



# issues backgrounder

Number 4/April 2014

NSW Parliamentary Research Service

## **A second Sydney airport: Policy developments, reports and key findings**

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## 1. INTRODUCTION

Since the 1940s, Federal and State governments have been grappling with the need to build a second Sydney airport. In every post-war decade, governments have studied the airport needs of Sydney and possible locations for the second airport. These plans however, have been often been discarded or delayed for a variety of reasons, including changes of government and funding shortfalls.<sup>1</sup>

Aviation capacity in Sydney, and specifically the issue of a second airport at Badgerys Creek, remains at the forefront of the policy agenda for both Federal and NSW Governments. In the last two years alone, two comprehensive government studies have been published which assessed in some detail the necessity of having a second major airport in Sydney and also the suitability of various airport sites. The evidence and findings from both these studies agree on two core issues: that Sydney needs to expand its aviation capacity in the form of a new second airport; and that the most suitable site for this airport is Badgerys Creek.

Despite the findings of these studies (and those of other subsequent reports) in advocating for a second Sydney airport, the policy positions of governments and opposition at the Federal and State level have varied significantly. This paper aims to present a timeline of all the key policy positions of Federal and State Governments and Oppositions with respect to a second Sydney airport since the end of 2007. This timeline will also include brief summaries and links to all of the key reports related to this issue in that period. The key findings from the most recent reports are presented, with a brief summary of these findings set out in the last section of the paper.

## 2. TIMELINE OF POLICIES AND REPORTS

The Parliamentary Library of Australia have published two comprehensive timelines which cover [the post war period up until the early 2000s](#) and also [the decade from 2002 to 2012](#). This section of the paper will draw from and add to those timelines, outlining recent State and Federal policy developments and key reports since the end of 2007 relating to a proposed second airport in Western Sydney.

**Table 1: Timeline of policy developments and reports as they relate to a second Sydney airport<sup>2</sup>**

Date	Event	Details	Source
<b>November 2007</b>	New Coalition Minister reaffirmed no second Sydney airport (SSA) policy	The Deputy Prime Minister and Minister for Transport and Regional Services, Mark Vaile, announced that the Coalition Government remained strongly committed to not investigating sites for, or building, a second Sydney airport and to maintaining	Vaile, M., <a href="#">Australian aviation: the Coalition aiming even higher</a> , Media Release, 14 November 2007

<sup>1</sup> Department of the Parliamentary Library, Second Sydney Airport – A Chronology, 2002, Information and Research Services, Chronology No. 2 2001-02

<sup>2</sup> James, M., Second Sydney Airport: a decade of deferral 2002-2012, 2012, Department of Parliamentary Services, Parliamentary Library, Background Note

		the current Sydney Airport curfew and regional airline access.	
<b>November 2007</b>	New ALP Minister favoured SSA site outside Sydney	After a change of government, the new Minister for Infrastructure, Transport, Regional Development and Local Government, Anthony Albanese, reiterated that Labor had favoured a site outside the Sydney Basin.	The Australian, <a href="#">Albanese hits the ground running</a> , 30 November 2007
<b>December 2008</b>	Aviation Green Paper Launched	Minister Albanese launched the Government's Aviation Green Paper and announced a process to identify additional capacity in the Sydney region.	Albanese, A., <a href="#">Launch of the Aviation Green Paper</a> , Media Release, 2 December 2008
<b>July 2009</b>	NSW acted to protect the Badgerys Creek site	NSW Directions issued on 1 July 2009 to relevant planning authorities, under section 117(2) of the Environmental Planning and Assessment Act 1979, stated that: LOCAL PLANNING DIRECTIONS Section 117(2) of the Environmental Planning and Assessment Act 1979 5.8 Second Sydney Airport: Badgerys Creek Objective (1) The objective of this direction is to avoid incompatible development in the vicinity of any future second Sydney Airport at Badgerys Creek.	LOCAL PLANNING DIRECTIONS NSW, Section 117(2) of the <a href="#">Environmental Planning and Assessment Act 1979</a> , NSW Directions issued on 1 July 2009
<b>September 2009</b>	Badgerys Creek land dealings inquiry held	The NSW Department of Planning made a submission to the NSW Legislative Council inquiry into land dealings and planning decisions regarding land at Badgerys Creek. The Department of Planning's submission indicated that it had conducted detailed investigations into the proposed use of lands at Badgerys Creek but ultimately did not release the land because of servicing and infrastructure constraints.	<a href="#">NSW Department of Planning, Submission to the General Purpose Standing Committee No. 4</a> , New South Wales Upper House Inquiry into: Badgerys Creek Land Dealings and Property Decisions, 25 September 2009

