



**shire of  
kalamunda**

From the office of the Chief Executive

Wendy Craik  
Presiding Commissioner  
Productivity Commission  
GPO BOX 1428  
Canberra City ACT 2601

Dear Ms Craik

**Inquiry into the Economic Regulation of Airport Services (Perth Airport)**

It has come to my attention that the submission lodged by the Westralia Airport Corporation in response to the above contains, in part, comments that are based on incorrect information. These comments are completely false and entirely inappropriate.

Attached is an extract from the Commission's report. The offensive and false comments are highlighted. These comments relate to the outcome of the upgrade of Abernethy Road at two intersections on the eastern boundary of the Perth Airport. Also attached are two documents: one outlining the process and consultation with WAC in relation to the upgrade and the other an email from the WAC confirming the consultation and agreed outcomes.

As can be seen from these attachments the Shire of Kalamunda undertook extensive liaison with the WAC and took every step possible to obtain funding. The Shire did not in the words of the attached submission "forget to consider the needs of the Airport or consult with the WAC".

The Shire of Kalamunda is very aware of the importance of the Airport and access issues and, as such, has gone to great lengths to consult with, and accommodate, the WAC needs over many years. While this level of consultation has not always been reciprocated by the WAC the Shire has endeavoured to maintain good communication links.

It is therefore very disappointing to read the comments in the WAC submission. It is requested that the Productivity Commission take this letter, and attachments, into consideration when formulating its final report.

Should the Commission be taking any further evidence the Shire would like an opportunity to address the Commission on this issue.

Yours sincerely

James Trail  
**Chief Executive Officer**

# Extract from Westralia Airport Corporation's Submission to Productivity Commission: Response to the Inquiry into the Economic Regulation of Airport Services

## 7.7 Urban transport planning and Perth Airport

There are five parties that must undertake complementary activities to achieve optimal land transport planning for the City of Perth incorporating the needs of Perth Airport, including:

- State Government;
- two Local Councils;
- WAC; and
- Federal Government.

While it would be simpler to exclude some of these stakeholders, it is not feasible. WAC is of the view that action should be taken to remove the role of the Shire of Kalamunda from the land transport planning process in the vicinity of Perth Airport for reasons which are addressed below.

Ultimately, effective planning outcomes will depend on cooperation and it is not possible to legislate for cooperation.

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Two policy initiatives arising from the Federal Government National Aviation White Paper seek to further improve planning outcomes:

### **Planning Coordination Forum**

The Federal Government has issued guidelines for regulated airports to establish Airport Planning Coordination Forums, aimed at bringing together WAC and senior State and Local Government representatives to consider strategic planning issues. WAC is very supportive of this initiative as it will provide a visible structured forum, which will assist to reconcile the various interactions that already occur, noting that WAC has in place a number of other consultative forums that address planning, including the Perth Airport Advisory Board.

### **Transport plan requirement in statutory airport master plan**

While WAC recognises the need for an integrated long-term transport plan for Perth Airport and the surrounding urban area, Perth Airport has neither the expertise, nor the information to develop a transport plan that brings together both the on-airport and off-airport data that is required to develop a cohesive plan that integrates the airport into the wider regional road network.

This is a case where the airport leasing company and the state and local governments need to work together to develop a plan. Requiring that "a plan" be included in the Airport Master Plan places an obligation on WAC over which it has only limited scope of control. Having said this, it is fully acknowledged that the Airport Master Plan should contain information that facilitates local and state governments to undertake their road network planning.

### **Perth Airport Transport Master Plan**

In addition to these broader national policy reforms, in 2009 the Federal Government provided funding assistance to the WA Government to develop a Perth Airport Transport Master Plan (PATMP), which is understood to be in "final draft" form. Preliminary versions and an Executive Summary are available on the State Department of Transport's website.

The draft PATMP states that it has been developed in line with existing transport planning policy and strategies, including:

- the Perth Public Transport Network Plan;
- Directions 2031, the strategic plan for Perth and Peel; and
- The Freight Hub Plan in the context of the Metropolitan Freight Network Strategy.

WAC has been extensively consulted during the development of the PATMP and the conclusions emerging from the process were taken into account in the development of the Perth Airport Master Plan 2009, which was approved by the Federal Minister for Infrastructure in November 2009.

WAC considers that development of the PATMP was an excellent initiative by the WA and Federal Governments, however it was less than ideal that the timing of the two Master Plans was misaligned by about 18 months. Having said this, the development of the next Perth Airport Master Plan will commence in two to three years time and the existence of a final PATMP will support further integration/harmonisation of State urban planning and Perth Airport planning.

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The draft PATMP provides information on:

- the role of Perth Airport and the Primary Freight Hub;
- why these facilities are critical to the function and growth of Perth;
- why transport and access are issues at this location;
- what transport problems are foreseen if nothing is done to improve current road and rail access conditions; and
- what the recommended actions are to enable ongoing and uncompromised access to these strategic facilities over the next 10-15 years.

