

The Commissioners
Airport Regulation inquiry
Productivity Commission
Locked Bag 2
Collins Street East Vic 8003
airports@pc.gov.au

20190318 Monday

Economic Regulation of Airports draft report released 6 February 2019

Dear Commissioners,

As invited by the Productivity Commission, I submit my comments on this draft report. In summary, I disagree with some of the conclusions made by the PC, especially those related to 'community benefit'. There has been a sad failure to adequately and properly regulate Sydney Airport (I cannot comment on other airports) and there are wide-ranging consequences of this failure, both immediate and anticipating relevant matters into the future. It is incumbent on both State and Federal Governments to address these shortfalls in facility management and correct them. The proper management of the airport facility benefits all the stakeholders and that most certainly includes the **general public** who have been dismissed by the PC.

GENERAL

- 1 Some of the issues also raised in this submission include matters ostensibly outside the scope addressed by the PC draft report of the *Economic Regulation of Australian Airports* but they are included for very good reasons:
 - 1.1 There are numerous aspects of air traffic and airport management which are tightly bound to and impact on the economic regulation which the draft solely focuses on. i.e. a rational judgement of the efficiency and economic regulation of Sydney Airport cannot be made without taking into account numerous 'peripheral' issues. The fact that many of these aspects are not addressed reduces the worth of the report in the context of economic regulation. In the general context of the airport operation, the report is woefully remiss in failing to consider the impact on the general public and specifically those residents of Sydney whose lives are greatly affected by aircraft overflying their homes with extreme noise pollution, deliberate jettisoning of fuel, and black-coloured oil droplets, presumably an incidental output of the exhaust or leakage from the craft fuselages.
 - 1.2 A blaringly obvious and major example of the ignored 'peripheral' issues is the position and surrounds of Sydney Airport. The Mascot facility has seen its day and cannot be adequately upgraded / expanded simply because there is no more room there. A replacement airport close to Sydney must be built and as soon as possible. As far as I am aware, the PC did not even give this matter a passing mention, let alone properly address it. It is central to the economic viability of Sydney Airport and has major impacts on the stakeholders, some of which include Sydney residents, our tourism industry, the airline companies and flight schedulers, aircraft manufacturers, ground transport providers, both rail and road, metropolitan road traffic planners and controllers and Sydney Airport etc.
 - 1.3 The lack of a suitable replacement airport is at the core of most of the difficulties which Sydney Airport Management faces. Badgery's Creek Airport is not the answer and can never be so.

- 1.4 It is obvious that the Productivity Commission is being used by Sydney Airport to present a very one-sided case with the main objective of increasing the throughput of aircraft movements: in effect driving the aircraft traffic well beyond saturation level.
- 1.5 The draft PC report plays around the edges of the overall problems without actually addressing the important related issues, irrespective of whether or not they are included in the specified scope.
- 2 In general, sadly, the Productivity Commission's draft report contains an analysis which excludes the general community as a stakeholder in Sydney Airport operations: On P45 of the Draft PC report, *The rationale for privatisation was to 'improve the efficiency of airport investment and operation in the interests of users **and the general community**, and to facilitate innovative management'*. The fact that the general community has been excluded is a serious departure from the legislated duties of the PC and the terms and intent of its Charter.
- 3 The whole thrust of the analysis presented by the PC is one of 'improving efficiency' of Sydney Airport, which actually means increasing the profit for the shareholders of Sydney Airport Corporation by increasing its revenue. The laziest way of doing this is being recommended by the PC:
 - 3.1 Increase the number of aircraft movements in and out of the airport. The obvious intention is to effect this by:
 - 3.1.1 **increasing or removing the CAP on aircraft movements**
 - 3.1.2 **removing or reducing the hours of curfew, which currently allow for ~17 hours / day of aircraft traffic.**
 - 3.1.3 **Both of these options are totally unacceptable for the residents of Sydney metro area. Already we suffer enormously by the rash of incoming planes near the end and start of the curfew period. Quite often incoming craft are spaced by less than 30 seconds: typically at 2000 ft altitude (at my location and lower nearer the runways) with flaps and wheels down and engines screaming and driving residents beneath them half crazy.**
- 4 The statement on P45 of the PC draft report '*The average number of movements rarely exceeds 70 per hour, even in peak periods (figure 11)*' is quite false and this should raise concerns for anyone reading the PC report or attempting to implement its recommendations. If the conclusions and recommendations of the PC report are to be accepted, but the data on which the report is based is false or flawed, even once, then the validity and usefulness of the entire content is left in question. This remains true irrespective of the reputational veracity of the data source: putting false data into a table such as figure 11 does not make it true.
- 5 All the silly statements about self-regulation and self-reporting imply that the general community is totally gullible and stupid. Airports and air traffic need to be suitably regulated by independent bodies and not by vested interests.
- 6 From the perspective of the General community, the extent of the economic regulation of Sydney Airport is totally inadequate since its privatisation and the following are the inevitable consequences of this privatisation:
 - 6.1 There have been repeated attempts to raise or eliminate the Cap on Sydney Air traffic being serviced by Mascot airport
 - 6.2 There have been frequent attempts to either decrease or eliminate the Curfew which limits the durations of air traffic over the Sydney metro area.