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<b>November 2009</b>	Joint Federal-NSW study into airport capacity needs formally announced	Minister Albanese announced a new study into airport needs and stated: 'The national economic interest dictates that this joint study will look at ways of providing integrated transport solutions for the existing airport as well as additional airport capacity... It will also consider the future of the Badgerys Creek site given the Government has ruled it out as an option for a second airport. This will focus on how the site can provide a stimulus for jobs and economic development for western Sydney. In the meantime, the Government will not engage in speculation about individual locations. The issue of additional airport capacity for Sydney will be dealt with through a planned and sensible process.'	Albanese, A., <a href="#">Additional airport capacity For Sydney</a> , Media Release, 23 November 2009
<b>December 2009</b>	Rudd Government released its aviation White Paper	Government Aviation White Paper suggested initial usage of RAAF Richmond as a SSA, ruled out Badgerys Creek and committed to the airport capacity needs joint study.	DITRDLG, <a href="#">National aviation policy white paper: flight path to the future</a> , December 2009
<b>February 2010</b>	Badgerys Creek inquiry found serious issues	The NSW Legislative Council released a report of its inquiry into Badgerys Creek entitled Badgerys Creek land dealings and planning decisions. The inquiry followed reports of dubious property disputes and serious allegations of corruption.	NSW Legislative Council, <a href="#">Badgerys Creek land dealings and planning decisions (Inquiry)</a> , February 2010
<b>September 2010</b>	Minister questions high-speed rail (HSR)	Minister Albanese said: 'In terms of Sydney's airport needs, the Government's made it clear that we think that Sydney will need a second airport. High-speed rail won't solve all the issues in terms of access to the city. Aviation will continue to grow and expand, and all the studies have shown that Sydney will need a second airport.'	Albanese, A., <a href="#">High speed rail; second Sydney airport</a> ; Transcript of doorstep interview: Marrickville, 18 September 2010
<b>April 2011</b>	Minister reaffirmed SSA need	Minister Albanese stated that: 'Because the airports are interconnected, what that will mean over a period of time, unless there is a second airport to take some of the capacity into Sydney, is delays for passengers, inconvenience and a cost to economic growth and jobs as a result of that capacity constraint at Sydney Airport. That is why we need a second airport for Sydney sooner rather than later.'	Albanese, A., <a href="#">Sydney needs a second airport</a> , Transcript of press conference, 5 April 2011

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<b>April 2011</b>	NSW Premier Barry O'Farrell against new airport in Sydney basin	In an interview with Macquarie radio, Mr O'Farrell said that he did not believe a second airport could ever be imposed on the Sydney basin or the Central Coast, and he favoured fast train services linking Australia's east coast capitals.	The Australian, <a href="#">NSW Premier Barry O'Farrell against new airport in Sydney basin</a> , April 2011
<b>February 2012</b>	Premier O'Farrell favour HSR to Canberra	But Mr O'Farrell ruled out supporting a second airport in the Sydney basin. 'If you want to have greater flights into this city, do so as happens overseas, by using an adjacent airport and link the two by fast rail.'	The Canberra Times, <a href="#">New Sydney airport should be in Canberra: O'Farrell</a> , February 16 2012
<b>March 2012</b>	Joint Federal-NSW Study released on Meeting the Future Aviation Needs of Sydney	In response to the report Minister Albanese stated: 'We maintain our position of opposition to an airport at Badgerys Creek. That was a commitment that we gave at the last two elections and we believe that's appropriate even though the report indicates that Badgerys Creek is its preferred site. The second preferred site of this study is Wilton; and the Government intends to examine the Wilton site.'	Department of Infrastructure and Transport, <a href="#">Joint study on aviation capacity in the Sydney region</a> , Report to Australian and NSW Governments, 2012
<b>April 2012</b>	NSW Premier rules out any SSA and prefers HSR	NSW Premier, Barry O'Farrell, ruled out a second airport ever being built near Sydney and stated: 'The NSW government believes no other part of Sydney should be contaminated by the sort of noise that comes with an airport...The most sensible option is to build a fast-rail link to the federal capital and use Canberra Airport for additional capacity for flights.'	Daily Telegraph, <a href="#">Premier decides second Sydney airport won't fly</a> , 6 April 2012
<b>April 2012</b>	Federal Minister rejects Canberra as a SSA	Minister Albanese stated that: 'The idea that a second airport for Sydney can be in Canberra is, as Joe Hockey says, absurd. High speed rail is worthy of consideration, we're spending \$20 million on a high speed rail study, but it does not, and the report written in part, co-authored by the New South Wales Government, it shows that it is not a solution to the second Sydney airport.'	Albanese, A., <a href="#">Second airport for Sydney</a> ; Transcript of interview with Philip Clark, 10 April 2012

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<b>May 2012</b>	Wilton and RAAF Richmond Study announced	In its 2012–13 Budget, the Government announced the intention to begin a detailed investigation of the suitability of Wilton as a SSA, while ensuring that Sydney Airport Corporation continued to invest in the existing main airport. The study would also assess the scope for RAAF Base Richmond to handle limited civil operations.	Albanese, A., <a href="#">Time to Act on Sydney's Aviation Capacity</a> , Media Release, 08 May 2012
<b>November 2012</b>	BITRE report on air passenger demand	This report presents forecasts of air passenger movements through Australia's eight capital city airports and five largest non-capital city airports. These are updated from the Joint Study on aviation capacity in the Sydney region.	BITRE, <a href="#">Air Passenger Movements Through Capital and Non-Capital City Airports to 2030–31</a> , November 2012
<b>December 2012</b>	NSW Premier makes Infrastructure announcement	The NSW Government unveiled plans to improve access to Sydney Airport and Port Botany to reduce delays around this important economic precinct. Premier Barry O'Farrell also announced that the NSW Government proposed a joint approach with the Commonwealth to boost capacity at Sydney Airport, to ensure maximum efficiency is achieved at this key asset.	O'Farrell, B., <a href="#">Getting the most out of Sydney Airport and Port Botany</a> , Media Release, 13 December 2012
<b>January 2013</b>	Tourism and Transport Forum report released	TTF's report details a three-stage plan to cater for Sydney's growing aviation needs, including: lifting the current cap at Sydney Airport; increasing the use of Bankstown and Newcastle airports; and committing to Badgerys Creek as the site for Sydney's secondary airport.	TTF, <a href="#">Sydney's aviation future</a> , January 2013
<b>March 2013</b>	PM rejects Premier O'Farrell's opinion on SSA	<p>PM Gillard stated: 'On the question of a second airport, I don't accept Premier O'Farrell's analysis that there is no need for a second airport and that the current airport can cope with all future traffic. I don't accept that.</p> <p>We have been involved in a joint study with New South Wales which unsurprisingly said that there was a need for a second airport.</p> <p>We since that time we have been involved in studying the site at Wilton and that is our focus and we are still working on all of the assessments to do with the Wilton site.'</p>	Parliament of Australia, <a href="#">Transcript of Joint Press Conference Sydney</a> , 4 March 2013