Three plans are contained in the draft PATMP, comprising strategies targeting roads, public transport and freight:

- a plan for creating capacity;
- a plan for managing the demand for travel and transport; and
- a plan for reducing the demand for travel and transport.

The exposure draft of the PATMP recommends:

- completion of a business plan for an express bus service from the International Airport Terminal to the Perth CBD;
- integration of express bus route planning with the Great Eastern Highway widening project to ensure adequate bus priority and carriageway space is allocated and to more generally incorporate medium and long-term public transport into the Airport Ground Transport Plan and the Gateway WA project design; and
- selection of a preferred rail alignment to Perth Airport and reservation of land for a future rail corridor.

Preliminary analysis shows that the potential mode share for a standalone passenger rail link to the airport from the Midland line (not supported by improved bus links) could reach 10% by 2031. Provision of a bus rapid transit system would only create a mode share of 3%. Providing a combination of both road and bus options could potentially increase public transport mode share to the airport by 20% by 2031.

The following schematic drawing from the exposure draft summarises the modal framework in prospect around Perth Airport (Figure 38).

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**Figure 38: Schematic drawing of the modal framework in prospect around Perth Airport**  
Rail alignment options within and outside the airport will be further examined.

WAC will incorporate the final rail alignment into future Master Plans once a preferred route is determined by the WA Government.

**WA Government's Directions 2031**

The State Government's *Directions 2031* document recommends that:

- interconnectivity between Perth Airport and the Kewdale-Welshpool industrial centre be encouraged;
- strategic freight movements corridors to both the Perth Airport and Kewdale-Welshpool be protected from potentially conflicted development; and
- an investment strategy be prepared for road and rail transport access to and around Perth airport for the next 15-20 years.

WAC supports the direction of these recommendations, particularly initiatives to improve airport access for passenger and freight purposes. The strategic challenge for government is to improve public transport options available for airport access and to reduce the dependency on private vehicle journeys and taxi services.

**A role for high quality airport bus shuttles**

WAC benchmarking indicates that for cities with dispersed demand for land transport access to their major airport, high quality, affordable, reliable and direct shuttle buses can play a significant role.

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WAC's plan, which is achievable, is to have such a service connecting all areas of the metropolitan region to all scheduled domestic and international air services within five to seven years. WAC believes such an initiative can take up to 15% of the transport duty with far more efficient outcomes compared to private vehicles and taxis. Early indications from the first two routes are encouraging.

This WAC initiative has the potential to provide the public another affordable transport option, while at the same time reducing demand on the city's road system.

WAC is advancing a business case to assess how the initiative can be scaled up at the earliest possible time.

While the initiative is likely to be at the expense of WAC's car parking business, it is consistent with the company's overarching objective to make Perth Airport more accessible and a more desirable place to visit and conduct business.

The concept does not conform with traditional definitions of government provided public transport, however WAC believes the State Government has a role to play during the formative stages of this initiative to allow it to develop rapidly and become fully self funding. WAC will be seeking to work with the State Government to promote this initiative.

**Figure 39: Shuttle services from Perth Airport's domestic and international terminals to the Perth CBD and Fremantle**

**Poor Planning Outcomes**

The fact that Perth Airport, and arterial roads that are strategically important to airport access, are within the boundaries of two local councils has resulted in manifestly poor outcomes.

The very effective working relationship that exists between the City of Belmont and Perth Airport reflects the significant interdependencies that exist between both. Perth Airport is the largest entity in the City of Belmont and the airport's activities have a substantial impact on the residents of Belmont.

Outcomes in relation to the Shire of Kalamunda, which incorporates part of the airport to the East and an important Airport access road (Abernethy Road), have been poor.

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In 2007-08, when undertaking design and applying for Federal funding to upgrade Abernethy Road, the Shire “forgot” to consider the needs of the Airport or consult with WAC. As result, the design and funding did not provide for continuation of the existing right turn out capability from the Airport onto Abernethy Road from Grogan Road. A fact that makes this example all the more disappointing is that previously WAC had made a financial contribution to the Shire to establish the very access that the Shire is now curtailing.

The Shire’s position in relation to the oversight is currently that it is regrettable but it cannot secure the additional funding from the Commonwealth that would be necessary to address the design flaw.

## 7.8 What should happen now?

In WAC’s view both the Federal and WA Governments have taken very decisive steps to cause improved integration of Perth Airport planning and urban planning.

WAC believes that the Perth Airport Transport Master Plan, which is understood to be close to finalisation, has been an excellent initiative and it would be a lost opportunity if it were to be a “one off”.

It would deliver improved outcomes if the updating of the Perth Airport Master Plan by WAC and the PATM by the State Government were synchronised; this is an initiative that WAC will pursue with the WA Government.

