

11 June 2014

Mr John Alexander OAM, MP
Member for Bennelong
Chair – Sydney Airport Community Forum
PO Box 6022
House of Representatives
Canberra ACT 2600

Via email: john.alexander.mp@aph.gov.au

Dear Mr Alexander

Re: Governance arrangements of the Sydney Airport Community Forum

I appreciated the recent opportunity to discuss with you the future governance arrangements of the Sydney Airport Community Forum (SACF).

As you recommended at SACF's meeting on 23 May 2014, Sydney Airport is suggesting some reforms to the existing governance arrangements which my representative on SACF, Mr Ted Plummer, summarised at that meeting.

Our suggestions broaden SACF's terms of reference and its membership. They are broadly consistent with those used by the Community Aviation Consultation Groups (CACGs) that have been established for Australia's other major airports and the CACG Guidelines issued by the Australian Government in 2011.

As well as our ongoing commitment to SACF, Sydney Airport will continue to directly engage with our local community in other ways. As Mr Plummer has reported many times to SACF, community engagement and consultation are vitally important for Sydney Airport as we strive to build strong and productive relationships with our community. We are actively involved in local communities around the airport with our established grants program for local schools (now in its thirteenth year), as well as our support for other local community and sporting groups and a range of local community festivals.

Sydney Airport's suggestions to reform SACF's governance arrangements, which are summarised below, are outlined in detail in the attached Discussion Paper.

1. Broaden SACF's terms of reference

Currently, SACF's role is very narrowly defined because its terms of reference are limited to aircraft noise-related issues. While Mr Plummer covers a wide range of other airport-related issues in his regular reports to SACF, any member of the public who visited SACF's website for information about its role and responsibilities would think noise was the *only* issue it ever discussed. This limits SACF's potential and its ability to be responsive to the many other airport-related issues that the community may wish to have raised and discussed by their representatives on SACF.

**Sydney Airport
Corporation Limited**
ABN 62 082 578 809

Locked Bag 5000
Sydney International
Airport NSW 2020

Central Terrace Building
10 Arrivals Court
Sydney International
Airport NSW 2020
Australia

T 61 2 9667 9111
www.sydneyairport.com.au

That said, it is acknowledged that aircraft noise issues are, and will continue to be, vitally important for those residents who live close to the airport or under flight paths. It is therefore expected that SACF members will continue to focus primarily on such issues. However, there are many other important airport-related issues that affect the community and there is, in our view, a compelling case to have them also reflected in SACF's terms of reference.

Sydney Airport is therefore suggesting in the attached Discussion Paper that SACF's terms of reference be broadened to include a range of other airport-related matters, such as those recommended in the Australian Government's CACG Guidelines.

2. Broaden SACF's Membership

The collective membership of a body that strives to represent the community should, where practicable, reflect the diversity of opinion within that community. If not, there can be a tendency for the interests of significant sections of the community to be marginalised or, in some cases, not discussed at all.

With this in mind, Sydney Airport is concerned that the interests of the many of people who work in tourism or local businesses relying on Sydney Airport are not directly represented on SACF. In the attached Discussion Paper, a case study is provided to show where this lack of representation resulted in SACF adopting a policy position that would, if implemented, have caused extensive job losses in Sydney's tourism industry and serious damage to the viability of many local businesses.

In recent times, it has also become clear that many of the airport-related issues most often raised by the local community are the responsibility of the NSW Government. Ground transport, traffic and public transport-related issues are by far the most prominent, but other issues (such as environmental, planning and development matters) are becoming increasingly important.

Sydney Airport is therefore suggesting in the attached Discussion Paper that SACF's membership be broadened to include a representative from each of Sydney's tourism and business communities and a member representing the NSW Government.

In conclusion, Sydney Airport believes that broadening SACF's terms of reference and its membership in the manner suggested will, without diminishing its focus on important aircraft noise issues, enhance its ability to represent the whole community and improve the quality and breadth of the advice it provides to the Minister, Sydney Airport and aviation authorities on all airport-related issues affecting the community.

I would be pleased to discuss these suggestions with you prior to SACF's next meeting.