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<b>May 2013</b>	Government study of Wilton and Richmond airports released	In response to the Joint Study on aviation capacity in the Sydney region, this report is a technical scoping study into Wilton's suitability as a second Sydney airport and to explore the use of RAAF Base Richmond for limited civil operations.	Department of Infrastructure and Regional Development, <a href="#">A Study of Wilton and RAAF Base Richmond for Civil Aviation Operations</a> , May 2013
<b>August 2013</b>	Opposition Leader Tony Abbott commits to making a decision on SSA	Mr Abbot said: '...I accept that we do need to do something about airport capacity serving Sydney. I absolutely accept that. We cannot go on for another decade the way we have over the last six years and we've had a Government which has not advanced us one inch, one yard over the last six years on this. Just a few weeks ago the Infrastructure Minister said that a decision would be made in the next term. Well, I will make a decision on this in a term of Government, should I get it.'	National Press Club, <a href="#">Transcript of leaders debate</a> , 11 August 2013
<b>October 2013</b>	Premier O'Farrell challenges Federal Government to build second airport	'Aviation is a federal responsibility, a second airport for Sydney is a federal responsibility,' Mr O'Farrell said.  'The Federal Government has the land, Mr Hockey has now given himself a \$500 billion credit card, if he wants to build the second Sydney airport he can. But state funds will continue to go into state infrastructure.'	ABC, <a href="#">Federal government challenged to build second Sydney airport immediately</a> , 30 October 2013
<b>December 2013</b>	Deputy PM Truss indicates that SSA should be a 24-hour operation	In an interview with ABC1's 7.30, Mr Truss said that Sydney's second airport would need to operate 24 hours a day. Mr Truss has also revealed that a second major airport in Sydney should be up and running well before the 2027 target date set by some advocates of a Badgerys Creek airport.	Sydney Morning Herald, <a href="#">Warren Truss to announce second airport at Badgerys Creek will run 24 hours a day</a> , 3 December 2013

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<p><b>December 2013</b></p>	<p>NSW MP Stuart Ayres issues funding warning</p>	<p>'My clear message to the federal government is that they are completely and wholly responsible for this decision and if they want an airport in western Sydney, they must build the infrastructure too,' Mr Ayres said.</p> <p>'And I'll be very, very clear about this: an airport in western Sydney without any enabling infrastructure will be a catastrophic disaster - and I'd be amazed if any person in western Sydney supported it.'</p>	<p>Daily Telegraph, <a href="#">NSW refuses to fund road and rail links for Badgerys Creek airport</a>, 20 December 2013</p>
<p><b>December 2013</b></p>	<p>Report on economic impacts of WS airport released by DAE</p>	<p>This report examines the economic impact of the Western Sydney Airport at Badgerys Creek on the Western Sydney and broader Sydney regions, under three potential growth scenarios.</p>	<p>NSW Business Chamber, <a href="#">Economic impact of a Western Sydney airport</a>, December 2013</p>
<p><b>February 2014</b></p>	<p>Transport for NSW begin reviewing extension of SW rail link</p>	<p>Transport for NSW hired consultants to examine a possible extension of the south-west rail link to the potential airport site. The south-west rail link is a 11.4-kilometre addition to the Sydney train system from Glenfield to Leppington, scheduled to open next year. With regard to funding, Premier O'Farrell stated: 'any [airport] decision [by the Federal Government] has to come with the funding package to ensure that the transport links are going to be appropriate. I note that when it cost between \$35 million to \$40 million a kilometre to build the M7, when it's costing around \$80 million a kilometre to build the south-west rail link, reports today of a \$200 million transport funding package seem to be missing a zero.'</p>	<p>Sydney Morning Herald, <a href="#">Badgerys Creek railway mapped out as Tony Abbott promises airport decision</a>, 5 February 2014</p>
<p><b>February 2014</b></p>	<p>Chairman of Infrastructure NSW says State can't afford rail links</p>	<p>Graham Bradley, one of the nation's most prominent business figures and the chairman of Infrastructure NSW, said Badgerys Creek was not on the state priority list, there was no money in future budgets to fund it, and there were more pressing and more productive uses for scarce infrastructure funding.</p>	<p>The Australian, <a href="#">State 'can't afford' second airport links</a>, 5 February 2014</p>
<p><b>February 2014</b></p>	<p>Sydney Airport Master Plan</p>	<p>This Master Plan outlines Sydney Airport's plan for the operation and development of the airport for the period to 2033. This Master plan also addresses issues of aviation capacity in the Sydney region.</p>	<p>Sydney Airport Corporation Limited, <a href="#">Sydney Airport - Master Plan 2033</a>, February 2014</p>



**February 2014** PM Abbott delays BC airport announcement

Tony Abbott delayed a decision on approving a second Sydney airport at Badgerys Creek until at least next month over concerns of a potential backlash from some western Sydney Liberal MPs. Instead, Mr Abbott convened a special western Sydney committee — comprised of Federal western Sydney Liberal MPs — to give advice on potential impacts and report back on their concerns about the project.