For obvious reasons, WAC believes that planning responsibility of arterial roads that are strategically important to Perth Airport and the Kewdale Primary Freight Hub, should not be the province of the Shire of Kalamunda. WAC has previously submitted that the Local Council boundaries should be adjusted so that Perth Airport falls wholly within the City of Belmont.

There are absolutely no grounds for concluding that “inappropriate” or “excessive” development at Perth Airport has occurred or could potentially occur in the future. Continuation of the prudent and value adding development of Perth Airport should be encouraged by the Commission due to the significant efficiencies it is producing.

## Comments on WAC Submission to Productivity

- The last dot point in the Executive Summary (Land Transport Access Planning) is unfortunate and the statement appears to be politically motivated.
- Further commentary in the last paragraph on page 112 and first two paragraphs on page 113 are not factual and are misleading.

The following are the facts in respect to the funding, design, stakeholder consultation (particularly WAC) and execution of the project:

- The funding submission was made to the Federal Government based on the concept design and the project was funded under a AUSLINK project over two financial years 2007/08 and 2008/09.
- The design consultant was appointed in August 2007. Upon completion of the preliminary design, feedback was sought from all the stakeholders including WAC, in November 2007.
- Since November 2007 there had been a number of meetings and consultations with WAC regarding this project. The officers of WAC involved in these consultations included the following:
  - Neil Kidd
  - Peter Lees
  - Jonathan Jones
  - Kevin Cunningham
  - David Barnes
- Based on the initial discussions with Jonathon Jones and Peter Lees, preliminary plans were prepared which included the provision of a turning pocket on the south bound carriageway to access Grogan Road/Airport land at the intersection with Grogan Road. These plans were submitted to all the stakeholders including WAC.
- During the detailed design it was discovered Telstra would not allow their manhole within the turning pocket at the Grogan Road intersection. Telstra indicated that the cost to relocate the Telstra Manhole will be of the order of \$1.0 Million Dollars.
- Following the revelation of the costs to relocate the Telstra manhole, further discussions were held with WAC representatives. WAC was advised that the Shire's application for additional funding was rejected by the Federal Government. The Shire of Kalamunda advised WAC staff that the cost to relocate the manhole would exceed the Shire's budget and asked WAC if they would contribute towards the relocation cost to enable construction of the turning pocket in Abernethy Road to access Grogan Road. It should be noted that WAC would have been the major beneficiary of the turning pocket, as Grogan Road provides access to commercial developments within Airport land.
- The WAC made Shire staff aware of a change to the road layout, during the discussions indicating that another intersection (Hudswell Road – formally Hudswell Place), which in the original design was a minor intersection, was now of greater importance in the access strategy to Airport land. Hudswell Place was originally a "No Through Road", which WAC later decided to continue through Airport land.
- The final design and the construction in the vicinity of both the intersection viz Grogan Road intersection and Hudswell Road intersection with Abernethy Road, were put on hold pending a decision from WAC in regards the priority of access to Airport land from Abernethy Road.

- This was followed by a number of discussions and negotiations to persuade WAC to make a decision. WAC was provided with costs of various alternatives for both the intersections ie Grogan Road/Abernethy and Hudswell/Abernethy.
- WAC finally made a decision to upgrade the intersection at Hudswell Road to allow 36.5 metres road trains to access this road. WAC paid \$280,000 towards the cost of relocating the transmission line pole and construct right turn pocket on southbound carriageway on the Hudswell Road intersection.
- In support of the above, attention is drawn to Peter Lees' email of 1 April 2009, where he confirmed that following lengthy negotiations since November 2007, the decision for both the intersections was agreed upon as part of the upgrade of Abernethy Road dual carriageway.



**From:** [Kanwal Singh](#)  
**To:** [Mahesh Singh](#);  
**CC:** [Brett Byfield](#);  
**Subject:** FW: Abernethy Road and Grogan Road Intersection  
**Date:** Thursday, April 02, 2009 1:21:48 PM  
**Attachments:**

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Hi Mahesh,  
FYI  
Thanks

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**From:** Peter Lees [mailto:peter.lees@wac.com.au]  
**Sent:** Thursday, 2 April 2009 10:37 AM  
**To:** Kanwal Singh  
**Subject:** FW: Abernethy Road and Grogan Road Intersection

Kanwal

Thank you for meeting with me this morning to discuss the Hudswell and Grogan Road intersections with Abernethy Road as part of the dual carriageway works. Your advice that the kerbing on the new carriageway that would not allow any access to and from the south bound carriageway was an oversight by your contractors and will be removed before the carriageway is opened for traffic is appreciated.

