-aviation land. The subject site for the proposed development is illustrated at Figure 1.1. The site is bound by Tower Road to the Northwest, Milperra Road to the Southeast and Starkey Drive to the Southwest.

The MDP will be prepared in accordance with the requirements of the Airports Act 1996 by the LEDA Group on behalf of BAL. The LEDA Group is an Australian owned property development and investment company that owns and manages a range of diversified retail and industrial assets across Australia.

This information sheet provides an overview of the project concept, the key benefits that it will deliver to Bankstown Airport and South Western Sydney and the statutory approval process that will be followed by BAL in seeking approval for the MDP from the Minster for Infrastructure and Regional Development.



FIGURE 1: BANKSTOWN BUSINESS ESTATE SITE CONTEXT







Overview of the Proposed Development

The LEDA Group (LEDA) in conjunction with BAL will prepare an MDP for the proposed development of an integrated Business Estate as illustrated by Figure 2.

The colocation of commercial, warehouse, bulky goods retail, entertainment and discount factory outlets in a master planned estate is consistent with the NSW Government's 'A Plan for Growing Sydney (2014)' which identifies Bankstown Airport as a 'Transport Gateway' known as 'Bankstown Airport-Milperra'. Being a Transport Gateway, the site is therefore earmarked to 'provide (or are planned to provide) significant concentrations of jobs and perform (or are planned to perform) an essential and ongoing role connecting Sydney with locations across Australia and the world' (p. 21). Bankstown Airport-Milperra is also located in the 'Bankstown to Liverpool Enterprise Corridor', with Enterprise Corridors under the Plan being 'designed to attract investment and stimulate employment-generating development aligned with transport infrastructure' (p. 21).

The project has a capital investment value in excess of \$160 million and is a significant urban rejuvenation project that will transform the 41 hectares of underutilised and surplus non-aviation land into a vibrant employment generating precinct.

The proposed development will increase the variety and choice of goods and services available to aviation and non-aviation tenants alike and their employees and visitors. In addition, the surrounding community will also enjoy the benefits from being able to access the business estate.



FIGURE 2: BANKSTOWN BUSINESS ESTATE MASTER PLAN







The Key Benefits the Bankstown Business Estate will Deliver

The Bankstown Business Estate is one of the most significant employment generating opportunities currently on the drawing board in South Western Sydney.

Economic modelling by Macro Pan Dimasi Projects indicates that when fully developed the Bankstown Business Estate will generate in excess of 2,000 permanent jobs within the Estate and a further 779 permanent jobs through the flow on effects and supply chain. The construction phase of the project is also forecast to generate a further 1,100 jobs.

The project is anticipated to be completed over the next five years and will deliver other benefits including:

- A \$160 million investment into the local economy during construction that will enhance the Airports economic and employment role;
- A \$50 million investment in road and utility infrastructure upgrades;
- A vibrant destination and a critical mass of activity that will establish Bankstown Airport as a business centre;
- The opportunity for ongoing public sector investment; and
- The opportunity to realise best practice in architectural design.

Major Development Plan (MDP) Process

As the capital investment cost of the project is in excess of \$20 million, the MDP process specified in the *Airports Act 1996* must be followed by BAL and the LEDA Group.

The MDP process is a statutory development consent approval process. The MDP must be approved by the Minister for Infrastructure and Regional Development before any development of the South West Precinct Land can occur.

The first stage in the MDP process is the preparation of the 'Preliminary Draft Major Development Plan'. This plan establishes the statutory framework for how the site will be developed. LEDA is preparing the Preliminary Draft Plan in conjunction with BAL. It is anticipated that LEDA and BAL will commence an extensive consultation process of the Preliminary Draft MDP in the second quarter of 2015.

The Preliminary Draft MDP will incorporate a comprehensive assessment of the proposed Bankstown Business Estate and includes environmental, traffic management, flood modelling, economic impact, aviation safety assessment, landscaping and planning considerations.







Land Use Zoning and Permissibility

The South Western Precinct Lands are located within the Business – Bankstown Airport Zone under the Airport Master Plan 2014 as illustrated by Figure 3 (overleaf). The objective that underpins this zone is reproduced below:

'To encourage a broad range and mix of commercial and business development within an integrated and active precinct. This mix and range of development will include retail, entertainment and leisure uses. Other employment generating development will be permitted within the zone in locations that are compatible with this commercial activity.'

Development may be carried out with consent in the business zone for the following purposes:

'Advertisement; aged care facility; amusement centre; bulky goods retailing; business premises; bushland regeneration works; car park; child care centre; commercial premises; communications facility; community facility; compatible land use; educational establishment; flood mitigation works; generating works; hotel; hospital; industry; land filling; motel; motor showroom; place of assembly; place of public worship; public utility undertaking; recreation facility; refreshment room; plant nursery; road; road transport terminal; service station; shop; transport depot; transport terminal; utility installation; warehouse' (our emphasis in bold)

The mix of retail, commercial and warehouse uses proposed for the Bankstown Business Estate are consistent with the zone objectives and are permissible with consent in the Business – Bankstown Airport Zone on the site.

Development Timeframe

The MDP process will continue thoughout 2015. Pending the approval of the MDP by the Minister for Infrastructure and Regional Development, early works and installation of services could commence on the site late 2015. Construction would then occur in 2016 with the opening of the estate anticipated in early 2017.