Any increases in the traffic Cap or change in the Curfew times are totally unacceptable and will lead to further serious societal problems. We in the Sydney metro area underneath these noisy and air-polluting craft have suffered quite enough and major changes are now in order to solve the problems instead of postponing action until the next election or never.

- 6.3 The cost of car parking at Sydney Airport is horrendous
- 6.4 The charges levied on the airline companies for both takeoff and landing fees and use of the terminal facilities are near extortionist, despite the PC draft report implying they are about the same as anywhere else.
- 6.5 Frequent dumping of fuel as aircraft traverse the metro area on landing approaches. Despite would-be learned refuting of this claim, it does often happen. And it is visibly quite distinct from water vapour trails created by the fuselage protuberances, engine nacelles, wing tips etc. of aircraft. Several days ago, I and a friend of mine witnessed a Qantas aircraft dumping fuel on its landing approach. While this might sound like an unlikely, uneconomical and illogical thing to do, I can only offer the possible explanation that aircraft carry more fuel than required by the planned flights as a safety measure to account for the likelihood of being directed by Air Traffic Control to go into a holding pattern for whatever reason. I experienced this recently when on return from Melbourne on 5th January, Sydney Airport was closed due to the presence of electrical storm activity (whipped up by Cyclone Penny) – standard procedure for the safety of ground and terminal staff as well as passengers. Our aircraft sat on the taxiway in a queue of about 5 or 6 aircraft, delaying our final exit from the terminal from about 17:30 to 22:00. While the Sydney – Melbourne flight time is only a bit less than 1 hour, we spent at least the same time in a holding pattern waiting for permission to land! Obviously that consumes an enormous amount of fuel. Operating regulations require that aircraft land with only a much smaller reserve of fuel and so the excess above that must be dumped. (See my comments previously made about this subject in my response to the ‘Draft Sydney Airport Plan to 2039’). I suggest that this regulation be urgently reviewed to stipulate fuel dumping to occur ONLY if there is a known emergency condition which makes it prudent to do so.

Given what Sydney Airport’s infrastructure has to offer when compared to the marvellous facilities at Bangkok, Singapore, Hong Kong, Dubai and others, we Sydney-siders must hang our heads in shame for continuing to offer our international visitors what must now be approaching the worst international airport in the World. This is such a shame, given it is located in one of the most beautiful cities on Earth: a currently declining, but still very significant attraction for tourism.

- 6.6 The traffic jams and road traffic speeds accessing Sydney Airport already exceed saturation levels and are totally unacceptable. Little can be done to improve this because of its location.
- 6.7 The public transport access is just as bad, both for timing and cost: the rail transport serving the airport is so costly that many people cannot afford to use it.
- 6.8 To give credit where due, there was a slight improvement in the car parking facility made available for passenger pickups – a 15 min. free time. However, this has now been effectively lost, as the 15 min. free zone was enlarged and moved even further from the terminals. We now have the ridiculous situation where it is approximately a 20 minute walk from the nearest terminal to this carpark: especially no fun at all when it is raining. Those of us who are a bit older than most and have heavy suitcases to move as well, will take even longer to reach the carpark for pickup by family or friends.
- 6.9 For reasons which still bewilder me, the taxi queues are far too long. The delay in getting a taxi from the airport is far longer than it should be. A recent experience: passengers angry with waiting far too long were on the verge of resorting to physical violence prompted by taxi queue-jumping of fellow passengers.
- 6.10 The final consequence of all these problems is for me currently steered to one of personal choice: If there is any alternative acceptable transport, then I will stay away from Sydney Airport. I personally look forward to the introduction of a very fast rail

service Melbourne – Sydney – Brisbane – Townsville - Cairns. I know that ‘*hope springs eternal*’, but then...**Japan recently celebrated its 50th year of VFTs.** When the Sydney Airport access and cost is considered, rail and road transport can definitely challenge the air travel option.

