



17 November 2010

Mr James Collett  
General Manager  
Sydney Aviation Capacity Branch  
Department of Infrastructure & Transport  
GPO Box 594  
Canberra ACT 26001

Dear Committee Secretary,

### **Joint Study on Aviation Capacity in the Sydney Region**

#### **The RAAA and its Members**

The Regional Aviation Association of Australia (RAAA) was formed in 1980 as the Regional Airlines Association of Australia to protect, represent and promote the combined interests of its regional airline members and regional aviation throughout Australia.

The Association changed its name in July 2001 to the Regional Aviation Association of Australia and widened its charter to include a range of membership, including regional airlines, charter and aerial work operators, and the businesses that support them.

The RAAA has 26 Ordinary Members (AOC holders) and 49 Associate/Affiliate Members. The RAAA's AOC members directly employ over 5,000 Australians, many in regional areas. On an annual basis, the RAAA's AOC members jointly turnover more than \$1b, carry well in excess of 2 million passengers and move over 23 million kilograms of freight.

RAAA members operate in all States and Territories and include airlines, airports, engineering and flight training companies, finance and insurance companies and government entities. Many of RAAA's members operate successful and growing businesses providing employment and economic sustainability within regional areas.

Some examples of RAAA members' presence in regional Australia is the REX hub in Wagga Wagga, SkyWest in WA, Sharp Aviation in Hamilton, Kimberley Aviation at Broome, Airnorth, Chartair and Vincent Aviation Northern Territory networks, West Wing Aviation in Mt Isa and Skytrans operations from Cairns, to name a few.

*Serving regional aviation, and through it, the people and businesses of regional Australia*

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## **RAAA Charter**

The RAAA's Charter is to promote a safe and viable regional aviation industry. To meet this goal the RAAA:

- promotes the regional aviation industry and its benefits to Australian transport, tourism and the economy among government and regulatory policy makers;
- lobbies on behalf of the regional aviation industry and its members;
- contributes to government and regulatory authority policy processes and formulation to enable its members to have input into policies and decisions that may affect their businesses;
- encourages high standards of professional conduct by its members; and
- provides a forum for formal and informal professional development and information sharing.

The RAAA provides wide representation for the regional aviation industry by direct lobbying of Ministers and senior officials, through parliamentary submissions, personal contact and by ongoing, active participation in a number of consultative forums.

## **RAAA Response to Study**

### **Main Issues**

The most important concern for regional airlines operating into Sydney is that the legislated access and protections for NSW regional operators with respect to Sydney Airport remain in place. Being able to fly into Sydney Airport using regional airlines ensures NSW regional communities have appropriate access to the state capital's facilities as well as sound domestic or international flight connections. In addition businesses and families in Sydney have a convenient way, through Sydney Airport, to carry out their activities in NSW regional towns. This is vital for the growth of the state and national economy.

The regional airline network is an essential part of the NSW and national transport infrastructure. This has been recognised through the legislation covering Sydney Airport slots for regional airlines and rules governing aspects of price increases applied to regional operators by the airport owner. For the foreseeable future Sydney Airport remains an essential and pre-eminent port for regional operators and their customers. Any long-term aviation plan for the Sydney region must support the continued access for regional operators to Sydney Airport.

Freight must also remain at Sydney Airport given the large, complex aircraft used by most freight operators. The only other possible additional option would be a joint user facility at Richmond airbase but there would need to be considerable new infrastructure development to support efficient domestic and international freight operations.

Bankstown Airport is not an option for regional RPT and larger charter/ executive jet operators. The runways and taxiways are not suitable for these aircraft, nor can passengers connect to other flights. However, Bankstown could be redeveloped into an excellent Sydney-focussed GA airfield, including private and business operations as well as more complex training operations. The Sydney region still needs a first class, well positioned GA airfield. This is not just for the many current and potential Sydney-based operators but the large national GA market that may wish to visit Sydney for business or tourism. Bankstown is perfect for such a role but it must be upgraded to attract new customers and encourage existing businesses to re-invest. This may require a range of private/government partnerships.

Further training consolidation and aviation business development should be encouraged at Camden airport although this airfield may reach its capacity within the next few years. Other options need to be explored.

The closure of Hoxton Park was a fundamental error and stripped the Sydney basin of its only nth/sth GA runway. The Sydney basin also lost its best facility for ab-initio and circuit training. Such short-sighted aviation policy must never be repeated. Once aviation infrastructure is destroyed, it is destroyed forever.

While Bankstown should maintain its traditional training role it may be necessary to form strategic partnerships with other airports such as Goulburn, Cessnock and Wollongong to cater for the rapid growth in the aviation flight training market. These airports are well positioned for ab-initio training in support of more complex training at Bankstown. In addition Bankstown could become a centre for aviation training in other disciplines such as engineering, avionics, management, security and cabin-crew. There are skill shortages nationally and across the world in all these areas and the Sydney region could take considerable advantage of this demand. To be frank, Sydney already has the international reputation but has allowed its aviation infrastructure to degrade at a time when international demand for aviation services and training is increasing.

Aviation is an international business and any redevelopment of aviation in the Sydney region must be conscious of this scope. Australia is a long-term member of ICAO thus Sydney initiatives must be considered alongside ICAO auspiced developments in approach and surveillance technology. In short, air traffic management is becoming more sophisticated and new aircraft are much quieter than in the past. These advances can be used to encourage more aviation activity in the Sydney region while lessening any impact on surrounding communities.

Government must also improve its regulatory oversight of airports in the Sydney region. Airport monopolies use their market power to extract maximum income. In the end this will stifle, even kill off, further investment by airline and training facility operators. Operators must not be held to ransom by airport operators who may see more profit in non-aviation activities, rather than encouraging increased aviation activity or have more operators establish a base on their airfield. The extreme and tragic case is Hoxton Park which is now a housing development.

If another major airport was to be considered for the Sydney region it must have the ability to be financially and operationally successful in its own right, with a defined market. Inconveniently located feeder airports have proven to be unsuccessful and very costly failures eg Mirabel in Canada. Given the pressure for land in the Sydney basin it is hard to imagine where such an airport could be located now that Badgery's Creek has been ruled out.

The RAAA is appreciative of having this opportunity to respond on this important issue. Please do not hesitate to contact us if you wish to discuss this further.



Paul Tyrrell  
Chief Executive Officer