For Further Information

If you would like further information about the project please contact:

Gemma Wawn

Development Manager

The LEDA Group

Email g.wawn@ledaholdings.com.au

Disclaimer: This information has been prepared by the LEDA Group in conjunction with, and has been approved by, Bankstown Airport Limited (BAL). © 2015 Leda Holdings 11/5 Hunter Street, Sydney NSW 2000 ABN 67 001 404 557







FIGURE 3: BANKSTOWN AIRPORT - PDMD 2014 DEVELOPMENT CONCEPT 2033/34







Attachment H: Acronym guide

ABC	Airport Building Controller
AEO	Airport Environment Officer
ALC	airport lessee company
Airservices	Airservices Australia
BAL	Bankstown Airport Limited
BCC	Bankstown City Council
CASA	Civil Aviation Safety Authority
CEMP	Construction Environment Management Plan
LEDA	LEDA Holdings
MDP	Major development plan
SWP	South West Precinct

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 126

Program: 2.4 Air Transport

Division/Agency: Aviation and Airports

Topic: Competition Policy Review – aviation cabotage

Proof Hansard Page: 126 (24 February 2015)

Senator Leyonhjelm, David asked:

Senator LEYONHJELM: I will be much quicker. At the last estimates I asked Treasury about the issue of aviation or shipping cabotage restrictions and options to reduce them. I was told that Treasury is aware that work has been done elsewhere in the public service on these issues and 'we have contributed a briefing, if you like'—those are Treasury's words. Will your department release documents it has worked on in the past year on aviation cabotage restrictions and options to reduce restrictions?

Mr Mrdak: I am not aware of any specific work that we have done on aviation cabotage in that form. There have been proposals—for instance, our response to the Harper competition review. As indicated, I am happy to provide you with that material—our submission to the Harper review—but I am not aware of any specific proposals that we have worked on in relation to aviation cabotage beyond that competition review.

Senator LEYONHJELM: I am perplexed. Treasury said somebody did and I assumed it was you.

Mr Mrdak: We certainly did provide a submission to the Harper competition review, which I am very happy to provide you, which sets out our comments in relation to the proposal in the competition review to look at aviation cabotage.

Senator LEYONHJELM: I would like to see it. **Mr Mrdak:** Certainly. I am happy to provide that.

Answer:

A copy of the Department's submission to the Competition Policy Review Draft Report is provided at <u>Attachment A</u>.

Department of Infrastructure and Regional Development submission to:

Competition Policy Review, Draft Report, September 2014

The Department of Infrastructure and Regional Development (the Department) has prepared this submission on the Competition Policy Review Draft Report in order to provide views and comments on a number of issues raised in the Draft Report of relevance to the portfolio. As the Draft Report is wide-ranging in the matters it covers, the Department has limited its comments to those issues where its views may be of particular value to the Panel as it develops its final report and recommendations to the Australian Government.

Land transport infrastructure

Road Transport (Draft Recommendation 3)

The Department of Infrastructure and Regional Development (the Department) supports reform in road investment, management and pricing and provision as part of broader approach to creating an integrated land transport (and transport infrastructure) market.

The Department is of the view that road investment and pricing reform is the next area of major economic reform for Australia, reflected by activities already included in the current reform agenda. Over recent years, a number of reviews have recognised the need for reform and have proposed possible road-pricing models. There has been significant work done by the Commonwealth and state and territories to this end. However, as noted in the Draft Report, much greater progress in full market reform needs to be made. The Department shares the Panel's view that road pricing reform holds great potential for efficiency improvements that in turn will lead to productivity benefits in the wider economy.

The Productivity Commission's recent inquiry into Public Infrastructure examined the need for road user charging reform in detail. The Productivity Commission recommended establishing user charging as the default option to fund road infrastructure and considering alternative road governance models, including commercially-oriented road fund models. As noted previously by the Productivity Commission (2006):

...such a fund requires a significant devolution of responsibility and decision-making away from direct government control to an autonomous agency.¹

In line with the Draft Report, the Department is of the view that agreeing a model for implementation of a commercially-oriented road fund (or funds) is a priority task on the pathway towards user charging and reducing direct budget funding (excise and grants) for road authorities—at all levels of government.

¹ Productivity Commission 2006, *Road and Rail Freight Infrastructure Pricing*, Report no.41, Canberra, December, p.272

The Productivity Commission has most recently observed that:

The limitations of not having a clear price signal for road use have been recognised for many years, but it has proved very challenging to address this. The greatest progress has been made with charging heavy vehicles, but even there the issue is not addressed effectively, and further reform has been under development².

The current context within which our roads are governed, managed and funded across a number of jurisdictions (at both state/territory and local government levels) has complicated progress towards reform in this area. We are of the view that while initial steps have been made to investigate how road pricing could be designed and introduced—particularly for heavy vehicles—further work should be done to move towards full market reform. It is important that a road investment market is created which captures all road uses.