Daily Telegraph, [Badgerys Creek stalled: Prime Minister Tony Abbott delays airport take-off](#), 13 February 2014

**February 2014** Confidential DPMC report findings revealed

A secret report commissioned by the Department of Prime Minister and Cabinet confirmed almost a year ago the overwhelming majority of people in Sydney wanted the government to build a second airport at Badgerys Creek. The 600-page study showed that support for Badgerys Creek was consistent across the entire Sydney region, including those suburbs in western Sydney electorates that may be directly affected.

Daily Telegraph, [People demand start on Badgerys airport: vast majority want it, secret report confirms](#), 14 February 2014

**February 2014** Joe Hockey backs second Sydney airport

In an interview with Fairfax Media, Treasurer Hockey supported a second airport but stopped short of confirming the new airport would be built at the Badgerys Creek site. He also dismissed suggestions that a committee of western Sydney Coalition backbenchers could delay the project.

Sydney Morning Herald, [Treasurer Joe Hockey backs second Sydney airport](#), 14 February 2014

**February 2014** Labor leaders Bill Shorten and John Robertson support Badgerys Creek airport

John Robertson said he supported an airport at Badgerys Creek and had written to Prime Minister Tony Abbott and Premier Barry O'Farrell offering bipartisan support leading into next year's state election. Bill Shorten also stated that: '...there's no doubt that Sydney needs a second airport. Labor has long argued that Sydney needs a second airport...I think so long as they've got the propositions around not being 24 hours [and] so long as they could generate new jobs, you'd certainly have to consider Badgerys Creek as a very live option.'

Daily Telegraph, [Bill Shorten and John Robertson become first political leaders in 30 years to declare support for second Sydney airport at Badgerys Creek](#), 15 February 2014

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<b>February 2014</b>	Deputy PM Warren Truss approves Sydney airport Master Plan.	Deputy Prime Minister and Minister for Infrastructure and Regional Development Warren Truss announced that he has approved Sydney Airport's 2014 Master Plan. Mr Truss said, 'I welcome Sydney Airport's proposal to undertake significant infrastructure upgrades to help accommodate expected growth in passenger and aircraft movements, and to more evenly distribute aviation activity across the airfield and between terminal precincts.'	Truss, W., <a href="#">Sydney Airport master plan approved</a> , Media Release, 18 February 2014
<b>February 2014</b>	Deputy PM says airport essential by 2033	Mr Truss indicated that Sydney Airport's estimates of its capacity over the next 20 years are too optimistic and will not negate the need for a second airport to be in operation by 2033. Mr Truss also said he disagreed with the projections by Sydney Airport which indicated there was no need for a second airport by 2033	Sydney Morning Herald, <a href="#">Second airport essential by 2033, says Warren Truss</a> , 19 February 2014
<b>February 2014</b>	Premier O'Farrell refuses to commit financially to SSA	Premier Barry O'Farrell again refused to commit a dollar in infrastructure for the proposed second airport at Badgerys Creek, arguing any support would mean redirecting money from crucial projects such as western Sydney hospital redevelopments and the WestConnex.	Daily Telegraph, <a href="#">Sorry, but there's no money for Badgerys Airport, says Barry O'Farrell</a> , 26 February 2014
<b>March 2014</b>	Fairfax Neilson polls supports BC airport	Fairfax-Nielsen poll shows 72 per cent of NSW voters want an airport at Badgerys Creek, while only 20 per cent oppose it. Support is even stronger among major party voters (74 per cent).	Sydney Morning Herald, <a href="#">Back Badgerys - or lose, Barry O'Farrell told</a> , 2 March 2014
<b>March 2014</b>	PM Abbott meets with Liberal MPs	Prime Minister Tony Abbott met with ten Federal Liberal MPs late on Monday to discuss a second airport in Sydney's west, ahead of an expected government announcement to approve a Badgerys Creek.	Sydney Morning Herald, <a href="#">Tony Abbott meets with western Sydney Liberal MPs on second airport for city</a> , 4 March 2014
<b>March 2014</b>	PWC Australia report	A report from PWC confirmed Western Sydney is the real growth engine room of the state's economy. The research which broke down the growth by suburb revealed that building a second airport at Badgerys Creek would 'supercharge' growth across the city, centred on the west.	Daily Telegraph, <a href="#">Badgerys Creek airport would drive growth in Sydney suburbs</a> , 5 March 2014

<b>March 2014</b>	NSW Premier offers conditional support	Premier O'Farrell stated: 'I'm happy to back a Federal Government decision to go ahead with Badgerys Creek, providing we have the infrastructure funded to make it work.'	ABC, <a href="#">NSW Premier Barry O'Farrell gives conditional backing for second Sydney airport</a> , 6 March 2014
<b>March 2014</b>	Infrastructure Minister hints at second airport	Speaking at a forum in Canberra on Wednesday, Mr Truss, said that the government wanted to ensure there was as much community support as possible before a decision was made. Mr Truss reiterated the importance of supporting infrastructure with any second airport decision, '...the key thing for any new airport in western Sydney will be the provision of services to the immediate neighbourhood...' and that the western Sydney basin '...area is going to need substantial infrastructure.'	Sydney Morning Herald, <a href="#">Transport Minister Warren Truss hints at second Sydney airport</a> , 20 March 2014
<b>March 2014</b>	DAE report into economic growth in NSW	According to the DAE report, a western Sydney airport will unlock prosperity and restore NSW as the destination of choice for world travellers. Deloitte Partner John Meacock concludes that: '...if a new airport in Western Sydney gets the nod, there will be the potential to unlock even more prosperity through its impact on tourist flows and regional development, unwinding some of NSW's lost market share within Australia as the destination of choice for world travellers coming to our shores.'	Deloitte, <a href="#">NSW well placed for the next boom</a> , Media Release, 24 March 2014
<b>March 2014</b>	Report PM Abbott to announce Badgerys Creek at SSA site	According to Fairfax Media, the Abbott government's plans to announce Badgerys Creek as the location of the second airport in Sydney are firming, with a draft cabinet submission finalised a month ago and a pre-budget announcement widely expected. It did however state that the site had not yet been approved by the cabinet, with the final cabinet submission still being prepared, and co-ordinating comments from stakeholder ministers being sought as well as from the state government.	Sydney Morning Herald, <a href="#">Tony Abbott poised to announce Badgerys Creek as site for second airport in Sydney</a> , 27 March 2014
<b>March 2014</b>	Report Medibank Private sale will fund SSA	Finance Minister Mathias Cormann confirmed that the Medibank Private sale would go ahead in the 2014-15 financial year. According to this report, the \$4 billion sale of Medibank Private will be used to partly fund Sydney's future infrastructure, including an airport at Badgerys Creek.	Daily Telegraph, <a href="#">Medibank Private sale to get Sydney flying</a> , 27 March 2014

