



The Hon Anthony Albanese MP

Minister for Infrastructure and Transport
Leader of the House

Reference: 03231-2012

31 JUL 2012

The Hon Rick Colless MLC
Chairman
Standing Committee on State Development
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Mr Colless

Thank you for your letter concerning the 'regional ring fencing' arrangement at Sydney Airport.

As you may be aware, the independent Steering Committee overseeing the Joint Study on Aviation Capacity for the Sydney Region provided its report to the Australian and New South Wales Governments in March 2012. The report makes it clear that Sydney's aviation infrastructure will not cope with future aviation demand.

On 8 May 2012, the Australian Government responded to the Joint Study and announced measures to address the aviation capacity constraints in Sydney. These included:

- optimising Sydney Airport, including land transport links, while ensuring bipartisan noise-sharing and regional aviation access arrangements remain in place
- better utilising existing airports in the region, like Richmond, if supported by further analysis
- identifying and establishing a second major airport in the Sydney region.

Giving effect to the first part of this strategy includes ensuring Sydney Airport Corporation Limited develops a strategy to invest in terminal, apron, taxiway and other improvements to operate Sydney Airport to maximum efficiency.

I understand your concerns about regional access to Sydney Airport. The Government is committed to making sure the existing protections for regional airline access remain in place. The Steering Committee also noted the importance of access to Sydney for regional communities and did not support the forced relocation of existing regional operations to another airport. This remains the position of the Government.

In relation to the Emmdale Emergency Aerodrome, the Australian Government recognises the vital role that aerodromes play in delivering essential goods and services to remote communities, particularly remote Indigenous communities.

In its 2011 Budget, the Government provided an additional \$22 million over two years through its Regional Aviation Access Program (RAAP) for the upgrade of aerodrome infrastructure at remote communities.

This funding continues the Government's commitment to improving the safety and access of remote aerodromes, through which \$20 million was approved for 151 projects nationally over the previous four years under its Remote Aerodrome Safety Program (RASP).

The key objective of the RAAP is to improve remote community access to essential goods and services, including health care, and to improve safety for aircraft operators and their passengers, particularly those of the Royal Flying Doctor Service and similar aero-medical operators. Upgrade works to enable the maintenance or expansion of commercial air services are not a program priority and are generally not eligible for consideration.

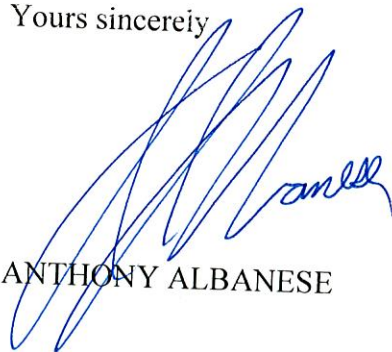
The RAAP was opened for applications on 19 October 2011 and closed on 1 December 2011. On 19 March 2012, I announced funding of \$5.4 million for 31 aerodrome projects across the country with funding for additional projects from the funding round to be made available progressively.

Another potential source of funding for the Emmdale Emergency aerodrome is the Government's Regional Development Australia Fund (RDAF) which is administered by the Department of Regional Australia, Local Government, Arts and Sport. The RDAF funds priority infrastructure projects identified by local communities and that support the expansion of economic growth in regional Australia. More information can be obtained from the RDAF website at www.regional.gov.au/regional/programs/rdaf.aspx.

The Government also provides a range of untied grants for States and Territories through GST revenue distribution and to local councils through Financial Assistance Grants. These funds may be used on local priorities including the maintenance or development of regional and local aerodromes.

Thank you for raising this matter.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Anthony Albanese', is written over the typed name.

ANTHONY ALBANESE