As the Panel noted, progress toward road pricing for heavy vehicles has been made. Current efforts are primarily focussed on developing and implementing heavy vehicle charging demonstration trial projects. The recent Heavy Vehicle Charging and Investment (HVCI) project (which concluded on 30 June 2014) found that to be effective, road pricing reform should be supported by improvements to the way roads are planned, built and maintained. The Transport and Infrastructure Council has recently agreed that the next phase of heavy vehicle road reform will require road agencies to become more customer-focused in how they provide roads—resulting in improved trust and transparency with industry and laying a solid platform for future reforms, such as pricing.

In the long term, the Department sees a need for policy changes in relation to heavy vehicles which go beyond price signals—such as integrated charging, funding and investment reforms—which may address some of the limitations of work to date on heavy vehicle charging highlighted by the Panel.

The creation of a sub market for heavy vehicles will not, however, deliver the widest possible economic benefits. Cooperation from all levels of government will be needed to progress full market reform. It is also important industry and the community are part of the debate and discussion on these reforms. It will be crucial to demonstrate to the community that road pricing is about reconfiguring current road revenues and expenditure in such a way that the surface transport market (in particular road and rail) is a competitive market resulting in the best prices and outcomes for the community—rather than an additional tax imposition. As noted by the Review Panel, the introduction of cost-reflective road pricing must be seen to reduce indirect taxes and charges on road users—this will be fundamental to strengthening competition policy reform in infrastructure.

The Panel may wish to further acknowledge in its final report the long term nature of reforms to road pricing, noting the many complex issues that need to be worked through with jurisdictions and the community before user charging could be rolled out on the scale proposed by the Panel.

Consideration could also be given to interim measures such as direct charging through tolls and other trials which provide improved investment signals as well as improved access for road users.

Reform along these lines has been considered in the context of the current Infrastructure Investment Programme, such as heavy vehicle charging for the Perth Freight Link announced in the 2014-15 Budget. Reforms in this area should also be considered in the context of the Taxation White

² Productivity Commission 2014, *Public Infrastructure*, Inquiry Report No. 71, Canberra, p.145

Paper process given the implications for reconfiguration of Commonwealth/state funding arrangements for land transport infrastructure that would need to complement the user pays principle.

Multi-modal transport

In moving toward a more efficient, integrated multi-modal transport network (as opposed to traditional mode-specific approaches), there needs to be a new approach to how modes interact. For example, in considering user-charging regimes for road transport, thought must be given by states and territories to setting the right pricing signals for public transport. Currently, less than a third of public transport operational costs are recovered through fares—although simply increasing fares could further disadvantage public transport services in situations where using a private vehicle is cheaper and there are not comparable road-user costs. Such a low rate of cost-recovery in public transport has implications for the viability of private operators, service standards, maintenance and future capital investments.

In consideration of these issues, the Panel may wish to expand its discussion on transport infrastructure and to acknowledge how competition principles could be applied within an integrated transport market. Such an approach could effectively increase the role of the private sector in transport and infrastructure investment, operations and maintenance.

Rail freight

The Department notes the Panel's generally positive observations on the pace and outcomes of major rail reforms spanning the last two decades which have increased private sector involvement, better met the needs of customers and provided long term employment in the rail sector (Draft Report, Section 9.2).

In recent years, governments have fundamentally changed their approach to planning and investment in the freight network; from looking at each mode in isolation, to a multi-modal and integrated freight network. As a mode, an efficient and effective rail system needs to play an increasingly significant role in Australia's freight task and reduce the relative costs of bulk freight over Australia's long distances.

The largest rail freight flows in Australia are bulk iron ore and coal. Rail also accounts for the majority of inter-capital freight movements on the East-West corridor. However, the percentage of general freight travelling by rail on the east coast North-South corridor remains low and has not achieved strong growth, and the use of 'port shuttle' type arrangements from ports to inland rail hubs remains limited. With the forecast increase in the freight task, there will be a commensurate increase in the number of trucks on the roads in Australia's more heavily populated eastern states, to meet forecast growth in the absence of an efficient rail system. This will impact national productivity. Accordingly, more needs to be done to increase, or at the very least maintain, the market share of general freight carried by rail.

Governments, and the Australian Rail Track Corporation (ARTC), have invested in infrastructure to improve the quality and reliability of the interstate rail network to address capacity and curfew restrictions through metropolitan areas. These initiatives will further address the capacity of rail to compete on transit times, price and service reliability. It is also important that competition policy

maximises investment incentives and competition within the rail sector and between rail and other modes of transport.

In particular, there is potential to increase rail's share of the bulk freight task in regional areas. Consistent with the Panel's views, where freight volumes have been too low to support competitive entry on grain rail lines, vertical integration or other changes to the current rail access and ownership model may be preferable as a means to re-establishing the viability of under-utilised rail infrastructure. Realising this potential will require comprehensively understanding the factors driving modal choice, the incentives to maintain and upgrade the rail lines and the impact on access and competition. Vertical integration would not be appropriate on lines where there is above rail competition, such as the interstate network.

In finalising its report, the Panel may wish to consider the ARTC's position as manager of much of Australia's interstate network. ARTC was created in 1997 as a 'one stop shop' to grow interstate rail through improved efficiency and competitiveness. ARTC's objectives include:

- · increasing rail's share of the interstate freight market; and
- fostering a commercially viable Australian rail industry, thereby contributing to an efficient national transport system.