### 3. KEY FINDINGS OF REPORTS

This section of the paper summarises key findings from recent reports relating to a second airport in Western Sydney. Its purpose is to identify consistencies and points of difference across the reports in terms of recommendations, findings and general conclusions as they relate to the necessity and viability of a second airport in Western Sydney.

#### 3.1. Joint Study on aviation capacity in the Sydney Region (Department of Infrastructure and Transport - March, 2012)

This [Joint Study](#) examined the aviation needs of the Sydney region and how they can be met over the short, medium and long term. It was commissioned by the Australian and New South Wales Governments, with broad terms of reference aimed at achieving an effective aviation strategy for the future, integrated with the broader planning for land use, development and transport in the Sydney region.

##### 3.1.1 Key findings related to Sydney airport capacity

- The Sydney region's demand for aviation services will continue to grow as population and business activity grow.
- By 2035 the airport would need to be able to cope with more than 76 million passenger movements and 460,000 aircraft movements.
- Existing airside infrastructure will be unable to meet the projected aircraft movements for the medium and longer term.
- By around 2035, there will be practically no scope for further growth of Regular Public Transport (RPT) services at the airport.
- Immediate action is needed to increase the airport's capacity to meet growing demand.
- The growth in demand and increasing capacity pressures will result in:
  - increasing delays and costs for all operations (which will be especially felt when the airport experiences reductions in capacity owing to weather events);
  - reduced capacity to cater for new services at commercially viable times for airlines; and
  - increased congestion on the surrounding roads and surface transport system.
- Proposed solutions from the Committee to improve efficiency and capacity at Kingsford Smith include:
  - upgrading of terminals and an increase in the number of gates;
  - physical capacity of the runway system and airspace could support a limited increase in the movement cap from 80 to 85 movements per hour provided adequate gate and taxiway capacity is available; and
  - changing the curfew and forced movement of existing regional operations to another airport.
- The Committee noted that there was no scope to extend the site at KSA or extend the runway system.
- The Committee suggested that the above recommendations did not provide long term solutions for capacity.
- The Committee recommended that other existing airports in the region

(including Newcastle, Canberra, Bankstown and Richmond) were not suitable sites for a SSA.

- The current consideration of a future east coast High Speed Rail system linking Sydney to other major cities does not remove the need to provide additional aviation capacity.

### **3.1.2 Key findings related to a second Sydney airport**

- From around 2030, an additional airport will be needed to supplement the capacity of Sydney (Kingsford-Smith) Airport.
- To provide for this requirement, governments will need within the next five years to have determined the location and commenced investment into another airport site capable of handling large RPT aircraft.
- The Badgerys Creek site, which was acquired by the Commonwealth between 1986 and 1991 for a future airport, remains the best site for an additional major RPT airport.
- If Badgerys Creek is not ruled out, work should begin immediately to update the Environmental Impact Statement, and to plan towards the development of the first stage of the airport (single runway).
- If Badgerys Creek is ruled out, Wilton is the next best site and processes should be put in train to secure the site and undertake the full environmental assessment and airport planning processes required to protect and prepare the site for future development.
- The spread of urban development in the Sydney basin means it is already very difficult to find a suitable site for a second RPT airport. The Joint Study has found that there is no optimal site that satisfies everyone.

### **3.1.3 Economic costs of delaying**

- The economic costs are substantial if Sydney's future aviation demand cannot be met.
- By 2060, the economy-wide impacts, in 2010 dollars, across the Australian economy could total \$59.5 billion in foregone expenditure and \$34 billion in foregone gross domestic product.
- The NSW economy would be especially heavily affected, with losses across all industries totalling \$30.6 billion in foregone expenditure and \$17.5 billion in foregone gross state product.
- In 2060 alone, the annual estimate of foregone jobs is approximately 57,000 in NSW and 77,900 nationally.

### **3.1.4 Technical appendices**

A number of technical papers were published and contributed significantly to the findings of the Joint Study. These reports provide more detailed analysis relating to the forecasts and estimates reported above. The reports and associated links are listed below.