Yours sincerely



Kerrie Mather
Chief Executive Officer

cc: Hon. Warren Truss, MP, Deputy Prime Minister and Minister for Infrastructure and Regional Development
Enc: Discussion Paper – SACF reform suggestions

Discussion Paper – SACF's governance arrangements

Background

There has been a Sydney Airport community consultative body of one form or another for more than 25 years:

- 1988** Curfew Monitoring Committee (CMC) established
- 1995** Sydney Airport Community Consultative Committee (SACCC) replaces CMC
- 1996** Sydney Airport Community Forum (SACF) replaces the SACCC
- 2007** SACF reformed (new membership)

A majority of the members of these bodies has always been elected representatives (i.e. local mayors and state/federal MPs). Of SACF's existing members, 15 are elected representatives and five are not. These five comprise two community members (west and south), Sydney Airport Corporation Limited and one representative each from domestic and international airlines.

SACF's current role is to act as a forum for:

- providing advice to the Minister for Infrastructure and Regional Development, Sydney Airport Corporation and aviation authorities on the abatement of aircraft noise and related environmental issues at Sydney Airport,
 - and in particular it is the main body for consultation on the Long Term Operating Plan for the Airport.
- providing advice to aviation authorities to facilitate improved consultation and information flows to the community about the Airport's operations.

In December 2009, the then Minister released the *National Aviation Policy White Paper*, in which the Government encouraged airports to establish Community Aviation Consultation Groups (CACGs). With SACF already in place, and to avoid duplication, it was agreed that Sydney Airport would not establish a CACG. Guidelines issued by the Government in 2011 suggested that the terms of reference for CACGs might cover a wide range of airport-related issues, which far exceeded SACF's role.

The Guidelines also suggested that membership of CACGs should include persons who can contribute views representative of:

- Aviation services and operators at the airport;
- Community organisations, resident groups or individuals, ensuring the representation of residents affected by airport development and operations;
- Representatives from state, territory or local government bodies; and
- Local tourism bodies and business groups.

As the airport appoints the CACG chair, its membership and defines its terms of reference, airports provide secretariat support for CACGs. As the Minister appoints the SACF chair, its membership and defines its terms of reference, the Department of Infrastructure and Regional Development provides secretariat support for SACF.

At the meeting of SACF held on 23 May 2014, the Chair of SACF and Member for Bennelong, John Alexander OAM, MP asked members to submit in writing before 30 June 2014 suggestions to reform the governance arrangements of SACF.

Without diminishing the importance of aircraft noise issues, Sydney Airport makes the following recommendations to reform SACF's governance arrangements. They aim to enhance its ability to represent the whole community and improve the quality and breadth of the advice it provides to the Minister, Sydney Airport and aviation authorities on all airport-related issues affecting the community.

1. Broaden SACF's terms of reference

Currently, SACF's role is very narrowly defined because its terms of reference are limited to aircraft noise-related issues. While Sydney Airport's representative on SACF routinely reports on a wide range of other airport-related issues, any member of the public who visited SACF's website for information about its role and responsibilities would think noise was the only issue it ever discussed.

However, the sort of issues raised by the several hundred people who attended one of Sydney Airport's 20 community "drop in" sessions during 2012 and 2013 indicates that, as well as noise, the community is also interested in many other airport-related issues. These drop in sessions were held in very prominent, busy and publicly accessible venues across in areas close to the airport or under flight paths, including shopping centres, community markets, public libraries, malls and community centres.

The number of people who raised ground transport issues is a good example. For every member of the community who raised a noise-related issue, three raised a ground transport issue. Similarly, in the formal master plan submissions received, the number of comments about ground transport far exceeded those about noise. A wide range of other issues were also raised, covering, for example, environment, planning and development matters.