ARTC was also created to provide efficient and seamless access to the interstate rail network, which it does through voluntary Australian Competition and Consumer Commission (ACCC) approved access undertakings. Since its creation, ARTC has invested approximately \$4 billion into the interstate network under its control. Freight carried on ARTC networks has gone from 74.6 billion tonnes kilometre in 2008-09 to 101 billion tonnes kilometre in 2013-14.

The Commission of Audit and Productivity Commission have both proposed that ARTC be considered for divestment. The Panel may wish to consider the implications of possible privatisation of ARTC for competition, access arrangements and governance of the rail network, and what if any changes may be required in a privatised environment.

Aviation

Aviation Cabotage (Draft Report Section 9.2)

The Department notes the Panel's view that there are likely to be considerable benefits flowing from the removal of air cabotage restrictions on remote and poorly served domestic routes, allowing foreign airlines to carry Australian domestic traffic. There is little to support the Panel's simplistic view. However, the Department considers the current policy of reserving the Australian domestic market for Australian-based airlines ensures domestic airlines all operate on the same level playing field in relation to industrial relations and taxation, as well as under the safety and security oversight of the Australian Government. As such, the Department does not agree with the Panel's views on relaxation of aviation cabotage arrangements, including for specific routes only.

Australia has one of the most open and competitive domestic aviation policies of any major country. The current policy allows any foreign airline interested in competing in the Australian domestic market (subject to Australian safety, security, employment and taxation arrangements) to do so via an Australian-based subsidiary.

The Department also notes that Australia's highly competitive domestic market has resulted in benefits for consumers and the tourism industry but significant losses among Australian airlines in recent times. In this environment, it is unclear whether the relaxation of aviation cabotage would see any overseas airlines choosing to enter the Australian domestic market.

Further, in order to realise the full economic benefit of cabotage (which would require Australia to permit foreign airlines to import their lower cost base to the Australian market), Australia would be largely reliant on the regulatory oversight of foreign governments to ensure the safety of Australian domestic flights. Successive Australian Governments have taken the view that it is important for airlines carrying domestic passengers to be subject to Australia's full regulatory oversight, through a requirement to hold an Australian Air Operator's Certificate. Australia's ability to effectively and independently monitor an overseas based airline is limited, however, the need for local risk assessment—in line with international performance standards, as per Australian systems—is a recognised worldwide strategy to mitigate aviation risks. In this regard, the Draft Report's proposal is likely to be seen as winding back some of the safety arrangements applicable to domestic aviation (see also general points regarding regulation review at page 7 of this submission), and as a result, increasing risks faced by the travelling public.

Airports (Draft Report Section 9.2)

The Department notes the Panel's view that in aviation, price monitoring and a 'light handed' regulatory approach seems to be working well overall, but that a move away from light-handed regulation for individual airports may be required if prices continue to increase as fast as they have been. The Department is of the view, however, that the current regulatory options available within the CCA—such as price surveillance powers under Part VIIA—are sufficient to address individual airports determined to be charging excessive prices in the future.

National Access Regime (Draft Recommendation 38)

The Draft Report considers reforms to Part IIIA regulation of third party access to identified bottleneck infrastructure. It also queries what other infrastructure may need to be covered by access regulation in the future. In this regard, the Department notes that the likelihood of capacity constraints at some airports and intermodal terminals in the next decade does have the potential to lead to an increase in access disputes. Terminals approaching maximum capacity may be able to charge prices above optimal levels and reduce competition. The National Access Regime may be called upon more frequently if this situation eventuates.

While plans for new runway and terminal facilities at Brisbane, Melbourne and Perth will address capacity constraints over time, it will be important to have a credible access regime to back up negotiations. The Department believes that in the event commercial negotiations fail to provide acceptable outcomes, the National Access Regime in its current form provides an important backstop to the regulatory system.

Airservices Australia Charges (Draft Report, Section 9.2)

The Panel suggests that the pricing structure for services provided by Airservices Australia (Airservices) should be a focus for further reform. Given Airservices' services, including ARFFS, are already delivered under a five year pricing agreement which is negotiated with industry and

subsequently submitted to the ACCC for assessment, in the Department's view there is not a compelling case for further review of current pricing arrangements.

Shipping

Liner Shipping (Draft Recommendation 4)

The Department notes the Panel's Draft Recommendation on liner shipping.

Currently, operators of liner shipping services have immunity from key parts of Australian competition legislation under Part X of the *Competition and Consumer Act 2010*.

Two major Australian reviews of Part X during the 1990s, including one by the Productivity Commission in 1999, recommended that Part X be retained. The main reason is that, due to the particular characteristics of the liner shipping industry, coordination between shipping lines in the same trade on sailing schedules and rates is unavoidable in order to secure regular and reliable services at stable freight rates. A requirement to obtain authorisation under Part VII of the Act for agreements on a case-by-case basis would be a costly and lengthy process for shipping companies, with an uncertain outcome. This is unlikely to provide any economic or competition benefit to Australia.

As recognised by the more the recent reviews of Part X and by overseas inquiries, changes in the nature of the liner shipping industry over the last two to three decades have dramatically weakened the rationale for competition law exemptions for conference ratemaking agreements. These changes include the growth of slot chartering, vessel sharing, consortia, alliances, mergers, vertical integration into terminals, long-term confidential contracts, and hub and spoke route systems. The US and EU reforms, which stripped shipping conferences of the ability to collude to set rates, have been shown to have had few negative effects. However, they have not been found to have any positive effects in reducing freight rates either. There is evidence that the reforms have been associated with increased market concentration.

