
REPORT OF PROCEEDINGS BEFORE

STANDING COMMITTEE ON STATE DEVELOPMENT

**INQUIRY INTO PROVISION AND OPERATION OF RURAL AND
REGIONAL
AIR SERVICES IN NEW SOUTH WALES**

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At Bankstown on Thursday, 20 August 1998

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The Committee met at 10.30 a.m.

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PRESENT
The Hon. A. B. Kelly (Chairman)
The Hon. I. Cohen, The Hon. I. M. Macdonald
The Hon. E. M. Obeid, The Hon. Dr B. P. V. Pezzutti

GARY EDWARD BLASCHKE, Convener, Bankstown Concerned Residents Group, sworn and examined:

CHAIRMAN: Did you receive a summons issued under my hand in accordance with the provisions of the Parliamentary Evidence Act 1901?

Mr BLASCHKE: I did.

CHAIRMAN: Are you conversant with the terms of reference of this inquiry?

Mr BLASCHKE: I am.

CHAIRMAN: You have made a submission to the Committee. Would you like that to be taken as part of your sworn evidence?

Mr BLASCHKE: Yes, please.

CHAIRMAN: If you should consider at any stage during your evidence that in the public interest any evidence or documents you may wish to present should be heard or seen only by members of the Committee, then the Committee would be willing to accede to your request and resolve into confidential session.

Mr BLASCHKE: I understand.

CHAIRMAN: Would you like to give us a precis of your concerns and, following that, we will go round the members and ask you some questions?

Mr BLASCHKE: I am sure I speak not only for myself but also for Sonya McKay when I say that being chosen by the Standing Committee to represent our community is, on the surface, humbling and, in some way, rewarding for the efforts we have made to help improve our community's standard of living.

Speaking for myself, I do have some reservations that the process has flaws and that there is some element of tokenism. My reservations are well founded on previous experience of dealing with several forms of bureaucratic systems.

The flaws I allude to are the inadequate representations of the community in front of this Committee; our limited time, considering the enormity of the problem, and potential impacts the proposal will have on our community and region; the lack of extensive public consultation from all levels of government with no open forum for the community at our local government meetings; having no environmental impact statement and with any further studies under consideration not taking into account the noise levels above homes; no development strategies for the west and south-west suburbs of Sydney by the Department of Urban Affairs and Planning; no regional traffic plans by the Roads and Traffic Authority; no concerns for the cumulative effect from the unsustainable urban consolidation, commercial and industrial developments; and the lack of support from our local tabloids.

I realise that this Committee has limitations, yet I find it worrisome that each of the proponents has been allocated 45 minutes, with the community input allocated 30 minutes, and also the number of proponents available to speak today.

Are we about to take decisions that turn this airport into a de facto second airport for Sydney and sacrifice the standard of living for tens of thousands of Bankstown residents?

The only true public consultation that has taken place is that at two—and soon to be three—meetings by the Bankstown Airport Community and Environment Forum, BACEF. Having the opportunity to chair both of the meetings, I have been given a true insight into the community's views and concerns regarding the proposed changes to Bankstown Airport.

Let us get the community's point of view across and let us get it straight now. The overwhelming majority of residents demand a regulated environment which is managed competently to world standards, if not better. It is the first priority, and should be the first priority, of being a concerned neighbour. If this cannot be accomplished, there is only one other alternative, and that is to close Bankstown Airport down.

I would like to put up an overhead projection. This is a report that was done in *The Bulletin* magazine of 21 July 1998, which actually states the world's busiest airports from 1996 ranked by aircraft movements. As you can see, Bankstown is pretty high up there from a world standard, ranking number five for movements. And it does not matter whether it is a jumbo, or a 727 or a Cessna. When the flight is over somebody's house it wakes them up.

You can see further down that Sydney is ranked forty-eighth on world standards. We do not believe that the Government could ever consider that Bankstown Airport is Sydney's second airport, as I am sure it understands that it is already Sydney's busiest. In fact, it is the busiest in the Southern Hemisphere, taking into consideration its ranking's from that overhead. The overhead shows aircraft movements out of and into Kingsford-Smith Airport over a 24-hour period. This overhead projection shows just what the movements are all about.

We cannot get this sort of documentation on Bankstown Airport. This is one day of movements in and out of Kingsford-Smith Airport. That is the line that they take. The flight path monitoring system has taken it.

When I showed this to people in the community they automatically thought that my children had got hold of it. So it is a pretty scary scenario when that, on its own, is one day. There is a little black dot to the left there. That is roughly where Bankstown is. So we are having the flights going over the top of the Bankstown region already from Kingsford-Smith. This overhead does not take into consideration the fifth busiest airport— Bankstown—and its air flights as well, even though they are lower, but that is what is happening above us every single day.

The Hon. Dr B. P. V PEZZUTTI: Can you hear those?

Mr BLASCHKE: Yes, you can. I am a resident of Chester Hill, and I can hear the jets going over the top of my place, and they have well and truly been taken off the flights paths by the time they go over the top. I have heard them of a night time and early in the morning as well.

The main issues about which we are concerned are: safety, noise, curfew times, which we do not have at all, the educational interruptions that are happening because there are quite a few schools - as a matter of fact there is one that adjoins the airport itself - sleep deprivation, environmental concerns, the number of movements and their heights above homes, the lack of emergency regulations and services that are at the airport now, the lack of up-to-date noise charts and their availability to the community, the impacts on urban consolidation and growth around the airport and the region itself, and the extra infrastructure that would be needed to change the usage of the airport and its impacts on the community as well. All of these and more add up to an impressive argument for the need for a complete and independent environmental impact statement, not just an environment strategy that does not take into consideration the noise of aircraft once they leaves the tarmac.

After attending Bankstown council's special meeting when both Mr Howard Knox and Barry Thompson from Bankstown Airport Limited gave such a glowing report on Bankstown Airport to our elected councillors and listening to their responses to questions at the second public meeting held by BACEF, it is quite obvious that their opinion of the community's intellect is somewhat minuscule. Their jargon when explaining that there have been no extensions to the runway, no intention to bring in larger aircraft and no plans to expand the airport has been misleading and verging on outright deception. As a member of the community, I cannot even tell you, and I suspect neither can my local members, whether the changes I and many others within our community suspect already have occurred were carried out by due process. We do not know who approved them and whether they were properly authorised by the relevant FAC board or a Minister. For all we know, they may have been the work of petty cash projects.

Airport managers claim they have no plans, but in today's deregulation environment this brings little comfort to the community. Propaganda is circulating the community from the users and workers of the Bankstown Airport stating half truths under the heading of "Bankstown Airport, Your Community Airport". It forgets to mention large cargo planes and jets that actually can land there, if not 727s, and maybe even 737s can operate from Bankstown. It forgets to mention management of the airport is currently altering the airport in many ways. There are things happening on that site right at this moment and have been for many years.

It states that repetitive training circuit flights are not allowed at night and yet when I rang up last Saturday the number that was on this propaganda and asked if I could speak to the particular gentleman, he wasn't there but I asked one of the employees and he actually told me that it was Illawarra Air Services first and then I asked him a few questions about the flights happening around. I asked him whether he could me when the training flights actually stop and he said, We start round about 6 o'clock and we are not allowed to fly past night time but that is 9 o'clock p.m. during weekdays. He could not give me the figures for the weekend. So he considered 9 p.m. as a reasonable time to stop aeroplanes flying over local homes.

With some limitations to its current capacity, with tighter regulations, curfews and a good neighbour protocol, there may be a place for the airport itself in our community. As for its environmental deregulation and current practices, Bankstown Airport Limited is flaunting with the ecology in the region and most of the environmental legislation. I have not been shown anything to do with a section 3A permit to change water courses and I do not see any devices there to actually contain the water from going into the Georges River and trap the sediment or gross pollutants.

The Bureau of Air Safety Investigation has recently criticised CASA in relation to large aircraft safety, and this criticism is equally valid for large aircraft exceeding 5,700 kilograms at Bankstown as well as the lighter aircraft. The proposed increases in landing fees, deregulation of air services and the Olympic Games only add to the possibility that changes to Bankstown airport and its practices are not far off. I am sure that the excuses, the reason that we need to upgrade this airport are coming down as the Olympics and I am sure that the residents realise there is going to be a lot more movements in Bankstown airport during that period, but we are of the belief that if the infrastructure is improved to handle larger planes and more quantities of them, once that infrastructure is built the flights will continue after the Olympics itself. There is another overhead I would like to show you.

The Hon. Dr B. P. V PEZZUTTI: Is that one the same as the 1998 flight paths?

Mr BLASCHKE: I have not been able to get any other information. We have here the front page news of the local newspaper, *The Torch*, on Wednesday, 24 June, 1998. It goes on to say that a spokesman for Mr Vaile went on to say that the Federal Government had no intentions of forcing the existing regional airline operators at Sydney Kingsford-Smith Airport to transfer to Bankstown Airport. I would like to say that I could be persuaded that the State Government is not in favour of this as well, so I do ask the question, if the State Government is not in favour of it and we are seeing that a spokesman for Mr Vaile says they are not going to force them to go to Bankstown, why am I even here today. I would like to ask the reason why you are here today. If both governments are saying they do not want to do it, you know, we are all wasting our time at the moment.

There is one word there that does scare me and that is the word, "forcing". If we make the landing fees of Kingsford-Smith Airport greater and either keep the Bankstown ones as they are or not increase them as much, you will find regional air people will want to go to Bankstown Airport because it will not cost them as much, and with the infrastructure proposed to be built around Bankstown, with 200 room motels - Bankstown is not a place where you come to spend your holidays at the moment; we do not have that sort of facility here so I question the reason for all of the infrastructure that is going to be built in the area. It might be for the Olympics but that is only over a period of four weeks. I am sure I would not be investing in a motel in Bankstown at the moment considering we already have some pretty good motels.