While retaining SACF's existing noise-related terms of reference, Sydney Airport **recommends** that its terms of reference be broadened to more closely align with those applying to the CACGs at other capital city airports:

SACF's role is to act as a forum to provide advice to the Minister for Infrastructure and Regional Development, Sydney Airport and aviation authorities on:

- *Aircraft noise (including abatement of noise and implementation of the Long Term Operating Plan for Sydney Airport);*
- *Improvements or changes to airport facilities;*
- *Plans for future development and steps being taken to implement Sydney Airport's existing master plan, prepare a new master plan or prepare and implement a major development plan;*
- *Tourism and Sydney Airport's role in supporting tourism;*
- *Changes in aviation services, including new or expanded airline services;*
- *Aviation-related environmental and sustainability issues, including implementation of Sydney Airport's 5-Year Environment Strategy;*
- *Ground transport and access issues, including implementation of Sydney Airport's 5-Year Ground Transport Plan;*
- *Planning, regulatory, and policy changes affecting Sydney Airport;*
- *Ensuring effective complaints-handling procedures are in place;*
- *Reports from Airservices Australia and the Civil Aviation Safety Authority on issues affecting the community ;*
- *Sydney Airport's contribution to the local, regional and national economy; and*
- *Strategies to ensure the broader community is informed of issues discussed in the group.*

2. Broaden SACF's membership

The collective membership of a body that strives to represent the community should, where practicable, reflect the diversity of opinion within that community. If not, there can be a tendency for the interests of significant sections of the community to be marginalised or, in some cases, not discussed at all.

In SACF's case, the interests of the many people who work in tourism or local businesses relying on Sydney Airport are not directly represented on SACF. This can result in SACF making decisions and recommendations to government that, if implemented, would affect large sections of the community without the implications of those decisions for those communities being adequately considered or, in some cases, even discussed.

The following case study illustrates this point.

Case study

There are 42,000 people who work in tourism and who live in one of the federal electorates represented on SACF – that's more than a quarter of the state's entire tourism workforce. There are more than 31,000 tourism-related businesses operating in these electorates, one third of the state's total. There are another 160,000 non-tourism jobs that rely directly on Sydney Airport, including 28,000 people who work at the airport itself. Many of these people also live in one of the federal electorates represented on SACF. The issues SACF often discusses and, more particularly, the recommendations it makes to government, have the potential to significantly affect the livelihoods of these people and the local businesses for which they work.

For example, when considering and deciding the content of its submission on Sydney Airport's preliminary draft master plan, SACF recommended to government that the airport's aircraft movement cap be reduced from 80 to 60 flights per hour for ten hours a day, including during the morning and afternoon peak. This is despite the fact reducing the movement cap was not part of the policies of either of the two main political parties.

Were government to interpret SACF's recommendation as being a representative and wide held expression of community opinion, and implement it, significant damage would be caused to Sydney's tourism industry, and to local businesses relying on Sydney Airport. The travel plans of more than 100,000 airline passengers who pass through Sydney Airport every day would be seriously disrupted. Many tens of thousands of people – especially in tourism – would lose their jobs and the viability of thousands of local businesses would be put at risk.

SACF's master plan submission indicated that, of SACF's 24 members, only one – the international airline (BARA) representative – opposed the proposed reduction in the cap. While Sydney Airport's representative raised concerns, he was unable to vote because it concerned a submission to Sydney Airport.

Had there been members of SACF present who directly represented the many members of the community who work in tourism or local businesses relying on the airport, there would likely have been a more serious discussion about the implications of the policy change being recommended on the lives of tens of thousands of community members. This discussion may have resulted in a different submission.

In recent times, it has also become clear that many of the airport-related issues most often raised by the local community are the responsibility of the NSW Government. As noted earlier, ground transport, traffic and public transport-related issues are the most prominent, but other issues (eg. environmental, planning and development matters) are becoming increasingly important. SACF's deliberations on such matters would benefit from having the NSW Government directly represented at its meetings.

Sydney Airport therefore **recommends** that SACF's membership be broadened to include representatives from:

- Sydney's tourism and business community (the nominee being from Tourism and Transport Forum and the Sydney Business Chamber respectively); and
- The NSW Government (the nominee being the Department of Premier and Cabinet).

3. Other matters

- a) Sydney Airport supports the retention of SACF members representing Australia's domestic airlines (currently Virgin Australia) and international airlines (represented by their peak organisation, BARA). We would have no objection to Qantas also being asked to nominate a representative.
- b) The size of SACF, which far exceeds that of other CACGs, was raised at the meeting on 23 May 2014. This, in part, is because some areas around Sydney Airport are represented by more than one SACF member and, in some cases, by several. The Department of Infrastructure and Regional Development outlined a number of options to achieve a more even representation of areas of Sydney on SACF which should be further considered.