The Department considers that while there is an argument in competition policy thinking for the exemption for pricing agreements under Part X to be no longer justified, the benefit of making changes has not been identified. It is important that shippers and shipping companies have certainty and do not face increased transaction and compliance costs through any changed regime. There remains a strong case for continuing an exemption for *operational agreements*. This is in line with the EU approach of removing the block exemption for conferences to set rates while retaining the block exemption for operational co-operation between shipping lines (vessel sharing, co-ordination of routes and schedules).

The Panel's recommended block exemption approach provides a way to achieve this without imposing the significant compliance costs of requiring case-by-case authorisation of individual agreements. It is important then that the block exemption framework be crafted in such a way that it will allow exemption for operational agreements and not impose an undue an regulatory burden on the industry, given the operational reality of the liner shipping industry.

Coastal Shipping (Draft Recommendation 5)

The Department notes the Panel's findings and observations on coastal shipping. A review into coastal shipping regulation is currently underway by the Australian Government, with a view to revising or reversing measures that hinder the competitiveness of Australia's shipping services. The Government invited submissions from industry and other stakeholders earlier this year, which are currently being considered.

Comments on other areas of reform

Parallel imports (Draft Recommendation 9)

The Panel may wish to highlight the Government's current review of the *Motor Vehicles Standards Act 1989* - the legislation which sets uniform minimum safety and environmental standards for all road vehicles entering the Australian market, including those that are imported. The Act restricts parallel or other imports of vehicles which are unable to meet these standards. The review is well progressed and is due to conclude by the end of 2014. A copy of the MVSA Review Discussion Paper can be found at http://www.infrastructure.gov.au/vehicles/mv_standards_act/files/MVSA-Options_Discussion_Paper.pdf

Regulation review (Draft Recommendation 11)

Regulators within the infrastructure portfolio are considering current and proposed regulations to reflect risk and public interest considerations as part of the Government's red tape reduction programme.

The portfolio's regulators must act in the public interest—including safety— which does not always align solely with enhanced competition in the regulated industries. Indeed, substantial productivity losses to the economy can result from regulatory failures, which can have significant impacts for families, communities, businesses, and even at the whole-of-economy level depending upon the scale of the system failure.

The Department, while seeking to minimise regulatory burden, must achieve a balance between productivity and competition gains and the economic cost of death and injury. Harmonising regulations with international standards significantly can reduce or remove adverse effects on competition whilst maintaining the necessary safeguards. This process of harmonisation is being accelerated as part of the Government's deregulation agenda. The Regulatory Impact Assessment process, prescribed by the Office of Best Practice Regulation, also ensures that where standards are necessary, that the regulatory burden is minimised. The Department is of the view that the Panel's final report could benefit from further acknowledgement of the challenges involved in balancing competitiveness policy objectives and the necessary mitigation of risk which are particularly relevant in transport safety and security.

Access and Pricing Regulator Functions (Recommendation 46)

The Department notes the Panel's Draft Recommendation 46 regarding the establishment of a single national access and pricing regulator, including the Panel's view that the regulator should be established with a view to it gaining further functions as other sectors are transferred to national regimes. This recommendation has direct relevance to the proposed road market reforms discussed

previously in this submission and at Draft Recommendation 3 of the Draft Report, regarding the need for cost-reflective road pricing to be subject to independent oversight.

With regard to independent oversight of road pricing, the Department shares the Panel's views in Chapter 24 regarding the benefits of a single national independent regulator that has the scale of activities to enable it to acquire broad expertise and experience across a range of industries, and to acquire and retain staff who have that expertise. The Department further agrees that such an agency, provided it had a broad remit for pricing all road uses, would be less at risk of industry capture.

The Department is well aware that, as noted in Chapter 24, a multiplicity of regulators can be administratively costly, and require businesses to engage with more than one regulator. This can be amplified in the transport sector, where operators are subject to a range of regulations, international treaty and public interest obligations. In the long term, there may be merit in having national road pricing regulatory functions administered by the same body that oversights transport safety matters, further consolidating sector expertise and promoting consistency in regulatory approaches. It may also assist to balance the economic aspects of road pricing against other public interest considerations, such as safety and community service obligations.

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 127

Program: 2.4 Air Transport

Division/Agency: Aviation and Airports

Topic: Prosecution of Airservices for alleged occupational health and safety breach

Proof Hansard Page: 107 (24 February 2015)

Senator Gallacher, Alex asked:

Senator GALLACHER: There are some findings in the coronial inquiry which are quite damning of Airservices Australia's lack of adherence to proper training and proper procedures, down to the fact that an oversized vehicle, not registered for Northern Territory roads, travelled through an intersection at significantly higher speed than would be expected. Three people are dead. There is a news article saying that Comcare is going to sue Airservices Australia. You have no role in any of that?

Mr Mrdak: We do have a role in providing advice to the minister in relation to these matters. Primarily, the responsibility rests with Airservices. Obviously our role is to ensure that proper governance takes place in relation to the organisation.