I would like to leave you with one view and this is a view that I am sure that most of the people agree with and that is a view of not just the Olympics, that is probably the view of what we feel will happen in the future if regional aircraft start coming into Bankstown. This overhead shows what the residents will end up looking like if it continues. I thank you for the opportunity to speak on behalf of the community today and I take any questions you would like to give to me.

CHAIRMAN: Thank you. That was very good. We might actually use that cartoon in our report. There are a couple of documents there, the overheads, we would like to be able to use in our report or as part of our evidence. could you officially table them for us?

Mr BLASCHKE: Yes.

CHAIRMAN: You mentioned your concerns as to why the Committee is here if both governments have given verbal undertakings that they are not interested in putting rural regional air services to Bankstown Airport and I suppose I should explain that certainly most members of the Committee have either country connections or reside in the country. I actually got up a little after 4 a.m. to be able to fly down here from where I live; I would have to do the reverse situation normally. Most country people are concerned about the point that you raised, that affordable access is guaranteed at Kingsford-Smith Airport. They are not merely interested in access but affordable access. We have an enormous amount of evidence from country people so far. We would like to get the evidence from the Bankstown people as well, so I hope that explains those few matters.

The Hon. I. COHEN: You did mention cargo and jet flights at the present time. Can you describe their size and frequency? Is this a problem at present?

Mr BLASCHKE: It is a problem. Living away from the airport myself, I am not directly affected by it, but I am sure that Sonya McKay will tell you exactly what is happening on the airport. She has flights going over. Certainly we have a lot of mail planes that take off and also the banking flights as well. These aeroplanes start up sometimes at 5.30 in the morning and do a warm up.

The Hon. I. COHEN: Is the curfew being broken?

Mr BLASCHKE: There is no curfew for Bankstown.

The Hon. I. COHEN: You mentioned training flights.

Mr BLASCHKE: They have probably an unwritten rule that you should not fly over there at night but I do not know whether they are training flights or not. Living at Chester Hill I have quite a few aircraft flying over my place all night long.

The Hon. I. COHEN: You spoke about extensions to the airport. Can you describe to the Committee whether you consider that has gone through proper channels both in terms of the type of extension, environmental and social concerns? Are those extensions real and have they gone through proper channels?

Mr BLASCHKE: Again, Sonya will back that up but I will say, yes, from the aerial photographs that I have seen, a couple of the actual runways have been extended. I know the excuse is hard sand at the end of the runways - that is the terminology being used - but certainly there are facts which Sonya will go through to show that the runways have been extended over the last few years. The environmental concerns - what part of the environment do you want? I think humans are as much a part of the environment as fauna and flora. Also the Georges River is the most polluted river in New South Wales. We have lost our seagrass beds, oyster industry, and commercial fishing industry. You can only swim in the Georges River according to the combined councils' report for 12 per cent of the year socially, so we are concerned about dumping of fuel before landing in the region of the river, in the catchment area.

We are concerned about any other impact that this particular drainage that is happening at the moment on the airport will have on the river. I have not seen any plans for any detention basins. I have not seen any plans for gross pollutant traps or sediment control as well. I do believe that the creek they are working on at the moment is a natural formed creek originally but now it looks like it is going to be concreted.

The Hon. Dr B. P. V PEZZUTTI: When was Bankstown Airport built?

Mr BLASCHKE: Way before I was born. I believe it is around 40 or 50 years old.

The Hon. Dr B. P. V PEZZUTTI: To further explain why we are here, legislation was brought in to deregulate airline services. As a result of that, legislation passed the lower House and came to the upper House and the Committee was advised to have public consultations because there were none prior to the legislation being introduced. We are also here because a large number of local country councils wrote to us saying, "Please don't send us to Bankstown" and we got evidence from people at Bankstown saying, "Please do not send regional airlines to Bankstown", so we thought we would come out here to hear what you have to say.

As a country person from Lismore I am not the vaguest bit interested in landing at Bankstown and struggling into the city. I am a member of the Liberal Party, but I would leave the Liberal Party if I had to land at Bankstown. There are huge numbers of transports going in and out of Bankstown which obviously serve a need. Do you have any idea from the FAC how many flights there are from regional New South Wales into Sydney FAC at the moment?

Mr BLASCHKE: No, I have not been given that information. Maybe Sonya McKay could answer that.

The Hon. Dr B. P. V PEZZUTTI: But all the transport, freight, mostly comes out here for the newspapers, is that your understanding?

Mr BLASCHKE: That is my belief.

The Hon. Dr B. P. V PEZZUTTI: You also said there is no curfew at Bankstown so planes can land and take off at any time?

Mr BLASCHKE: I believe if you owned an aeroplane and you decided at 2 a.m. that you wanted to go for a flight, you could go down to the hangar, take out your plane - I believe after 9 o'clock there is no control there whatsoever - and you could take off at 2 o'clock in the morning and nobody could stop you.

The Hon. Dr B. P. V PEZZUTTI: If you put your flight paths exit and entry into Bankstown, what would that look like compared to the Sydney flight paths? Are they shared or a completely different footprint?

Mr BLASCHKE: I assume they are at different levels, for sure, but if you overlaid the Sydney airport one on top of the Bankstown one, I am sure the colour that would come out on your overhead would be totally black, because the lines would link together, the amount of flights going over the top of this area.

The Hon. Dr B. P. V PEZZUTTI: Are they essentially monitored to your knowledge? Are you aware of the co-ordination between the two towers, if you like?

Mr BLASCHKE: I do not believe from my knowledge that the Bankstown flights are monitored. I have not been able to get any information that they are and certainly we have had limited documentation from Sydney-Kingsford Smith as well.

The Hon. Dr B. P. V PEZZUTTI: How long does it take to you get from Bankstown Airport to the CBD of Sydney?

Mr BLASCHKE: Depending on the traffic conditions at the time, but I would say easily 45 minutes to an hour.

The Hon. Dr B. P. V PEZZUTTI: With the new M5 East freeway, what is the proposed travel time?

Mr BLASCHKE: If it all goes through? I do not know exactly. It may cut down 20 minutes.

The Hon. Dr B. P. V PEZZUTTI: And by train?

Mr BLASCHKE: The services are pretty good but it does need an increase. The services are stretched at the moment.

The Hon. Dr B. P. V PEZZUTTI: What sort of travel time?

Mr BLASCHKE: I do not catch the train that often but I would say you are still talking three quarters of an hour to get from Bankstown to the city.

CHAIRMAN: And in addition to that you have to wait; they do not come every minute.

The Hon. Dr B. P. V PEZZUTTI: It is a major junction at Bankstown?

Mr BLASCHKE: You have to go out to Regents Park to branch off to Liverpool.

The Hon. I. M. MACDONALD: I make it clear that coming from regional New South Wales, I believe on an equity basis that access to Kingsford-Smith for regional operators is a necessity. I am just looking at a photograph of Bankstown Airport which appears to me to be a considerable infrastructure investment. What do you believe should happen to this airport over time and what sort of development would be permissible and what sort of orientation for this airport? How do you see from your community's viewpoint the role and future of this airport?

Mr BLASCHKE: I believe there are some people in the community who are directly affected by it that would not be sorry to see it close down but I think the majority of the community are saying, "When we bought into this area we realised there was an airport there. We realised it was a small airport and at that time there were only small aeroplanes taking off and landing from there". I am certain that the flights have increased over the years. As I said, we have no curfew, so they are certainly coming in at night as well and, you know, we are not opposing the usage of Bankstown Airport. We are saying that there has to be some decent guidelines and there has to be some curfew times and we do not believe that by forcing the small airline operators out, by increasing the landing costs, that you can supplement them with larger aeroplanes from regional areas.

The Hon. I. M. MACDONALD: Has there been community consultation with the operators of the airport about its future and how it fits within the community?

Mr BLASCHKE: The management of the airport was invited to the last public meeting held by BACEF. They were supposed to sit up on the committee table, and it was only a couple of minutes before it began that they said they would sit down in the crowd and take questions from there.

So I have doubt that there would have been any public consultation whatsoever except for BACEF or this Standing Committee. I do not believe that the council would have held any. There was a closed meeting, or a public meeting during which we were not allowed to address the council or the management when they came here to this room and, as I said, did a glowing report on Bankstown Airport. Because of the protocol of the council it was not on the agenda and no community member could apply to address some of the statements that were made, and we just had to sit in the public gallery and take what they were saying as gospel.

The Hon. I. M. MACDONALD: Is there any sort of discussion about curfew needs?

Mr BLASCHKE: I do not believe there is because we have not been able to speak to the authorities. The only consultation people have had has been over the telephone. There has not been any open forum except for the BACEF public meetings, and that is to try to get the facts that BACEF knows as well as inviting all the authorities. On several occasions they have refused to come to the meetings, as late as the one this Sunday.

We are trying to be level-headed about the thing and get the evidence together so that the community can make up its mind if what we are saying is true or what the authorities are saying it true. I am sure from the evidence that BACEF will give you that you will see some pretty damning evidence.

The Hon. I. M. MACDONALD: So, in summary, your community group is dead against having any expansion of regional services into Bankstown Airport?

Mr BLASCHKE: Yes.

(The witness withdrew)

SONYA LEA McKAY, University Student, Convener, Bankstown Airport Community and Environment Forum, sworn and examined:

CHAIRMAN: Did you receive a summons issued under my hand in accordance with the provisions of the Parliamentary Evidence Act 1901?

Ms McKAY: I think that this is the summons.

CHAIRMAN: Are you conversant with the terms of reference of this inquiry?