The bottom lines:

- 7 Sydney Airport (and all other major Australian airports) is a public facility providing firstly for the Australian public and secondly for the international passengers it serves. It must always be properly regulated. This is not and has not been the case and the PC recommendations imply this is OK – business as usual and no change required! Not true and is ill-informed.
- 8 Because Sydney Airport is driven by profit and little else, only air traffic exceeding the Cap will ever be redirected to Badgery’s Creek Airport. To claim otherwise is to mislead or not to understand. Badgery’s Creek Airport proposal is a 32 yr. old - late mistake finally made for political reasons. It cannot and could never alleviate the air traffic bottleneck of Sydney Airport. At least this is true while Sydney Airport control and management remains privatised and so driven by its share value focus: the greater the air traffic serviced by Sydney Airport, the greater is the return to shareholders! **Hence the pressure to change the Cap and the Curfew.**
- 9 Sydney Airport has been operating well beyond its maximum practical limits for some time.
- 10 **One possible immediate solution to improve its efficiency is to adopt the excellent TALOW proposal devised by Bob Hayes many years ago.** As far as I am aware, the main objections to this were false statements concerning safety policy limiting takeoffs and landings with tailwinds. Please be aware that such policy was again demonstrated to be arrant nonsense when dozens of aircraft were directed to operate contrary to this policy: Sydney Airport was recently closed for extended periods resulting in stranding thousands of passengers in the terminals. The backlog of parked aircraft was quickly eliminated when they operated with tailwinds >20 kph! As I have previously stated: the aircraft operating in and out of Mascot are no longer Tigermoths; they are extremely powerful craft most, if not all of which, have reverse thrust capability. Most craft I watched land with these tailwinds needed no more than 30% of the runway length from touchdown to reach taxiing speed.
- 11 An incidental, but extremely important aspect of adopting this TALOW proposal is then being able to immediately direct most aircraft to access Mascot from the ocean and thereafter cross Botany Bay to the two N-S runways. Please note that this already occurs for aircraft from the north. They turn east over Broken Bay just north of Palm Beach then travel further east over the ocean and parallel to the coast until Botany Bay. This track removes them from transiting the Sydney Metro Area. Thus the metro area ceases to have to put up with the noise, fuel dumping and air pollution. All this achieved by the stroke of a pen! The attached file details the principles proposed for TALOW.
- 12 **The only longer term viable solution** is to build another airport which will not and cannot suffer from the constraints currently faced by Sydney Airport. Such a solution is the offshore airport proposed for Sydney in 1995. A number of such facilities overseas have successfully operated for many years. The offshore airport proposal was not properly considered here either from its cost or other advantages compared to Badgery’s Creek, which is about 32 yrs. late anyway due to the failure and dithering of successive governments. The offshore option is a superb one to enable effectively unrestricted air traffic at all times without overflying the densely-populated metro area. i.e. no curfew necessary and almost complete elimination of the current noise and chemical / air pollution. It would also provide for a very large increase in aircraft traffic-handling capacity. This proposal has been around for about the same time as Badgery’s Creek proposal and the Sydney – Canberra fast train! The offshore airport would enable 24/7 operation with zero impact on

the metro area, accept a huge amount of International and local air traffic and be provided with quick transport to the CBD without the huge cost as will be involved with servicing Badgery's Creek airport. It should be noted that physical limits prevail against the proposed Badgery's Creek – Sydney CBD rail link ever becoming a VFT and so the considerable travel time between the 2 sites contributes to its being unviable. The offshore airport option would almost eliminate aircraft-generated air pollution over the metro area. Because it is not situated on expensive Sydney real estate and also for other reasons, it is the least expensive option for another airport even though significant civil works are required. It can also provide for projected traffic well into the future and have provision for expansion at minimal cost. By implementing this, it can take Sydney from now having one of the worst international airports in the World to one of the best and help return Sydney to its previous amenity, beauty and value as a tourist destination.

13 **Sydney offshore airport proposal:** attached file

14 Another relevant matter is **The Silent Aircraft initiative:**
<http://silentaircraft.org/sax40>. I include this because it seems to have totally disappeared from the national consciousness. It is very relevant to the subject of airport efficiency and operation and well worthy of consideration because it shows what is possible and counters the reactions of the nay-sayers. It should be noted that the major contribution to aircraft noise is not the engine exhaust or turbines, but rather is due to turbulence from the wings, engine nacelles, wheels and other projections from the fuselages. The Silent Aircraft Initiative addresses this and offers solutions.

I request that the PC reviews its conclusions and looks deeper into the subject matter and includes consideration of the impact of any changes to airport operation on ALL the stakeholders and especially the residents of Sydney.

Attachments:

1. RESPONSE to Draft Sydney Airport Master Plan 2039 – 20181031.pdf
2. TALOW and related correspondence.pdf
3. Offshore Airport Proposal.pdf
4. Silent Aircraft Initiative.pdf