#### **Volume 1**

- A.1 Airport Infrastructure in the Sydney Region (WorleyParsons & Airport Master Planning Consultants)

- A.2 Aviation users: profile of aviation users in the Sydney Region (BITRE)
- A.3 Forecast growth estimates for aviation activity in the Sydney Region (Booz & Company)
- A.4 Variation in the realisation of identified capacity constraints (Booz & Company)

### Volume 2

- B.1 Sydney (Kingsford-Smith) Airport Airfield Capacity Review (Landrum & Brown)
- B.2 Sydney (Kingsford-Smith) Airport additional demand and runway capacity analysis (Airservices Australia)
- B.3 Planning day peak spreading at Sydney (Kingsford-Smith) Airport (Booz & Company)
- B.4 Effect of forecast demand on the Long Term Operating Plan for Sydney Airport (Airservices Australia)
- B.5 Effect of weather on aircraft delays at Sydney, Canberra and Newcastle Airport (Airservices Australia)
- B.6 Newcastle Airport planning day peak spending (Booz & Company)
- B.7 Economic impact of not proceeding with additional aviation capacity in the Sydney region (Ernst & Young)
- B.8 Flow-on impact of delay based on passenger, aircraft and associated services at Sydney Airport (Booz & Company)

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- C.1 Assessment of options more meeting aviation needs in the Sydney region (PriceWaterhouseCoopers)
- C.2 Sydney (Kingsford-Smith) Airport land transport capacity 2006–2036 Transport for NSW (Transport for NSW)
- C.3 Airspace requirements to support regular passenger transport operations at Bankstown Airport (Airservices Australia)
- C.4 Bankstown Airport and RAAF Base Richmond regular passenger transport scenarios (Airservices Australia)
- C.5 RPT Aviation Operations RAAF Base Richmond East West Runway Scenario (WorleyParsons/AMPC)
- C.6 Sydney (Kingsford-Smith) Airport current capacity and potential capacity enhancement; Air traffic management implications of the civil use of RAAF Base Richmond (Airservices Australia)
- C.7 Effect of civil operations at RAAF Base Richmond on Sydney (Kingsford-Smith) Airport operations (Airservices Australia)
- C.8 Nature and extent of unmet demand that could be accommodated at an additional regular passenger transport facility (Booz & Company)
- C.9 RPT Aviation Operations RAAF Base Richmond North South Runway Scenarios (WorleyParsons/AMPC)

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- C.10 Airline-related cost and revenue issues at primary and non-primary airports (CAPA Consulting)
- C.11 Analysis of airport suitable sites: specified localities



(WorleyParsons/AMPC)

- C.12 Report on initial location analysis: airspace considerations (Airservices Australia)

## **Volume 5**

- C.13 Aviation capacity cost benefit economic assessment (Ernst & Young)  
D.1 Preliminary evaluation of potential future uses of Commonwealth Land at Badgers Creek (Department of Planning and Infrastructure)

### **3.2 Air passenger movements through capital and non-capital city airports to 2030-31 (Bureau of Infrastructure, Transport and Regional Economics – November 2012)**

This [report](#), published by BITRE, updated the passenger growth forecasts out to 2030-31 for Sydney airport. Passenger numbers passing through Sydney Airport are forecast to increase by 3.6 per cent a year over the next 20 years to 72.0 million in 2030–31. This is below the rate of growth over the last 19 years, and is attributable to the slower projected long-term economic growth for Australia, rising real domestic airfares and also assumed maturation of low-cost carrier traffic.

The forecasts presented in this report are broadly comparable, although slightly more ‘bullish’, than those presented in the Joint study on aviation capacity in the Sydney Region. The [Joint Study](#) forecast the total number of air passenger movements through Sydney Airport to increase by 3.2 per cent a year over the next 20 years to 67.7 million in 2030–31, compared with a BITRE forecast of 3.6 per cent a year over the same period to 72.0 million in 2030–31.

### **3.3 Sydney’s aviation future: meeting the challenge of growing demand (Tourism and Transport Forum – January, 2013)**

This [report](#) outlines numerous challenges the economy will face in the future should demand for aviation access to the Sydney region outpace supply from airport infrastructure. In doing so, the report makes short, medium and long-term recommendations to manage the rising demand for flights to and from Australia’s largest city.

#### **3.3.1 Summary of recommendations**

- **Short term** recommendations relate to the current management and regulatory aspects of Sydney Airport in order to improve capacity and efficiency.
  - Progressively increase the Sydney Airport slot cap to 90 scheduled slots per hour based on demand.
  - Increase the number of curfew shoulder period movements (between 5:00am - 6:00am and 11:00pm - 12:00pm) at Sydney Airport from 24 to 35 per week.
  - Safeguard zoning of land use in Kurnell Peninsula and other noise sensitive areas under the southern flight paths of Sydney Airport.
  - Upgrade surface transport modes to increase access to Sydney Airport and improve passenger connectivity through the Sydney region.

- Abolish the \$12.30 gate fee at Domestic Airport and International Airport train stations to encourage greater use of public transport services at Sydney Airport.
- **Medium term** recommendations generally relate to increasing utilisation of other airports in and around the Sydney metropolitan region.
  - Increase the number of approved passenger aircraft flights at Bankstown Airport to 32 per day to greatly improve access for travellers in south-western Sydney to the domestic aviation market.
  - Lengthen the runway at Bankstown Airport to accommodate larger aircraft.
  - Approve the introduction of civil aviation activity at RAAF Base Richmond as a temporary measure until a secondary Sydney airport site is selected and constructed.
  - Protect Canberra Airport's curfew-free status to ensure the Sydney region has access to a 24-hour aviation asset to meet demand for overnight aviation activity.
  - Increase the movement cap at Newcastle Airport (RAAF Base Williamstown) from six movements per hour to improve capacity.
  - Examine the feasibility of high-speed rail along the Newcastle-Sydney-Canberra corridor to improve access to Canberra Airport and Newcastle Airport.
- **Long term** recommendations relate to the immediate development of a second Sydney airport.
  - Within the next 12 months, commence technical design, layout, and transport link planning for a secondary Sydney airport, given the anticipated long project lead times.
  - Ensure land-use under proposed flight paths is free from residential development for at least 10km from the threshold of any proposed runway.