Ms McKAY: Yes.

CHAIRMAN: You have provided us with a written submission. Would you like that to be included as part of your sworn evidence?

Ms McKAY: Yes.

CHAIRMAN: If at any stage you consider that the evidence that you give us in the public interest should be seen or heard only by the members of the Committee then the Committee would be prepared to resolve into confidential session so that that might happen. If you would like to give us a brief statement as to what your position is and then we will ask you some questions.

Ms McKAY: I have a lot of material, so I would just like to make the presentation.

CHAIRMAN: So what you would like to do is formally table that information so it becomes part of your evidence and speak to it?

Ms McKAY: I have some things to hand out to people that I would like to hand up. Firstly, my background is a legal background. I am a law student, obviously, so I have a major interest in the legislation which is now before us.

Ron Bartsch, who is now working at CASA, suggested in a book that he wrote, *Aviation Law in Australia*, that there is no specific legislation for aircraft noise in Australia. That is a major problem.

I have had to go through all this legislation just to see what I can do about the environment. When it comes to height you have to go to the Civil Aviation Regulations, section 157, which is far too wide, because you have areas such as Milperra, Georges Hall and other surrounding areas which are in flying training areas. That is a major problem. That can weaken the height of aircraft, which are meant to be a thousand feet, but if they are in these areas they do not have to be, necessarily. Also, when we talk about what particular environmental concerns or regulations exist there is a major problem with what actually is meant by Commonwealth jurisdiction aircraft.

I have two letters, one from Air Services Australia and one from the Minister of Transport and Regional Development, Mark Vaile. Air Services has given a narrow view on that, just relating it to different kinds of aircraft, whereas Mark Vaile has given a broader definition, which entails aircraft flying into and out of Bankstown Airport.

I would suggest that to have truly environmental protection for the areas surrounding Bankstown Airport we truly need to consider that under the Air Services Act we need protection for all aircraft flying into and out of Bankstown Airport.

The other problem is that limitation of movement is non-existent. The Sydney Airport Demand Management Act 1997 gives it to Sydney Airport but not to Bankstown. There is also no curfew such as the Sydney Airport Curfew Act 1995. I have from Howard Knox himself a statement such as the following:

The airport is open for operation 24 hours per day. However, aircraft circuit training is prohibited after 11.00 p.m. Monday to Friday and one hour after last light on Saturday and Sunday until 6.00 a.m. the following day.

This is not a mandatory—I guess you would know the meaning of mandatory—expression; this is only a restriction, which does not necessarily really mean anything. If you contravene it, it does not mean it is illegal. We want something set down in writing. We want a legislative curfew, a parliamentary curfew. Residents want greater regulation.

At the beginning of this year I did a survey door-knocking people in Milperra. I door-knocked over 90 households and surveyed over 180 people. The preliminary results from 150 of those surveys show that 119 want greater regulation, 118 want a curfew, and I think that some people have suggested—as in the airport authorities and some others—that there is not actually a proper curfew at Sydney Airport.

Let us not lessen the effects of Sydney Kingsford-Smith. Why do not we tighten it? We want a curfew. The Sydney Airport people surrounding the area want a curfew. Give it to us both and not use the relative argument.

The other thing, too, is that there is a total lack of bureaucratic mechanism for environmental protection. When we are talking about the Minister for Transport and Regional Development, no EIS was done on the aircraft and changing flight paths.

You have already seen Gary Blaschke's overhead. Nothing was ever done in relation to frequency or height of those aircraft. They are affecting areas surrounding Bankstown Airport. Bankstown Airport has no fair-share policy. Why has it not got a fair-share policy when it has movements that in particular years far exceed, almost double, the number of movements at Sydney Kingsford-Smith? This is something that we just demand to have, as you have already heard.

We have talked also about breaches. I wish that Air Services Australia and CASA were here. It is a bit unfair that you have only Bankstown Airport Limited and not the other two.

Breaches occur to section 166(1)(g) of the Civil Aviation regulations. When an aircraft takes off from an aerodrome at Bankstown Airport it should be going straight ahead, and when it reaches 500 feet it is meant to turn left or right. That is not happening.

Avis Langton has aircraft flying over her house basically at rooftop level, and that is a major problem. Avis Langton, who is a resident, will hold up the photo for us.

The other thing is that we are talking about the layer effect. You alluded to the layer effect previously. I have in my possession—I wish I had it on the overhead projector—a picture of a B767 aircraft flying over Bankstown Airport at 1,200 feet climbing to 2,650 feet at Milperra going in to land at Sydney Kingsford-Smith Airport. I would just like to visualise it with you.

We have a layer effect. Around Bankstown Airport and Milperra, I know from personal experience, we have a thousand feet. At a thousand feet you are supposed to have training aircraft. You are supposed to have departures and arrivals somewhere amidst that, and then you have this particular Air Services Australia track, which shows heights such as that. Where is everything supposed to fit?

I conclude to you that what has been happening since 1996—maybe it has been alleviated slightly in the last couple of months—is that the layer effect has been forcing down aircraft in relation to Bankstown Airport. There is no other logical solution.

If we are going to say that this is not the proper height, I suggest to you that Air Services Australia should do something about its system. I did suggest this to CASA, which said that as long as they are flying above a thousand feet there is nothing illegal.

There is meant to be a buffer zone over Bankstown Airport. This buffer zone obviously can be penetrated, if I can use that strong language. I suggested to Air Services Australia that, in effect, these particular aircraft from Sydney Kingsford-Smith Airport were flying lower and disturbing residents. We had not heard a jet aircraft over our area prior to 1996. The response I received from Air Services Australia was:

In relation to your request for the altitudes on the pre-March and post-March tracks, this is not necessary due to the fact that they are effectively identical. As aircraft are arriving via the same standard arrival procedure and flying into the same profile for the same runway it can be concluded that they will be in the same altitude range.

Air Services Australia should have more information than this. It should have proved to me height differences. It should have proved to me that aircraft were flying at 1,200 feet above Bankstown Airport, above Milperra, which was my centre of concern.

At BACEF's second public meeting, Mr Michael Hatton, although he endorsed, I thought, the airport, which was a bit disconcerting, did us a service by stating:

We have a major noise problem now in Bankstown. We have had for a number of years because of the operation of Kingsford-Smith and how the flight paths have been changed. I have watched as the height at which those planes fly has got lower and lower and lower. They bump up a bit and then they go down.

So it is not just me. If I can get off that particular subject, I would like to allude to problems directly relating to Air Services Australia and CASA. If there are proposals to send regional aircraft to Bankstown Airport, there is a major problem and flaws inherent in the system. Peter Morris back in 1995—this is quite a few years ago—stated that there were major problems. He stated in *Hansard*:

Of constant concern to people coming before us was the noise hotline service. It was evident that that has not been operating in a way that provides satisfaction and information to people. People constantly complained that when you ring a hotline service you get an answering machine. You leave a message to be called back and no-one calls back. They ring to complain about the aircraft that is overhead. There are no aircraft in the air because it is not showing on the chart. Propeller-driven aircraft moving around that do not have transponders are not showing up on the noise charts. That is another matter that needs to be looked at.

This week's paper asked, "Is anyone at home at Air Services' office?" That alludes to the problems that we are having at Bankstown and in relation to flight paths. I can state on oath from personal experience the comments that I have received from Air Services Australia—and I will not say that all have said this but a few have said:

Have you thought about moving? You are just thinking about it because it is being publicised. I know it affects some people more than others. The airport has been here 50 years. The airport has been here 70 years. No-one else is complaining; you are the only one from your area. You are part of the city; you should expect it. You are kidding.

Now, sentiments such as "You are part of the city" I suggest to you are the same sentiments, according to the *Sydney Morning Herald*, that Mark Vaile has been suggesting. I have a copy here of that particular piece from the *Sydney Morning Herald*, but I cannot actually find it.

CHAIRMAN: You can table those later and just speak to it now.

Ms McKAY: If I can then go on to the fact that people have been receiving responses from the comments that have been made by Air Services Australia and the Civil Aviation Safety Authority which show a lack of respect. There has been a lack of response. People are getting on the complaint line. Nothing is happening. They just get fed up with it, frustrated and aggressive, as Mr Knox himself knows—people have rung him up and been aggressive on the telephone. That is perfectly understandable. It is more than understandable.

Time lengths of replies have been too long. One big thing that you want to get on with is the runways, and I do want to get on to that now. This all relates to a lack of community consultation and protection. You asked whether there any EIS was done. I wrote to the Minister for Transport and he wrote back and said:

Under the new legislation there are strict guidelines.

This new legislation is the Airports Act 1996, which you know. Section 89 alludes to major development, and that needs ministerial approval. Prior to this it was the Federal Airports Corporation Act of 1986. I was told by the Minister for Transport—not verbally but through a written reply—that the Federal Airports Corporation Act 1986 does not include the types of planning requirements set out in the Federal Airports Act 1996, although the FAC is subject to the EPIP Act.

This Act outlines the compulsory process of public consultation and ministerial approval that incorporates assessment of environmental impacts such as the noise pollution effect on those areas surrounding the airport. I suggest to you that nothing happened as to that.

Before I go on I have a tape, which I hope will come up on the microphone, and I hope to get to the projector shortly.

CHAIRMAN: We have run out of time, but you can leave the tape with us.

Ms McKAY: Can I then just show you the maps because this is pretty important? You all have copies of the two diagrams. Those diagrams are from a government source. This is another bigger diagram, and if I can ask your indulgence I would like you to peruse this diagram and look at the runways.

CHAIRMAN: We will have a look at it during the break for morning tea.