Senator GALLACHER: Clearly there has been a failure of governance, as per the coronial findings, and an indication that another Commonwealth entity is going to sue Airservices Australia.

Mr Mrdak: I am not aware of that comment from Comcare but I will take it on notice and check that out.

Answer:

On 18 March 2015 Comcare confirmed to the Department that it intends to pursue legal action against Airservices Australia in relation to the motor vehicle accident in the Northern Territory, and is continuing work in preparation of the commencement of proceedings.

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 128

Program: 2.4 Air Transport

Division/Agency: Aviation and Airports

Topic: Aviation Cabotage Proof Hansard Page: Written

Senator Leyonhjelm, David asked:

- 1. Will your department release all documents it has worked on in the past year on aviation cabotage restrictions and options to reduce restrictions?
- 2. How have reduced aviation cabotage restrictions within Europe and within the US affected prices and services?

- 1. The Department's submission to the Competition Policy Review draft report included a response to the Review Panel's views on aviation cabotage. A copy of the Department's submission was provided in response to Question 126.
 - The Department also provides advice to Government from time to time on aviation cabotage issues as part of our normal advisory role.
- 2. The United States has not reduced aviation cabotage restrictions.
 - Access to the domestic market within Europe is only available to European Union based airlines as part of the European Union single market arrangements.

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 129

Program: 2.4 Air Transport

Division/Agency: Aviation and Airports

Topic: Aviation Industry Consultative Council

Proof Hansard Page: Written

Senator Rice, Janet asked:

- 1. What criteria were in place to determine selection of members of the Aviation Industry Consultative Council, established in December?
- 2. How do you anticipate that workers, who deliver aviation services and monitor aviation safety and security for example, will contribute to the issues that the Council engages with?
- 3. Is there a mechanism by which civic or community groups will be able to contribute to the high level strategic issues being discussed by the Council? For example, will community consultative groups adjacent to airports or areas of significant aircraft movement be engaged with the issues?

- Membership of the Aviation Industry Consultative Council is determined by the Deputy Prime Minister.
- 2. The Council is made up of 18 members from across the aviation sector, providing a broad range of perspectives, including representatives from airlines, airports, manufacturing, maintenance and flight training sectors. Other parties may be approached to participate in the Council or provide advice to the Council from time to time on an as needed basis.
- 3. See answer to question 2.

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 130

Program: 2.4 Air Transport

Division/Agency: Aviation and Airports **Topic: Australian Designated Airlines**

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

- 1. How many Australian international airlines are there currently?
- 2. Which are they?

Answer:

- 1. There are seven Australian international airlines currently offering international air services to/from Australia.
- 2. Qantas Airways Limited, Virgin Australia International Airlines Pty Limited, Virgin Australia Airlines (SE Asia) Pty Limited, Jetstar Airways Pty Limited, Airnorth, Tasman Cargo Airlines Pty Limited and Pacific Air Express Australia Pty Limited.

This list does not include Virgin Australia Regional Airlines Pty Ltd, which currently operate non-scheduled services between Port Hedland and Denpasar, as Virgin Australia International Airlines Pty Ltd commenced on the route in its place from 4 April 2015.

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 131

Program: 2.4 Air Transport

Division/Agency: Aviation and Airports

Topic: Impact of Free Trade Agreements on Bilateral Air Services Agreements

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

1. How do the free trade agreements recently announced impact bilateral air services agreements?

- 2. Is aviation included in these agreements?
 - a. Japan
 - b. South Korea
 - c. China
 - d. Trans-Pacific Partnership
- 3. If any do impact air services agreements, for each, how?

Answer:

- 1. The recently announced Free Trade Agreements (FTA) do not impact the bilateral air service arrangements with the relevant countries.
- 2. Whilst excising traffic rights from free trade agreements, Australia does seek to liberalise a number of auxiliary air services.
 - a. Japan

Three auxiliary air services are included:

- aircraft repair and maintenance;
- sales and marketing of air transport services; and
- computer reservation systems;
- b. South Korea

Four ancillary air services are included:

- aircraft repair and maintenance services;
- the selling and marketing of air transport services;
- computer reservation system services; and
- specialty air services.
- c. China

This agreement is not yet in force.

d. Trans-Pacific Partnership

The TPP is still being negotiated.

3. The recently announced Free Trade Agreements do not impact the bilateral air service arrangements with these countries.

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 132

Program: 2.4 Air Transport

Division/Agency: Aviation and Airports

Topic: Airport Lessee Companies – Reimbursement of Parking Fines

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

1. For which airports does the Commonwealth collect parking infringement fines?

- 2. Why only eight of 21 leased Federal airports?
- 3. For each airport, please list how many infringements were issued by the Commonwealth in 2013-14.
- 4. For each airport, please list the total value of infringements issued by the Commonwealth in 2013-14.
- 5. For each airport, please list how much was collected by the Commonwealth in 2013-14.

- 1. Brisbane; Gold Coast; Hobart; Launceston; Melbourne (Tullamarine); Perth; Sydney (Kingsford-Smith); Townsville.
- 2. The remaining leased federal airports have arrangements in place with their respective local government bodies.
- 3. Parking Infringement Notices (PINs) are issued by Authorised Persons on behalf of the Commonwealth in accordance with contractual arrangements between the Commonwealth and the respective Airport Operator Companies. See Table 1 below.
- 4. The Department does not hold this information.
- 5. See Table 1 below.