### **3.4. A study of Wilton and RAAF Base Richmond for civil aviation operations (Department of Infrastructure and Transport - May, 2013)**

In May 2012 the Australian Government considered the [Joint Study](#) and agreed to a strategy that involved:

- a detailed investigation into the suitability of sites available in the Wilton region, including conducting preliminary economic, social and environmental studies; and
- assessing the scope and consequences of utilising RAAF Base Richmond for limited civil operations, including consideration of social, economic and environmental impacts.

This [report](#) sets out the assessment of the most suitable site in the Wilton area for greenfield airport development that would be capable of supporting Sydney's civil aviation needs on a 50 year planning horizon, and the further assessment of the consequences of opening Richmond to limited passenger services.

#### **3.4.1 Assessment of Wilton site**

- By 2035, there could be annual demand for 17.1 million passenger

movements across all service types; this could increase to 44.2 million passenger movements a year in 2060.

- Due to the distance from key sources of passenger demand, Wilton will only ever be an overflow airport for Sydney.
- Wilton will be environmentally challenging to build because:
  - it requires extensive earthworks and site clearing;
  - mine subsidence poses a major safety risk for any future development;
  - over 60 species were identified in the study area that will likely be protected; and
  - significant engineering solutions would be required to ensure discharge of runoff and wastewater does not contaminate Sydney's water supply.
- There could be significant benefits to the community from an airport:
  - \$3.8 billion additional to NSW Gross State Product (GSP) by 2035, increasing approximately four-fold to \$16.9 billion by 2060.
  - Construction employment: approximately 4,500 jobs created;
  - Operational employment: approximately 15,400 jobs by 2035, increasing to 28,000 by 2060.
  - Indirect employment: approximately 4,100 jobs by 2035, increasing to 12,700 jobs by 2060.
- Approximately 1,500 people within the current population around Wilton would be exposed to noise within the 20 ANEF contour. This is compared with the 130,000 people exposed at Sydney (Kingsford-Smith) Airport today.

### 3.4.2 Assessment of Richmond Airport

- Unconstrained demand for an airport located at Richmond in 2035 is estimated to be 22.8 million passenger movements across all domestic and international markets; this could increase to 51.4 million passenger movements in 2060.
- The higher forecast demand for Richmond compared with Wilton is largely due to the closer proximity of the site to key sources of passenger demand.
- On its existing capacity (5 million passenger movements per year), an airport at Richmond could contribute approximately \$0.4 billion additional to NSW Gross State Product (GSP) by 2035, cumulating to \$0.6 billion by 2060.
- A 20 million passenger airport could contribute between \$3 billion and \$5 billion in NSW GSP and between \$4 billion and \$6 billion in GDP by the mid-2040s.
- The current population around Richmond that would be exposed to aircraft noise is 8,500 for an east-west configuration or 5,900 for an airport operating only on a north-south configuration.
- RAAF Base Richmond cannot provide sufficient capacity for Sydney's long-term aviation needs.
- A decision to expand Richmond with a north-south runway would involve significant costs and the acquisition of land from the University of Western Sydney, as well as substantially more road and rail investment.

### 3.4.3 Technical studies

A number of technical papers were published and contributed significantly to the findings of the Joint Study. Links to each of the reports are below.

1. [Site identification & preliminary assessment of suitability, further assessment of Airport Development Options at Wilton](#) (WorleyParsons)
2. [Modelling of alternative airport sites](#) (Booz & Company)
3. [Economic and social analysis of potential airport sites](#) (Ernst & Young)
4. [Examining viability factors for a supplementary airport in the Sydney region— Airline and investor perspectives](#) (PricewaterhouseCoopers)

### **3.5 Economic Impact of a Western Sydney Airport (Deloitte Access Economics – December 2013)**

This [report](#), completed by Deloitte Access Economics in conjunction with the NSW Business Chamber, examined the economic impact of the development of a Western Sydney Airport (WSA) at Badgerys Creek on the Western Sydney and broader Sydney region, under three potential growth scenarios.

#### **3.5.1 Summary of findings**

- The analysis presented in this report demonstrates that a second Sydney airport located in Western Sydney would generate significant economic benefits for the region.
- The impacts stem both from alleviating pending capacity constraints in the Sydney basin and from the productivity and competitiveness gains that a second airport located in Western Sydney would generate.
- In net present value terms, the impact on the Western Sydney economy over the period 2020 to 2050 is estimated at between \$9.2 billion and \$15.6 billion, while the impact on the whole of Sydney economy is estimated at between \$15.7 billion and \$25.6 billion.
- Average additional employment over the period 2020 to 2050 is estimated at between 12,645 and 19,982 FTE for Western Sydney, and between 20,601 and 31,736 FTE for the Sydney region overall.
- However, the realisation of these benefits – or, to put it another way, the avoidance of costs emanating from capacity constraints in the Sydney basin – requires haste on the part of policymakers.

### **3.6 Sydney Airport Master Plan 2033 (Sydney Airport Corporation Limited – February 2014)**

This [Master Plan](#) outlines Sydney Airport's plan for the operation and development of the airport for the period to 2033. According to the report, this will: allow the airport to accommodate a wide range of future air traffic scenarios; increase the productivity, flexibility and capacity of the airport; and benefit all passengers through a more balanced use of the airport's airfield, terminals and roads.