Ms McKAY: I have notes here that say that the 18/36 runway, which is the one going down, and the middle runway have both been extended by 300 metres, and that is said to be the operational capacity of those particular runways. The physical appearance of those two runways has also changed. This is a big thing. If I can concentrate on the centre runway, it is a big difference because you are going from 1,111 metres to 1,415 metres. Under the RPA—the Rules and Practices of Airports—there are certain runway lengths, which means that certain aircraft can use those particular runways. We are talking about the code. Code 1 goes from nought to 800 metres; code 2 goes from 800 to 1,200 metres; code 3 goes from 1,200 to 1,800 metres; and code 4 goes to 1,800 metres and a bit beyond.

I suggest to you that effectively the change in the middle runway means that we have gone from code 2 aircraft to code 3 aircraft. This includes Saab 340s.

I was trying to find out what kind of aircraft have to go to Bankstown Airport. We are talking about regionals. I rang up Hazeltons. We are talking about Saab 340s. If this was two years ago I do not even know if we would be here because we would not be able to fit code 3 aircraft on to this middle runway. That is a definite change in the functioning of that runway. We have different type of aircraft being able to use this runway.

When Howard Knox and Barry Thompson were asked why was an EIS not done on this the response was, "There has been no extension so we would not need to." That is not the exact quote but it is along those lines. You have before you the transcript of that conversation. That relates to the Council Meeting on 23 June of this year.

There have been proposals to further extend the runway. At a meeting earlier this year which Councillor Ian Stromborg, Daryl Melham, MP, and other residents, including myself, attended, not only was an extension of a runway discussed but, more than that, a length of 130 metres was given. I asked someone connected with construction, "If Saab 340s can already land there why would you want to further extend the runway?" The answer was "You can put more weight in them."

I am frightened that this airport will have freight facilities, as suggested in the 1982 master plan. I am also frightened that heavily laden aircraft will start to become a thing of habit. Aircraft flying over in 1996 became a habit by the end of December when over 200 flights were going over Milperra, which included helicopters, the majority of aircraft from Bankstown Airport as well as aircraft from Sydney Kingsford-Smith Airport. That is not a fair share. That is an environmental catastrophe.

BACEF has over a thousand signatures relating to the opposition to the Olympic role of Bankstown Airport and increased aircraft traffic, which is not unrepresentative, so we are getting there. People are going to be so sick of what is happening that they will say, "No more. That's it." And that is what people are saying.

CHAIRMAN: I will have to ask you to stop there. Will you table that petition to which you just alluded?

Ms McKAY: Yes, but can I send it to you?

CHAIRMAN: You have a petition from people objecting to regional air services?

Ms McKAY: If I can relate it to regional services, people do not want an increase in aircraft traffic. They are sick of what has been happening. There have been extensions to runways. No matter how you define it, the appearance has changed and also operational procedures. I would also like to table this document. A resident told me that the FAC annual report—I am not a bureaucrat so I do not know the significance of this—shows the 1996 and 1997 difference in those runways. What does that mean?

The Hon. I. COHEN: We will be interested to read it and I do not think this inquiry today is the end of it.

Ms McKAY: I hope so. I hope there is more.

The Hon. I. COHEN: I am very interested in seeing more. I am wondering what would your community organisation find acceptable in terms of curfews, controls, the types of aircraft and also what sort of process in terms of development of this airport, size wise?

Ms MCKAY: No development. No more expansion, that is pretty obvious in relation to that. What I suggested regulate aircraft operations and educate pilots in the community about these regulations, monitor the regulations, enforce those regulations and also compensate noise affected areas through public frustration and operations. We are also asking for limitation of aircraft up to 20,000 kilograms. Obviously a Saab340 is not - -

The Hon. I. COHEN: In terms of the layered effect, could you describe to the Committee what your community would find acceptable in dealing with that layered effect?

Ms MCKAY: No more Sydney aircraft coming over the Bankstown area. The Minister for Transport and Regional Development needs to go back to the drawing board, review what he is doing and have acceptable aircraft noise over specific areas.

The Hon. I. COHEN: Given these conditions, would your community group find it acceptable to then live with a Bankstown Airport as you are describing?

Ms MCKAY: If there was limitation of movements, a curfew, the compensation procedures in place. As Gary Blaschke has already said, people are saying to me, "I'm just so sick of it, I do not want it any more". It is not me saying it, it is other members of the community and we are doing the job of Air Services Australia in CASA. I am not being paid. The people who are also working with BACEF are not being paid, yet Air Services Australia and CASA are.

The Hon. I. COHEN: In terms of the curfew, would you give times that you would see as acceptable to the community and how does that tie in with the training flights?

Ms MCKAY: Repetitious training flights are just not desirable. They are frustrating to the community. People have said to me within Milperra, "I'm going to leave in two years time, I cannot handle it any more". Limitation of movements - we would fix up the air training problem. Curfew, there was a resolution to go from 11 p.m. to 6 a.m. In Chipping Norton from Air Services Australia's their own documents, there is still a problem for people affected between 6 a.m. and 7 a.m., obviously because the aircraft go over that area. So the resolution is 11 p.m. to 6 a.m, but possibly 11 p.m. to 7 a.m., depending on more community consultation.

The Hon. Dr B. P. V PEZZUTTI: The airport is obviously an important part of the infrastructure of Sydney. This is the Prime Minister's electorate and during that time it was obviously seen to be an important part of Australia's infrastructure in terms of air transport. From a regional point of view, access to the city is vitally important to all of us. None of us want to go to Bankstown. How do you propose for country people to have access to the city if we are not to land at Bankstown?

Ms MCKAY: Would not the Minister for Transport and Regional Development - -

The Hon. Dr B. P. V PEZZUTTI: You are putting to me that the people of Bankstown are sick to death of aeroplanes, do not want them. The people in the eastern suburbs do not want them. Where do people from Lismore who want to come to the city land?

Ms MCKAY: All I can say to you is that there has been a push for an airport outside the Sydney basin. Badgerys Creek - -

The Hon. Dr B. P. V PEZZUTTI: Hang on, for people from Lismore coming to Sydney, you are seriously proposing they land outside the Sydney basin?

Ms MCKAY: I am not. If I can keep answering the question, there has been no actual conclusion made from the Holsworthy and the Badgerys Creek EIS which actually suggested some sort of solution for the Sydney basin. You now have extent of aircraft movements which far exceed what can be going in the air. Something needs to be done about that. Noise pollution is one of those definite problems. We cannot keep putting more and more aircraft in the Sydney basin.

The Hon. Dr B. P. V PEZZUTTI: Of the one-third of the 235,000 aircraft movements at Kingsford-Smith - -

Ms MCKAY: But Bankstown has over 400,000.

The Hon. Dr B. P. V PEZZUTTI: Some 33 per cent of those are currently regionally oriented. That is a large number of movements. How do you propose that we should ensure that they continue to land at Kingsford-Smith given your input and your knowledge of the system?

Ms MCKAY: Did not something happen at Goulburn a little while ago? I was alerted to it by some people in Sydney that the Minister for Transport and Regional Development said something about a 12 per cent slot time alleviation with the fast train. I am just wondering, it was only suggested to me, so I do not understand from that why aircraft need to come to Bankstown Airport if there is definitely or if there is a proposed 12 per cent alleviation slot time.

The Hon. Dr B. P. V PEZZUTTI: Have you heard of any proposal to bring regional aircraft to Bankstown? People from the State Government and Federal Government both said they are not moving. Why is there such anxiety about the possibility of regional passengers landing at Bankstown?

Ms MCKAY: Obviously they have increased the runway to take in Saab 340s. That is a definite problem. When these extensions go ahead without community consultation, there is much anxiety. When you talk about the 1982 master plan which talks about further expansion to which Howard Knox keeps alluding, it also shows freight facilities in that. We are worried about that. We are also worried to the extent that there is misleading information. Why is it that we are told that there is an extension which is guidelines to the 1982 master plan that continues on and then all of a sudden there is nothing? There are no plans, there is no approval, no funding. What happened within that time? Are we being seriously misled to by these people to such an extent where it is an deception? I am having problems with this. I am seriously scared about this and I think the community is as well, which they are telling me.

The Hon. I. M. MACDONALD: What disturbs me a little is are you suggesting, say, if there was a properly regulated aircraft movement scenario developed for Bankstown with community consultation and a curfew in place, you still would not accept regional aircraft coming into Bankstown?

Ms MCKAY: Regional aircraft include Saab 340s. They have bigger than 20,000 kilograms as far as I know. I stand to be corrected, but as far as I know they are a bigger aircraft. We do not want bigger aircraft.

The Hon. Dr B. P. V PEZZUTTI: They are only 13 tonnes.

Ms MCKAY: I will go through a bit of my thing. I know they are bigger aircraft, 36 seaters. We are still talking about a BAe 146 which does exceed 20,000 kilograms. A BAe 146, there are definite problems because when we are talking about those aircraft, they are still passenger aircraft, they are still noisier aircraft, as has been alluded to, so we still have a major problem.

The Hon. I. M. MACDONALD: What is concerning me about what are you saying, and do not get me wrong, I support the regional services staying at Kingsford-Smith, but I am worried about this cutting off of the options as to where we go in the future. For instance, I see Goulburn as a total fantasy, something that is unrealistic within Australia's capacity to do anything of great significance in putting resources to it. I think the last great significant thing we did was the Snowy Mountains Scheme, so we are not going to have an airport outside of the Sydney basin in the foreseeable future or whilst we are around. In the Sydney basin in an increasing market and increasing demand for air services, how do we jig it so it is a sensible arrangement across the Sydney basin?

Ms MCKAY: Can I use the projector to answer that?

The Hon. I. M. MACDONALD: A Dash 8 is 12 tonnes.