Table 1—Parking Infringement Notices issued and revenue collected 2013-14

Airport	PINs issued	PIN Revenue
	2013-14	2013-14
Brisbane	1,191	\$44,947
Gold Coast	1,267	\$64,378
Hobart	234	\$5,950
Launceston	448	\$22,610
Melbourne (Tullamarine)	8,940	\$537,676
Perth	1,103	\$36,109
Sydney (Kingsford-Smith)	3,745	\$325,077
Townsville	134	\$4,352
TOTAL	17,062	\$1,041,099

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 133

Program: 2.4 Air Transport

Division/Agency: Aviation and Airports

Topic: Carbon Emission Standard for Aircraft

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

1. Is the Department still involved in setting a carbon emission standard for aircraft via ICAO?

2. Has the project concluded? When did it conclude?

- 1. Yes.
- 2. No. ICAO is expecting to finalise the carbon dioxide emission standard for new aircraft types in 2016.

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 134

Program: 2.4 Air Transport

Division/Agency: Aviation and Airports **Topic: Perth Airport Master Plan Proof Hansard Page:** Written

Senator Sterle, Glenn asked:

In the 2014 Masterplan it appears that 310 hectares of conservation land has now been incorporated into airport planning.

- 1. Is this 310 hectares still categorised as it was in the 2009 Masterplan?
- 2. If not, what has changed?
- 3. If not, how was the community consulted about this change?
- 4. Was the National Airports Safeguarding Advisory Group involved in any decision to change the treatment of the 310 hectares? If so, how?

- 1. No.
- 2. The 2014 Master Plan integrates Precincts 5 and 7 (the previous conservation zones totalling 306 hectares) into other precincts of the airport. This has resulted in additional land defined as having high environmental value being brought into Perth Airport's environmental management framework (totalling 416 hectares).
- 3. Prior to Perth Airport lodging the plan with the Deputy Prime Minister for approval, the draft Master Plan was available for public consultation for 60 business days (23 June 2014 to 15 September 2014) in line with the requirements of the *Airports Act 1996*.
- 4. No.

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 135

Program: 2.4 Air Transport

Division/Agency: Aviation and Airports

Topic: Aviation Industry Consultative Council

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

Given that the Deputy Prime Minister said, when <u>establishing the Consultative Council</u> that "the Australian Government is committed to ensuring aviation's many voices are heard".

- 1. Why are there no organisations representing workers in the industry on the Aviation Industry Consultative Council?
- 2. Were any unions or professional organisations representing workers in the industry considered by the Government?
- 3. Does the Government value the input of employees working in the industry? How?

- 1. Membership of the Aviation Industry Consultative Council (the AICC) is diverse and is drawn from across the aviation sector, providing a broad range of perspectives.
- 2. The Deputy Prime Minister considered a range of candidates from across the aviation sector for the AICC.
- 3. The Government welcomes input from all aviation industry stakeholders on issues affecting the industry.

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 136

Program: 2.4 Air Transport

Division/Agency: Aviation and Airports

Topic: Status of the Airservices Australia Enroute Charges Payment Scheme

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

- 1. How many routes are receiving funding under the Federal Government's enroute scheme?
- 2. Please list them.
- 3. How many airlines have participated in this scheme since its revival?
- 4. Please list the airlines and the financial amounts they have received.

- 1. 30 commercial routes currently receive assistance under the Airservices Australia Enroute Charges Payment Scheme (the Scheme). A further route, Dubbo to Cobar has been approved for funding but has not yet commenced. Aeromedical flights are provided by air operators to varying locations and specific routes are not approved.
- 2. See Attachment A.
- 3. 14 airlines have been approved for funding under the Scheme -6 commercial airlines and 8 aeromedical providers.
- 4. See Attachment B.

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Attachment A - Commercial routes receiving payments under the Scheme (all routes return).

State	Route
QLD	Cooktown – Cairns
SA	Coober Pedy – Adelaide
	Mildura – Adelaide
NSW	Grafton – Sydney
	Narrandera – Sydney
	Mildura – Sydney
	Williamtown – Sydney
	Taree – Sydney
	Griffith – Melbourne
	Broken Hill – Mildura
	Broken Hill – Adelaide
	Broken Hill – Dubbo
	Ballina – Williamtown
	Taree – Williamtown
VIC	Essendon – Flinders Island
TAS	Flinders Island – Launceston
	King Island – Burnie
	King Island – Launceston
	King Island – Melbourne
WA	Laverton – Perth
	Leonora – Perth
	Shark Bay (Monkey Mia) – Perth
	Mount Magnet – Perth
	Meekatharra – Perth
	Wiluna – Perth
	Shark Bay (Monkey Mia) – Carnarvon
	Perth – Onslow
	Wiluna – Meekatharra
	Laverton – Leonora
	Mount Magnet - Meekatharra

^{*}Dubbo – Cobar route has been approved but has not yet started.