#### **3.6.1 Key proposals**

Major development and operational proposals in the report include:

- The development of new major international terminal infrastructure, with the

- capability for up to 16 additional A380 type international contact gates
- Better use of existing infrastructure through the introduction of up to 30 swing gates.
- Taxiway enhancements, prepared in consultation with Airservices Australia, that improve airfield efficiency and therefore on-time performance
- Both the T1 and T2/T3 terminal precincts will become integrated terminals for international, domestic and regional airlines
- Significant improvement to ground transport access to and around the T1 and T2/T3 precincts

### **3.6.2 Forecast passenger demand**

Forecasts were independently prepared for the Master Plan by Tourism Futures International and independently peer reviewed by CAPA Centre for Aviation. Key findings are below.

- Between 2012 and 2033, passengers are forecast to approximately double over the period from 36.9 million to 74.3 million annually. This represents an annual growth rate of 3.4 per cent.
- It also shows that as a consequence of the global financial crisis (GFC) the projected level of passengers in 2029 is around 15% below the 2009 Master Plan forecast.
- Traffic developments in 2013 suggest the 2033 traffic forecasts (prepared in mid-2012) are more likely to be too high than too low.
- Air freight tonnes are also expected to increase from 615,000 tonnes to 1,007,000 tonnes, at an annual rate of 2.4 per cent

The report states that Sydney Airport is able to accommodate forecast traffic demand beyond the 2033 planning period. This is contrary to many of the findings published in previous studies. These generally suggest that by 2033 Sydney's aviation capacity (without the introduction of a second Western Sydney Airport) will not be able to meet forecast demand.

### **3.6.3 Response to the Joint Study and position on a Western Sydney Airport**

According to the Master Plan, Sydney Airport supports the three core elements of the Joint Study on Aviation Capacity in the Sydney Region:

- Optimise the use of Sydney Airport as the primary airport for Sydney and NSW for international, domestic and regional passengers and freight, by ensuring that it operates efficiently and can grow to its maximum practical operational capacity
- Protect and optimise the use of other existing airports serving the Sydney region
- Select a site for a supplementary airport, and ensure operations commence at the appropriate time in the future

The report also advocates several changes suggested in the Joint Study to the regulatory and operating environment in order to improve efficiency. These include:

- Modernisation of the operational regulations to take advantage of the

advances in airline and airspace technology that could further improve airport efficiency and productivity while maintaining or improving the airport's overall noise impact.

- Development of supplementary general aviation, helicopter and specialised freight capacity at RAAF Base Richmond operating on an integrated basis with Sydney Airport
- Enhanced land transport options for passengers, staff and other users

With regard to a second airport, the report suggests that the development of other existing airports and, in time, a supplementary airport needs to be demand-led, incremental and flexible to changing market demand. It suggests further that the most successful international examples of secondary airports are where these airports operate as a system.

The report also states that while the [Joint Study](#) and others have identified Badgerys Creek as the best site from an economic and planning perspective, it is appropriate for the Australian and NSW governments to balance the economic, social and environmental factors in selecting the best site overall. In addition, whichever site is decided upon, it is important that the airport is developed to promote tourism and trade for Sydney, NSW and Australia as part of the system of airports serving Sydney. To facilitate this, any future airport must be developed without any operating restrictions including a curfew or movement cap to maximise its potential for growth and attract high demand for overnight international services.

#### 4. SUMMARY OF REPORT FINDINGS

In the last few years, substantial research has been conducted assessing the need for a second major airport in Sydney; and also the suitability of various airport sites, most notably Badgerys Creek, Wilton and Richmond.

The two main Government sponsored (but independent) reports published are the [Joint Study on Aviation Capacity in Sydney](#) completed in 2012; and [The study of Wilton and RAAF Base Richmond for civil aviation operations](#) completed in 2013.

Both these comprehensive and independent studies strongly confirmed the need for a second airport in Sydney and for that airport to be located in Badgerys Creek. In reaching these conclusions, a significant number of technical papers were supplied by various government and non-government organisations.

Specifically, the Committee of the Joint Study found that airside infrastructure will be unable to meet the projected aircraft movements in Sydney for the medium and longer term. The Committee suggested that upgrades to Kingsford Smith Airport and changes in regulation did not provide long term solutions for capacity.

From around 2030, the Committee concluded that an additional airport will be needed to supplement the capacity of Kingsford-Smith Airport. To provide for this requirement, governments will need, within the next five years, to have determined the location and commenced investment into another airport site capable of handling large civilian aircraft.



The Committee recommended that other existing airports in the region (including Newcastle, Canberra, Bankstown and Richmond) were not suitable sites for a SSA. Additionally, it was found that the current consideration of a future east coast High Speed Rail (HSR) system linking Sydney to other major cities would not remove the need to provide additional aviation capacity.

The 2013 [Wilton Study](#) confirmed the findings of the Joint study and concluded that due to the distance from key sources of passenger demand, Wilton will only ever be an overflow airport for Sydney; and that the RAAF Base Richmond cannot provide sufficient capacity for Sydney's long-term aviation needs.

Both Government studies, as well as the Studies from DAE and the TFF, concluded that there are not only significant economic benefits from developing a second airport in Western Sydney, but also significant costs in delaying it.

Deloitte Access Economics estimated that the impact on the Western Sydney economy over the period 2020 to 2050 is estimated at between \$9.2 billion and \$15.6 billion, while the impact on the whole of Sydney economy is estimated at between \$15.7 billion and \$25.6 billion.

In terms of costs, the [Joint Study](#) estimated that the NSW economy would be especially heavily affected from not developing a SSA, with losses across all industries totalling \$30.6 billion in foregone expenditure and \$17.5 billion in foregone gross state product. In 2060 alone, the annual estimate of foregone jobs is approximately 57,000 in NSW and 77,900 nationally.

Contrary to many of the findings published in previous studies, the Sydney Airport Master Plan states that KSA will be able to accommodate forecast traffic demand beyond the 2033 planning period.

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