Ms MCKAY: It still looks big to me and it still looks noisy. There is a BAe 146.

The Hon. Dr B. P. V PEZZUTTI: They are 42 tonne. The Saab is 12.3 tonne.

Ms MCKAY: Okay, I said I could be corrected on that. The problem is this. You want to talk to me about what I should be doing. This is "Falling on Deaf Ears". I guess you know about this, if I can just pass that to you. Within that document there are letters about people who have been unhappy about the third runway extension. With that third runway extension as I can see there is not a proper EIS towards that. People have been having educational distractions. They have been having major problems in relation to their outdoor activity. They are just having major problems.

I am coming from what the community is talking about. I am coming from what I have got here in front of me, what I have been told. Everyone keeps talking about the NIMBY problem. Take a look at the letters. Take a look at how people are being affected by all these things. I am suggesting to you here and now, with your indulgence, we need to consider people. If you are talking whether productivity based, people need to be able to survive. They need to be able to go to work in the morning. They need to be able to access their brain and not have major distractions. They need the capacity for their cognitive perceptions that they have.

The Hon. I. M. MACDONALD: I am still unclear as to how you see it. If you have a curfew, for instance, and greater regulation of this current airport, I am unclear as to why your group would oppose, say, 12 tonne Saabs. There is a clear decibel difference between that and a jet.

Ms MCKAY: Like I keep saying - -

The Hon. I. M. MACDONALD: I fly these planes quite regularly around regional New South Wales. They are not a 747.

Ms MCKAY: This is a changing in the function of it. Are you actually the Green or the Labor Party?

The Hon. I. M. MACDONALD: Labor Party.

Ms MCKAY: As I saw it, I thought that the Labor Party's position could have been from Michael Hatton's impression, that you would oppose a difference in functioning of the airport, an expansion of the airport. I presume that still goes. The airport has changed. The airport has expanded and that is what I wanted to allude to. We do not want a change in the functioning of that airport. Where is it going to stop? When is it going to end? Are we going to keep on? I assumed that the actual capacity of that particular airport was around 400,000 or 500,000 movements a year. That is getting to that.

The Hon. I. M. MACDONALD: It might be cutting back the movements, if it is regulated and a curfew is in.

Ms MCKAY: We are not being consulted on such things. Where is the consultation?

CHAIR: Thank you very much for your time today.

(The witness withdrew)

BARRY EDWARD THOMPSON, General Manager, Affiliated Airports of Sydney Airports Corporation Limited, and

HOWARD LYLE KNOX, General Manager, Bankstown Airport Limited, sworn and examined:

CHAIRMAN: Did you receive a summons issued under my hand under the provisions of the Parliamentary Evidence Act?

Mr THOMPSON: Yes.

CHAIRMAN: Are you conversant with the terms of reference of this Committee?

Mr THOMPSON: We are.

CHAIRMAN: You made a submission to the Committee. Would you like that to be part of your sworn evidence?

Mr KNOX: Yes.

CHAIRMAN: If you should at any stage you consider that any evidence you will may wish to present should be heard or seen by the Committee only, the Committee will be willing to accede to your request.

Mr THOMPSON: What I would like to do is make an opening statement which I believe puts the position of Sydney Airport Corporations Limited and Bankstown Airport Limited firmly on the table. We would then like to address some of the issues which we understand are causing concern in the community and then make a final statement. I want to state categorically that there are no plans to extend the runways or to transfer regional aircraft from Sydney to Bankstown. Any future plans - because I obviously cannot rule out what governments may decide - if and when developed cannot be implemented without ministerial approval under the Airports Act 1996 and we can refer you to the particular clause if you need it and that particular clause requiring ministerial approval requires community consultation.

A great deal has been made in evidence this morning about lack of consultation. The difficulty we are having is that it is difficult to consult about something that we are not doing. We have the traditional problem of trying to prove we are not doing something. We have no plans to transfer regional aircraft from Sydney to Bankstown. I understand from evidence given this morning and from a meeting we attended and from observing newspaper reports and so on that there is a great deal of concern in the community about what people think we might be planning, although as I have just said, we are not planning anything. To some extent that might even be considered in a particular light as being part of a scare campaign.

I would like to table two documents to back that up. Each of those documents has an illustration on it. In one case a "Let's not have" with the circle with the slash sign for a Boeing 747 with its wheels down and another one at rooftop height and another one which shows a twin engine aircraft, probably an Airbus by the look of the drawing, in a similar situation. Those sorts of drawings in publicity are calculated to make people frightened as to what might be happening, which is unfortunate.

A number of points have been made either in the local media or in direct representation to us or in private conversations about things we are doing or planning to do at Bankstown Airport and I would like to briefly address some of those to set the record straight. At various times we have been told that we are planning to or have already extended the runway to accommodate Learjets. On the assumption that Learjets means Learjets or even on the assumption it means corporate jets, I need to state that is absolutely unnecessary because the runway at Bankstown is capable of handling that type of aircraft and has been for a considerable number of years, so we are not doing anything to enable us to handle what we are already handling.

It has been stated that we are buying property up to the hospital which is to the eastern end of the runway in order to extend the runway. I have not authorised any such expenditure and we are not talking to anyone about that, but it is typical of some of the statements being made. It was said that we are installing a secret landing system which would enable regional aircraft to land at Bankstown. On later evidence that proved to be the development by Air Services of GPS approaches for Bankstown airport. That is not an instrument landing system, it is merely a matter of getting lined up with the runway. GPS approaches are being developed for almost every airport and aerodrome in Australia.

We have been accused of either building or beginning to build a new passenger terminal. No such construction is envisaged. We have been told that we are building facilities that will handle Boeing 727s, 767s and 747s. Again, none of that is intended. The reference appears to be back to the MANS study of 1979 and the then draft master plan - and I stress that master plan was never confirmed; it is in draft format - which mentioned Boeing 727s but that was in the early 1980s context and a lot of aeroplanes have flown over the ground since then. It has been stated that we are building facilities for customs and immigration at Bankstown. That is not true. We are not even talking to customs and immigration about how those international services which operate at Bankstown might be handled on the assumption that those services come for the Olympics, but we are certainly not looking at anything else. It is claimed that circuit heights have been reduced.

Mr KNOX: The last change to the circuit height was the training circuit on the southern side of the airport. That was increased from 800 to 1,000 feet, not decreased, in 1990. It has not changed since then.

Mr THOMPSON: There have been claims that the flight paths around the airport have changed. That is not true, although we do acknowledge a claim made by one of the earlier people giving evidence this morning that from time to time various pilots do not follow those flight paths and a discussion was given about the need to climb to 500 feet before you turn. We do not endorse that. If we can find evidence of that happening and we can track down the pilot, we will do what we can to put that right, although it is strictly an Air Services program. That is a problem for us and we will do something about that and we have from time to time brought sufficient evidence to employ the attention of these practices by pilots, causing those pilots to be dismissed. We agree that should not happen. There are claims that there have been a huge increase in aircraft movements.

Mr KNOX: The busiest year for Bankstown Airport was in 1989 and that was 443,000 aircraft movements. The figure that you were shown this morning that rated Bankstown as the fifth busiest in the world happens to include the movements at Camden also in our figures, because under the FAC I also was responsible for Camden and Hoxton Park. But let me tell you, if we take the Camden figures out of our figures we still remain the fifth busiest airport in the world. The current movements last year for Bankstown was 406,000 aircraft movements and if you went back to 1993, 426,000. 1995, for example, was 375,000, so they have fluctuated but the busiest year was 1989.

Mr THOMPSON: There was some discussion on consultation. Again, the difficulty having consulted on the issue that is facing this Committee is the fact that we have nothing to consult about because we have no plans to do anything. As I have already indicated, the Airports Act 1996 makes it quite clearly incumbent to enter into such discussion but obviously we have to have something to talk about first. We have given an undertaking that when and if somebody, but not us, makes that decision we obviously will be required and will willingly enter into consultation. The reason for no consultation on those particular issues talked about this morning is, again, there is nothing to talk about.

The implication though was that we did not consult at all. That is not correct. In 1986 from memory when Peter Morris was the Minister for Transport, he asked all airports to establish consultative committees. Bankstown Airport established such a committee and we have had direct consultation with members of that committee on a quarterly basis since that time.

Mr KNOX: The committee is made up of representatives from the aviation industry, the State Government, the Federal Government and the community. The committee comprises members from the ACTU, Bankstown city council,

Liverpool city council, General Aviation Association, Bankstown Airport Chamber of Commerce, the airport management, Air Services Australia, and a community representative. In the instructions for selecting that person, that person had to represent the local community and was elected and that elected person was able to go back and report to their community through public meetings held on a regular basis.

Mr THOMPSON: That representative is in fact a representative from the Georges Hall Progress Association as I understand it. There was also in recent local newspapers a statement that the airport did not consult on developments on the southwest corner of Bankstown Airport. As an example of lack of consultation, the southwest corner is the junction of Milperra Road and Henry Lawson Drive. We have made no secret of the fact, in fact we had discussions with the consultative committee on the development of that corner as a prime commercial development site, and there has been evidence through the minutes of the consultative committee since round about 1992, maybe 1991. So to claim that there has been no consultation on the southwest corner is obviously false.

In regard to the drain which perhaps was one of the causes of this exciting exercise, it was assumed by a number of people, incorrectly, that what we were doing was extending the runway. What we are doing in fact is altering a drain which was alluded to this morning. The current arrangement with the drain leads with a minimum amount of rain falling to flooding of the airport. That was largely caused by the design of an intersection of two drains both of which are not draining the airport but Condell Park and Georges Hall which happen to run across the airport and we have relocated and we have a drawing which we will table for you, a better smoothing of the confluence of the two drains so the water will not back up and flood the airport.