Just to make it clear what was discussed, I have summarised my understanding of your advice on these two intersections

#### **Grogan and Abernethy**

This intersection will allow all traffic movement through this intersection up to B-Double but not road train size vehicles in all directions ie left in/left out/right in/right out and will not initially be signalised. Signalisation may occur at a later date subject to comments below. This is consistent with our discussions and agreement to date and is acceptable to WAC subject to the Hudswell and Abernethy Road intersection being built to allow all way access ie left in/left out/right in/right out for up to and including road train size vehicles as detailed below.

Your advice that existing Telstra pit in the island between the two carriageways that will need to be protected (guard railing) and does not allow a right in pocket for trucks up to and including B-Double size driving south along Abernethy Road wishing to turn into Grogan Road is a major concern. Can you please confirm as advised that these size vehicles will be able to turn right from the outside south bound lane and that this is acceptable to all authorities including the Shire of Kalamunda and MainRoads WA.

#### **Hudswell and Abernethy**

This intersection will allow all traffic movement through this intersection up to and including road train size vehicles in all directions ie left in/left out/right in/right out and will not initially be signalised. Signalisation may occur at a later date as commented below. This is consistent with our discussions to date and is acceptable to WAC.

WAC is aware of the difficulties you are having in getting Western Power to commit to when and where they will relocate at least two of the 22 KVA power poles presently located in the traffic island between the south and north bound lanes of this road, especially the one located at the Hudswell and Abernethy Road intersection. WAC have paid the Shire of Kalamunda \$280,000 towards the costs to move this pole and construct the right in pocket on the south bound carriageway. You have advised that this may not be resolved by the time the new carriageway is ready to be opened to traffic.

This is obviously not suitable for a number of WAC's tenants however subject to discussion with these tenants, who rely on road train access into their facilities on Perth Airport, a delay to this may be acceptable



provided it is for a minimal time period. Your advice on timing on this would be appreciated. WAC has had a long term relationship with Western Power and may be able to assist in these negotiations - please let me know if this would assist in this process and we would be happy to help.

### Signalisation

As discussed, these two intersections will not be signalised during the current works. WAC are responsible for and fund all on-airport infrastructure including roads and traffic controls and do not have a responsibility to contribute to off-airport roads and infrastructure - including the possible funding of the signalisation of either or both of these intersections.

You have advised that funding from State and Commonwealth sources for this part of Abernethy Road does not stretch to including signalisation of either of these intersections but that MainRoads WA Black Spot funding may be available in the future - or as discussed, that "Pre Black Spot" funding for intersections where it is appears obvious that there will be congestion and before accidents are allowed to occur may be able to be sourced. We would appreciate being kept up-to-date on this matter as time progresses.

I look forward to your confirmation of these notes

Kind regards

Peter Lees  
Surface Access Planning Manager

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**From:** Peter Lees  
**Sent:** Wednesday, 1 April 2009 11:47  
**To:** 'Kanwal.Singh@kalamunda.wa.gov.au'  
**Cc:** Guy Thompson  
**Subject:** Abernethy Road and Grogan Road Intersection

Kanwal

As you would be aware, following lengthy negotiations since November 2007 between the Shire of Kalamunda and WAC on the connection of Grogan Road and Hudswell Road to Abernethy Road as part of your works to upgrade Abernethy Road to dual carriageway it was ultimately agreed that;

1. WAC accepted your Grogan Road and Abernethy Road connection as detailed in your correspondence dated 13 November 2007 with attached Shawmac Plan KS-ARE-004, which showed an "all directions" un-signalised intersection for all size vehicles up to but not including 36.5 and above sized vehicles.
2. WAC paid the Shire of Kalamunda \$280,000 towards the cost of increasing your scope of works for the Hudswell and Abernethy Road intersection to accommodate all size vehicles up to road train size in all directions - but not signalised. WAC will discuss possible future signalisation of this intersection at a time in the future if required.

We have observed with great concern that the dual carriageway has almost been completed but has no right in or right out provisions at the Grogan Road and Abernethy Road intersection. This is totally at odds with our agreement as detailed above and detailed in correspondence between the Shire of Kalamunda and WAC - including your advice dated 19 June 2008 where you advise "that to upgrade the intersection above that proposed, a Telstra Manhole will need to be relocated at a cost in the order of \$1 million". For this reasons WAC decided to accept your original intersection layout as noted above.

Part of the rationale that resulted in WAC agreeing to limit the Grogan Road and Abernethy Road intersection to use by smaller sized vehicles in all directions and not to road train size vehicle was the cost to relocate a Telstra pit at a cost estimated by you of approximately \$1 million. There was never any intention or advice by Kalamunda that this intersection would in fact be down graded and limited to left in and left out only.

This is totally unacceptable to WAC and against all discussions, advice and agreement between the Shire of Kalamunda and WAC to-date. We assume this is an oversight by your contractors and seek your urgent advice today on this.

Regards

Peter Lees  
Surface Access Planning Manager

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