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

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Attachment B – Assistance provided in 2014-15 as at 24 February 2015

Commercial airlines

Airline	Amount (GST exclusive)
Air Link Pty Ltd	\$0
Airlines of Tasmania	\$547.58
Hinterland Aviation	\$1,748.21
Regional Express Ltd (REX)	\$129,134.50
Sharp Aviation	\$16,256.99
Skippers Aviation	\$27,384.07

Aeromedical providers

Airline	Amount (GST exclusive)
Chartair	\$529.42
Jet City	\$1,905.99
Royal Flying Doctor Service (RFDS) – Central Operations	\$89,921.43
RFDS – QLD Section	\$0
RFDS – Western Operations	\$122,741.66
RFDS – South Eastern Section	\$49,909.56
Northern Region Surf Lifesaving Rescue Helicopter	\$240.68
Pel-Air	\$0

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 137

Program: 2.4 Air Transport

Division/Agency: Aviation and Airports

Topic: Economic Regulation of Airports – Harper Review

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

The Department says that, "a move away from light-handed regulation for individual airports may be required if prices continue to increase as fast as they have been" (page 5, Harper Review submission).

- 1. Which airports are of most concern?
- 2. What stronger regulatory options are there?

Answer:

The Department did not say this. In its submission to the Competition Policy Review Draft Report (September 2014), the Department noted the panel's view (appearing page 131 of the Draft Report) that, "The price monitoring and 'light-handed' regulatory approach in aviation seems to be working well overall. However, if prices continue to increase as fast as they have been that would raise concerns and may warrant a move away from light-handed regulation for individual airports."

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 138

Program: 2.4 Air Transport

Division/Agency: Aviation and Airports

Topic: Curfew Arrangements Proof Hansard Page: Written

Senator Sterle, Glenn asked:

- 1. Is the Department aware of any current proposals to change curfew arrangements at Sydney, Adelaide or Gold Coast airports?
- 2. Is the Department aware of Government proposals to change the curfew times (ie between 11pm and 6am) at any of these three airports?
- 3. If yes, please outline what work is being undertaken.
- 4. On what date was advice last provided to the Government on the subject of curfew changes (including slot arrangements) at either of (a) Sydney, (b) Adelaide or (c) Gold Coast airports?
- 5. Is the Department aware of legislative drafting to change curfew arrangements at any of these airports?
- 6. If yes, what is the date of the last draft, and to which airports does it apply?

- 1. The Government is committed to maintaining legislated curfew arrangements at Adelaide, Essendon, Gold Coast and Sydney airports and to the 80 movement per hour cap at Sydney. The Government has also indicated these arrangements might be administered more efficiently and effectively.
- 2. No.
- 3. N/A.
- 4. Advice was provided on 26 February 2015 consistent with Government policy outlined in response to Question 1.
- 5. Legislative drafting was undertaken to effect the election commitment to expand the types of small, low noise jets permitted to operate at Sydney and Adelaide airports during curfew.
- 6. Amendments to the Adelaide Airport Curfew Regulations 2000 took effect on 18 December 2014 and the Sydney Airport Curfew (Curfew Aircraft) Instrument 2015 took effect on 13 February 2015.

ANSWERS TO QUESTIONS ON NOTICE

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Infrastructure and Regional Development

Question no.: 139

Program: 2.4 Air Transport

Division/Agency: Aviation and Airports **Topic:** Hobart Airport Runway Extension

Proof Hansard Page: Written

Senator Urquhart, Anne asked:

On 16 February 2015 the Government announced the approval of \$3.035 million of a \$38 million election promise for planning and development work necessary to expand Hobart International Airport's runway.

- 1. What details of the project did the Government receive from Hobart International Airport Pty Ltd that allowed for the approval of funding that had not been received at any point since the Government took office almost 18 months ago?
 - A spokesman for Infrastructure Minister Warren Truss said on 15 October 2014 the funding agreement for the \$38 million was expected to be finalised before the end of the year.
- 2. Has the total project funding agreement being finalised and if so, what is the timeline for the remaining funding to flow and what is the construction schedule for the project?

The Coalition Economic Growth Plan for Tasmania applied three conditions to the funding:

- a. entering into commercial negotiations for regular international flights such as Qantas, Singapore Airlines or Air New Zealand;
- b. an agreement for use by large Antarctic research aircraft; or
- c. negotiations for international charter flights.
- On October 15, The Mercury confirmed that none of Qantas, Singapore Airlines or Air New Zealand had any plans to operate direct services to Hobart.
- 3. As the funding has now commenced, which strict conditions of the funding agreement, as outlined in the Coalition's Economic Growth Plan for Tasmania, has Hobart International Airport Pty Ltd actually met?
- 4. Has the Department performed any other analysis, including due diligence, value for money, costbenefit or job creation projections, on the project?

- 1. During the course of funding agreement negotiations in 2014, the Government received a range of information including a project plan, proposed budget and timeline relating to the planning and design stage.
- 2. The Government has committed \$38 million for the project across the forward estimates. An initial amount has been contracted to provide funding for the planning and design stages, in line with the project budget provided by Hobart International Airport. Under the agreement, funding is due to be paid progressively against the achievement of specified milestones.
 - The parties agreed that a further funding agreement will be negotiated once Hobart International Airport has advised that design is completed and project approvals have been obtained. Hobart International Airport has advised that construction is scheduled to be completed during 2016-17.
- 3. Hobart International Airport has advised it is in discussions with various international carriers regarding future use of the airport and will be required to progressively update the Commonwealth on progress.
- 4. No.