At the same time you will notice that that particular drain is only a few metres away from the threshold of the main runway. Some few years ago we managed to pipe and put underground part of that drain. It has subsequently been a major source of concern for us—the safety of aircraft overruns, particularly in wet weather. We managed this year to obtain enough funds to continue that work. That is all that is happening there at the moment. It is just a drain.

I can understand people looking at the works and saying, "What are they doing?" I can understand why it is not accepted that all we are doing is doing the drain. If you look at it, it is quite obvious what it is. If you would like to come out, we will gladly show it to you.

In regard to other items which have been discussed this morning, I think they might lead to you raising some questions. However, we have a partial correction on one item regarding the aircraft that might operate into Bankstown.

Currently the aircraft are of the Saab 340-Dash 8 category, which operate into Bankstown on an ad hoc basis from time to time, and we can provide photographic evidence of that. Runways are currently long enough and strong enough to handle them. They will not handle aircraft that require wider runways.

There are three components for runways that are important: it is length; it is width, because that governs the types of aircraft you can use within the runway; and it is strength.

Mr KNOX: The main runway at Bankstown Airport, 11/29 centre, has a design pavement strength of 20 tonnes, but it will take aircraft up to 50 tonne on a limited basis. Just like council roads, we have weight restrictions. You cannot take a three-tonne truck down the road, but the garbage truck, weighing seven to 10 tonnes, goes down the road every week. That is the same principle on which we can allow larger aircraft in on an ad hoc basis. Aircraft such as the Super Constellation can come into Bankstown.

The width of the runway is also a critical factor. Aircraft such as the Boeing 727, 767, 747 and those large-type aircraft are certified only to operate on 45-metre wide runways. The width of the runway at Bankstown is 30 metres. They cannot operate on that runway.

The Hon. Dr B. P. V PEZZUTTI: What about 737s?

Mr KNOX: I believe they can get a dispensation. They operate into Ballina. The limiting factor on the 737 is the weight and the length. It just will not fit. It could fit in with no fuel and no passengers. It would land but it would never take off.

Mr THOMPSON: Just one other point regarding curfews and aircraft operating in curfews. The aircraft which operate at Bankstown are all permitted to operate in Sydney during curfew hours. If you want the same curfew at Bankstown as you do at Sydney, the operations at Bankstown would not change. You would have to have a different sort of curfew.

In particular, concern was expressed about a BAe146. There are some issues associated with that aircraft, but I would point out that whilst that is a jet aircraft—and I am sure that on country services you have probably flown in it—you should realise that that aircraft is also permitted to operate at Sydney Airport during curfew hours. It is an extremely quiet aircraft. It operates at Sydney and also at London City without curfew.

Mr KNOX: The reason for this Committee inquiry is about the transfer of regional traffic to Bankstown. As Barry said, there are no plans. But I should tell you that there have been regional operations out of Bankstown Airport since the early 60s. Operators have run services out of Bankstown. Tamair started its service from Tamworth to Bankstown. Western Airlines, Sydney Airways and quite a few charter operators who have gone into the regional market started up their operations out of Bankstown. We have a terminal at Bankstown that has the capability to handle 200 passengers an hour. It is there. We do not have to build it.

Mr THOMPSON: In conclusion to this part can I just repeat what I started with? We have no plans to transfer any regional aircraft from Sydney to Bankstown. If any such plans are developed in the future, probably under political pressure, those works will not be implemented or not even contemplated under the Airports Act 1996 until there has been adequate consultation with a wide-ranging group of people, including local residents, and environmental impacts of all those developments have been considered.

CHAIRMAN: The passenger services from regional areas that have operated in past years, including Tamair, which no longer operates, were obviously RPT services, but they are not services covered under the current regulations of the Air Transport Council. They could not get a licence to operate into Sydney so they only operated into Bankstown.

As the Hon. Dr B. P. V. Pezzutti mentioned this morning, that is only part of our inquiry. There are five parts to our inquiry, and one is whether the Government should continue with the regulation of country air services. There have been some suggestions. You said this morning that there are no proposals for regional air services to come to Bankstown. But there have been suggestions that for a couple of weeks over the Olympics there might be some proposals to divert regional airlines to Bankstown. Can you tell me whether you have been involved in any discussions about that possibility?

Mr THOMPSON: Both Sydney Airport Corporation Limited and Bankstown Airport Limited are part of various discussion groups, and there are quite a number of them, examining the options for the handling of aviation traffic during the Olympics period.

Firstly, we believe that there will be increasing operations at Bankstown Airport of the types of aircraft that are currently there. It is going to pull people and aeroplanes in from all over the country. There will, of course, also be people coming in in corporate aircraft. We are led to believe, for example, that Coca-Cola may be sending a large number of its fleet of Grumman G4 aircraft, which currently operate at Bankstown, into Sydney, and they will need to be handled.

The issue is still very much at the early discussion stage, and I would caution anybody jumping to conclusions that this will happen, but obviously we have to start to think about the sorts of things that might happen. None of them is at the stage where it would have any real flesh to it to warrant development scenarios.

CHAIRMAN: So there are no proposals to bring in regional air services during the Olympics?

Mr THOMPSON: There is no such proposal. It is on the list for consideration, but that is different from proposals.

CHAIRMAN: As you would be aware, there is an enormous amount of pressure from country councils to make sure that regional aeroplanes can continue to go into Sydney Kingsford-Smith, and a newspaper article in the *Financial Review* in recent weeks when talking about David Mortimer mentioned an FAC discussion paper which suggested that there could be \$5 million worth of extensions to the present runway at Bankstown, which would allow 38 per cent of regional general aviation in Sydney to divert to Bankstown. Have you any comments on that? They are the sorts of things that really frighten country people.

Mr THOMPSON: I would like to direct you down one further paragraph where it also says that Mr Mortimer said that the different options for Bankstown had been given much thought—with which I agree, and I have already said that has happened—but there were no plans to do anything at this stage. It is part of the discussion.

I understand how people would react to that. Obviously what we have to do is discuss all the possible options, and there is a wide-ranging number of options, including the use of places like Wollongong, Newcastle, Canberra, Essendon in Melbourne and Archerfield in Brisbane. So there are a whole range of options available.

It is just a little unfortunate that the newspaper article concentrated on one option, which I understand is relevant to people here, but they are at this stage just options which are being looked at, and absolutely no decisions have been made yet on which way it is likely to go.

CHAIRMAN: You can see from that that there is a lot of concern in country New South Wales about the possibility. No-one will actually own up and say, "We are proposing it", but the rumours have been round for years, and that is one of the major reasons we are here today. So you can see the concern of country people about being forced out to Bankstown. Probably of the order of 80 per cent of country people, if that were ever to happen, would choose to drive rather than fly. I know in my own situation there is three-quarters of an hour difference—I am five hours from here—in getting to the CBD by car or plane.

One of the concerns of country people is how do we get a guarantee. You said there is legislation in effect that says there has to be community consultation if there is to be any change of use at Bankstown. How can country people be assured that Kingsford-Smith will always be available to regional airlines at an affordable rate? Is there some discussion?

I am not sure that you are aware of suggestions at the Country Summit that there be a charter of user rights. We have heard from a number of councils that they are concerned that that is not worth the paper it is written on and that it should be more than that, that perhaps there should be a change to Federal legislation that would ensure that country people would be guaranteed affordable access forever to Kingsford-Smith. Have you any comments on how we can lock that in?

Mr THOMPSON: Can I leave the word "affordable" out for a moment? I have to do that to make sense of what I am about to say. I will come back to "affordable". If not, you will remind me. The first thing is that access to Sydney Airport by regional air services is currently guaranteed by regulation.

CHAIRMAN: Not by legislation?

Mr THOMPSON: No, by regulation. That is in the slot management systems. I cannot recall what the actual regulations are called, but that guarantees the regional services that have access to slots at Sydney Airport. Those slots will remain as slots available only for regional services.

The procedures by which the slots can be given up and acquired by other services require a minimum of two years for events to happen and, therefore, it would not be easy. In fact, the airport can do nothing about it. It is obviously an issue

for other people. But those regulations ought to provide a great deal of comfort for country people and the people of Bankstown. The services at Sydney cannot be pushed out to Bankstown under that slot regulation system because there would be no point. The slots would just sit empty because we could not use them in Sydney. Now admittedly it is a regulation and the problem we have is that word, "guarantee", but with all due deference to political parties, governments can change regulations and legislation as they see fit and have the numbers to do.

CHAIRMAN: It is a lot easier to change regulations.

The Hon. Dr B. P. V PEZZUTTI: That is not so. Regulations can be disallowed by one House whereas with legislation it requires two Houses of Parliament.

Mr THOMPSON: That is my problem with your word "guarantee". Political process can change anything, whether it is regulation or legislation. I cannot give that guarantee. For those of you who know the process better, I think you are probably in a better position - -

CHAIRMAN: That slot management scheme really only guarantees a certain number of slots to the maximum of 80 for the whole use of Kingsford-Smith Airport but one of the concerns that country people have is that they are issued to an airline for regional services, not necessarily to a town, and some of the smaller areas are concerned that they might be traded internally in the same airline.

Mr THOMPSON: They are issues you ought to take up with your Federal colleagues who handle the regulatory slots. We are not attempting to use that or any other means of pushing them out. What happens is that those slots still exist, so we have no vested interest in moving them as an airport operator. It really is a legislative or regulatory issue that you ought to take up with your Federal colleagues.

CHAIRMAN: Can you make any suggestions as to how we can really lock in country airlines to continue to use Kingsford-Smith Airport?

Mr THOMPSON: I am never quite brave enough to tell Ministers that this is what they ought to do to solve those sorts of problems. You probably have better access to solve those problems. From a personal point of view, I think it is a matter of the country people making adequate representations to their Federal members to change the legislation.

CHAIRMAN: We saw a map this morning, admittedly it was a 1996 one. Are there any set flight paths at Bankstown? Sydney has now changed and there are a couple of particular tracks and I know, in fact I think it comes in not far from Bankstown, there is a Binkook west of Lithgow and another one near Hornsby, so all traffic is directed to those and they come in. Are there particular paths at Bankstown?

Mr KNOX: With Bankstown operation procedures, in the Bankstown terminal zone there is a three nautical mile radius that is air traffic control managed up to 1,500 feet. You are vectored as you take off. If you are taking off towards the east, you are turned around, speared back out towards the west of Hoxton Park Airport and if you are visual flight rules traffic you will stay down below the control zones. If you are instrument flight rules, airways clearance can climb up into controlled air space and you run into the same tracks that large aircraft do. For visual traffic travelling north, you travel up by the light aircraft lane and that goes from here to Rosehill then up to Hornsby and on to Brooklyn Bridge, and in the reverse, it comes back down via Brooklyn Bridge, Westmead into Bankstown and they are VFR lines. In the three nautical miles around the place, that area is designated terminal zone.

CHAIRMAN: Going the other way, vertically, this morning you might have heard evidence that traffic is restricted to 1,000 feet here and that some of the Kingsford-Smith aeroplanes come through at about 1,200. Are there any layers or buffer zones?

Mr KNOX: The traffic is restricted to 1,000 feet to give a 500 foot buffer. The aircraft should be at minimum height of 2,000 to give that 1,000 foot buffer between that traffic.

CHAIRMAN: So there should be no jets from Kingsford-Smith Airport?

Mr THOMPSON: At 1,200 feet. If they were they would have penetrated Bankstown control air zone and there would have been an air safety report and an investigation.

The Hon. Dr B. P. V PEZZUTTI: So there are no plans. We were told this morning there were plans to extend the runway by 300 metres. Is that possible and is that planned?

Mr THOMPSON: It is possible. We have sufficient land on the airport to do so but it is certainly not planned.

The Hon. Dr B. P. V PEZZUTTI: Is there a control or master plan for Bankstown Airport that exists at present?

Mr THOMPSON: A draft master plan was issued in 1982 which had drafts status only. Under the new Airports Act 1996 the airport is required to produce a master plan probably by the year 2001 to meet the new conditions. The difficulty we have is that the old conditions are different to what the new ones are now. We are in the process of thinking about how to develop a master plan for promulgation in 2001.

The Hon. Dr B. P. V PEZZUTTI: Would that be subject to consultation?

Mr THOMPSON: Yes.

The Hon. Dr B. P. V PEZZUTTI: Our interest is what is likely to happen if airline routes are deregulated. That is the basic reason for this Committee consulting widely. I have heard no interest from country people about landing at Bankstown, but there are a couple of other questions. Could a BAe 146 currently land at Bankstown?

Mr THOMPSON: The 100 series can do so, not a 200.

The Hon. Dr B. P. V PEZZUTTI: And the Brazilians, the 60C jets?

Mr THOMPSON: I am sorry, I am not sure of the details of those. If you like I will find out for you. Are they operating on a 146 or a 145? There are two different Brazilia jets.

The Hon. Dr B. P. V PEZZUTTI: I am not sure. Some evidence we heard in Lismore was from Ballina council where one of the airlines is considering buying 60 seater jets because the service is not big enough for the 113C 737s and they have not got enough BA146s. If the pilot of a 727 was having trouble landing, could such a plane physically land at Bankstown?

Mr THOMPSON: Obviously it could land. Where it might stop would be interesting. The landing length for a Boeing 727 is in the order of 2,000 metres as I understand. We only have 1,400.

The Hon. Dr B. P. V PEZZUTTI: Did I understand you to say there are currently the same rules about landing noisy aircraft in the curfew hours here as there are in Sydney?

Mr THOMPSON: No, what I said was almost all aircraft that operate at Bankstown are permitted to operate during the curfew at Sydney. There is no curfew at Bankstown other than the limitation on repetitive circuit training.

The Hon. Dr B. P. V PEZZUTTI: In other words, if there were, the planes that land here currently would fit into the category of planes that could land at Kingsford-Smith inside the curfew hours?

Mr THOMPSON: Yes.

The Hon. Dr B. P. V PEZZUTTI: You have already explained that no land has been acquired. Currently have you no plans to buy any land?

Mr THOMPSON: No.

The Hon. Dr B. P. V PEZZUTTI: And no plans to expand the terminal?

Mr THOMPSON: In fact, again, under the description of major development plans of the Airports Act 1996 to expand the terminal by even 10 per cent requires ministerial approval and consultation processes.

The Hon. Dr B. P. V PEZZUTTI: With deregulation of airline routes in New South Wales, if that were total, there would be nothing to stop Ansett starting up a service from Bankstown to Ballina, would there?

Mr THOMPSON: From an airline point of view that is correct. From the provision of adequate facilities, it would depend on the aircraft, how it would fit into the air traffic patterns at Bankstown. It might have been you or your colleague who said that putting additional aircraft of this type in might not increase movements; it might decrease them because you would have to clear some of the circuit traffic to handle them. A whole range of issues needs to be investigated, not whether the aircraft will fit on the runway or the terminal. In fact, in response to a similar question I listed about 50 items that needed consideration before we or an airline would agree to the operation of any such services.

The Hon. Dr B. P. V PEZZUTTI: What sort of costs would be involved for Bankstown Airport to receive the large number of people who are transported by regional - 1.2 million a year - into Bankstown Airport? What sort of expansion and costs would be involved for the new corporation to develop at Bankstown to accommodate country and regional services if they all moved?

Mr THOMPSON: I cannot answer that definitively because we have not planned that anything that would happen would be anywhere to that extent. It is beyond our thinking at the moment. Undoubtedly it would require the construction of a considerably bigger terminal in a new location. It would involve construction of additional roads, car parking, catering facilities, facilities to handle aircraft waste management. It may or may not require at that level of traffic the reintroduction of fire fighting services. It is an horrendous list. That is the 50-odd list I was working on and I have not attempted to quantify it. If you want a guess, you would not get out of it under \$30 million.

The Hon. Dr B. P. V PEZZUTTI: What would be the cost of the rumour of you buying the land towards the east of Bankstown hospital? That would be a huge amount of money would it not?

Mr THOMPSON: I have no idea nor do I understand the point of it. To handle the types of regional services operating at Sydney, from a runway point of view we can handle them now, so there is no point. We do not have to buy land.

The Hon. Dr B. P. V PEZZUTTI: From an air traffic movement point of view you could handle it?

Mr THOMPSON: It depends on what civil aviation authority standards are applied and how Air Services react to those. At low levels of activity they would probably fit in with what we have now. If you talk about moving all the 90,000 odd movements at Sydney to Bankstown, that is clearly not compatible with the existing operations of the airport.

The Hon. Dr B. P. V PEZZUTTI: Does the M5 East extension come anywhere near Bankstown?

Mr THOMPSON: Within two kilometres.

The Hon. Dr B. P. V PEZZUTTI: That would be an added expense if major passengers were involved?

Mr THOMPSON: There would have to be some interlink of getting passengers from Bankstown to Sydney.

The Hon. Dr B. P. V PEZZUTTI: Are you doing any other planning in anticipation of accommodating country or other regional airlines in Bankstown?

Mr THOMPSON: No, sir.

The Hon. E. M. OBEID: Can you tell us what the landing fees at Bankstown Airport are?

Mr THOMPSON: At the moment we have a system which is a continuation of what used to be the Federal Airport Corporations networking system called GAIT, which stands for general aviation infrastructure tariff, for aircraft weighing less than 10,000 kilos. Most people pay an annual fee much like a fee to enter a national park and if you pay that fee you get a sticker to put on the aeroplane and they can use all the airport facilities. That charge is currently \$702 a tonne pro rata for the weight of the aircraft. So a 10 tonne aircraft would be \$7,000. Above 10 tonnes they are charged landing fees which are currently \$5.72 a tonne.

The Hon. E. M. OBEID: Can you tell me what effect deregulation of intrastate aviation would have on Bankstown Airport?

Mr THOMPSON: I think your colleague raised that question. It will really be up to airlines who believe they can develop mixed services from Bankstown. That is certainly a possibility, but as I said, there is a long list of things they would have to talk to us about and negotiate before that was possible. Two people have already talked to us about provision of intrastate at Bankstown using larger aircraft and both of those we have rejected.

The Hon. E. M. OBEID: Throughout country and regional New South Wales they do not want to land anywhere other than at Kingsford-Smith. The facilities are there and the transport system is there. As we are having so many problems with traffic at Kingsford-Smith and problems with the second airport, do you not see that what is happening, all these assumptions that regional air services might move to Bankstown is all temporary? Can you not see that this is going to be a problem down the track and it is only temporary and that really we should be addressing the main issue of finding a second airport outside of Sydney?

Mr THOMPSON: May I make a personal comment? I cannot make a comment on behalf of my employer. The sooner the decision is reached on what happens about the future of aviation needs of Sydney the better for all of us. That is for people in Canberra to decide at the moment.

CHAIRMAN: There has been a lot of discussion about privatisation and that again has caused a lot of concern in country areas, that pushing regional airlines out to Bankstown will come after privatisation. There has not been a lot of discussion about privatisation of Bankstown Airport that I have been aware of. What consultation has there been in regard to that?

Mr THOMPSON: Consultation between whom?

CHAIRMAN: Public consultation?

Mr THOMPSON: None, because we do not understand the ground rules under which the Federal Government may consider that to happen. On 2 July, Bankstown Airport Limited split away from the Federal Airports Corporation. It is now a wholly owned subsidiary of Sydney Airports Corporation Limited which is in itself a business entity of the Federal Government. The airport is being corporatised in a way that will enable its privatisation to occur. We have no indication from the Government as to when that is likely to happen. We do not know whether it will be done in a way - just to give you an example of the options, Bankstown, Hoxton Park, Camden being privatised as a single unit or separate units, what will be the role of Sydney Airport, what in fact will be the future of any airport within the Sydney basin and there

are just so many ifs and uts that we are not talking to anyone because we would not have the vaguest idea what to talk about.

CHAIRMAN: Thank you, very much for coming along this morning.

(The witnesses withdrew)

GREGORY JAMES BROWN, Group Manager, Strategy and Governance, Bankstown City Council, sworn and examined:

CHAIRMAN: Did you receive a summons issued under my hand in accordance with the provisions of the Parliamentary Evidence Act 1901?

Mr BROWN: Yes, I did.

CHAIRMAN: Are you conversant with the terms of reference of the inquiry?

Mr BROWN: Yes, I am.

CHAIRMAN: The council has given us a submission. Would you like that to be taken as part of your sworn evidence?

Mr BROWN: Yes, I would.

CHAIRMAN: If you should consider at any stage during your evidence that in the public interest any evidence or documents you may wish to present to the Committee should be heard or seen only by members of the Committee, then the Committee would be willing to accede to your request and resolve into confidential session. If you would like now to speak briefly to your submission, we will then ask you some questions.

Mr BROWN: As the Committee is aware, Bankstown Council has made a formal submission which opposes of use of Bankstown Airport for regularly scheduled regional traffic. That submission articulates council's concern for the amenity of Bankstown residents as well as the issues of pollution, traffic congestion and the like. It is not proposed, therefore, to rehash that written submission but simply to read into evidence the broad thrust of council's view.

It will come as no surprise to members of the Committee that the relationship between council, those in the community of Bankstown who are affected by aircraft noise and the airport's administration has at times been somewhat difficult.

However, it is true to say that council has developed a good working relationship with Mr Knox and Mr Thompson and has appreciated their candour and advice on various matters relating to the airport.

I want to make it very clear to the Committee that council is seriously concerned about any proposal that will increase traffic in Bankstown by directing regular regional services to that airport. Council's policy, established in 1989, is:

That the current mix of flying schools, general aviation and commuter activities be maintained at Bankstown Airport to ensure there is no increase in noise disturbance to the local community.

It is the case that Bankstown Airport is a significant part of this city's rich history, starting as it did as an RAAF base in 1940. In 1948 it was converted to civil operations and since that time was developed as a general aviation manufacturing facility.

Whilst it has serviced some rural commuter operations in the past—and I think there has been reference to Tamair—my understanding is that those operations stopped some six years ago.

I should also place on record council's acknowledgment that the airport is a significant and, indeed, the single largest employer in this city, with some 3,000 people employed by the airport and related service industries.

It is clearly a major contributor to the local economy, and council would be concerned at any initiatives which could possibly disrupt the balance of its current operations, for example, by the dislocation of existing businesses if rural commuter services were to eventuate.

Council's principal concern is that of the amenity of our residents. Whilst many have lived with the airport operations and aircraft noise for many years, enough is enough, and any further expansion, either in terms of aircraft movements or size, is patently unacceptable.

Those affected by the airport operations are already confronted with an average, as you have already heard, of some 400,000 movements a year. My understanding is that the airport's theoretical capacity is in the vicinity of 450,000 to 500,000 movements. This is an incredible number, particularly when some 50 per cent of these movements are repetitious circuits and landings by trainee pilots.

The idea of bringing in larger or more noisy aircraft on regular timetables will do nothing but further erode the amenity of our residents, particularly those who live in the 12,000 residential properties which are currently in the 20 ANEF zone. This is approximately 35,000, or 22 per cent of our city's population.

Council is also concerned at the likelihood of increased air pollution from additional aircraft movements, increased road traffic, as well as the likely adverse impact on urban bushland, fauna and water quality.

Bankstown, like so many suburbs in the Sydney Basin, is already facing very real traffic congestion. Our fear is that this will be exacerbated by increased movements to and from the airport.

As you have probably heard, Henry Lawson Drive and Milperra Road are already heavily congested, especially at peak times, when it can be assumed that most commuter aircraft would be arriving for early morning dropoffs and early morning departures. This is an important issue, and I think it probably does not need to be said, but there does not seem to be a lot of point in having someone arrive at Bankstown from Dubbo or Orange and then facing an hour-plus drive to the city.

Obviously increased traffic in and around this airport would also have a significant impact on council's road maintenance program. I think it is obvious that any survey of rural commuters will show that their preference for landing is at Sydney Kingsford-Smith Airport, which is some 20 or so minutes to the CBD.

It is, moreover, in our view, simply unfair to treat the community of rural New South Wales differently and give them less service than interstate travellers.

The Committee will appreciate that a good many travellers are not coming to Sydney but, in fact, flying on to other destinations and, therefore, need to fly into Sydney for connecting flights.

I commend council's written submission to you and trust that the Committee in its deliberations will accept that the community of Bankstown needs to be protected from any further expansion of flight movements into and out of the airport.

CHAIRMAN: In relation to the point that you just made, we have heard evidence from country councils that that number of passengers who fly into Kingsford-Smith and move on either interstate or overseas ranges from something like 15 to 25 per cent, and those people hop off one plane on to another.

The Hon. Dr B. P. V PEZZUTTI: Is Bankstown Council an approval authority for developments at Bankstown Airport?

Mr BROWN: No, it is not. We have no authority.

The Hon. Dr B. P. V PEZZUTTI: Are you consulted by the Airports Corporation or the AL whenever works are done out there?

Mr BROWN: Council is a member of the Airport Advisory Committee, and it is generally attended by the mayor or, if the mayor is unavailable, myself. I think the permanent member now is Councillor Stromborg. Via that mechanism we are consulted, and there is a lot of consultation informally with Mr Knox and Mr Thompson.

The Hon. Dr B. P. V PEZZUTTI: Could I ask why Liverpool Council is on the Airport Advisory Committee?

Mr BROWN: I am unaware of the reason why.

The Hon. Dr B. P. V PEZZUTTI: Do you think it is about time that that whole committee was restructured?

Mr BROWN: When you say Liverpool I have been to meetings and there has been a representative from Liverpool Council.

The Hon. Dr B. P. V PEZZUTTI: What on earth are they doing there?

Mr BROWN: The airport is located at the very corner of Bankstown and Liverpool local government areas.

The Hon. Dr B. P. V PEZZUTTI: Is it time that the whole structure of that consultative committee was restructured with the aim of being a bit more inclusive of members of the community?

Mr BROWN: We are not in control of membership of the committee, but my council's view is that there should be a maximum of community consultation on all manner of things.

The Hon. Dr B. P. V PEZZUTTI: I am asking you because you are part of it. Do you see when you go along to those meetings that there is a reasonable balance of views being expressed?

Mr BROWN: I think there is a reasonable balance of views, but it would not hurt to have additional community representation.

The Hon. Dr B. P. V PEZZUTTI: What is the ACTU doing on there? That is a good question. It has obviously been there since the dawn of time, but this may be an appropriate time to look at the structure of that advisory committee.

Mr BROWN: Yes.

The Hon. Dr B. P. V PEZZUTTI: Have you heard of any plans for people from Lismore landing at Bankstown on a regular basis?

Mr BROWN: No, I have not.

The Hon. Dr B. P. V PEZZUTTI: As part of the consultative process of the committee have the airport people raised that as an issue with you?

Mr BROWN: No, not to my knowledge.

The Hon. Dr B. P. V PEZZUTTI: When the M5 East goes in are you aware of any plans to put a spur out to the airport?

Mr BROWN: No.

The Hon. Dr B. P. V PEZZUTTI: Are there any proposals of a commercial nature out there on the airport site to increase the infrastructure in terms of terminals or catering or whatever?

Mr BROWN: Not that I am aware of, no.

The Hon. Dr B. P. V PEZZUTTI: Would that require approval by or consultation with the council in terms of roads and drains?

Mr BROWN: It would not require our approval but, in the normal course of events, we would expect the airport authority to discuss it, as it has in the past.

The Hon. Dr B. P. V PEZZUTTI: And you would want certain contributions for fixing the roads, the drains and the water and power out there?

Mr BROWN: There would be contributions to be made. The work on the drain that Mr Thompson referred to earlier is, I think, council's responsibility, but the airport has borne the cost, so I see that as a contribution.

The Hon. Dr B. P. V PEZZUTTI: What other impact could there be on Bankstown Airport and Bankstown people of changes with this deregulation if a company, for example, Ansett, came along and said, "We would like to start a service from Bankstown to Lismore with a Saab 340"? What impact would that have on the residents of Bankstown?

Mr BROWN: As I have said, our view is that any additional movements of larger aircraft on a regular basis will further erode the amenity of our residents, and we find that unacceptable.

The Hon. Dr B. P. V PEZZUTTI: If that were to happen, could it lead to lower numbers of takeoffs and landings?

Mr BROWN: Only if those operations, as I suspect, dislocated existing aircraft. I do not know where they would go. I probably do not have the authority to answer that question. I think that is more a question for Mr Thompson and Mr Knox.

The Hon. Dr B. P. V PEZZUTTI: The access for freight and the people who travel to Bankstown Airport is pretty damn awful. Has council any plans to improve the access for the people who use the airport for the 400,000 takeoffs and landings, either the freight operators or passengers?

Mr BROWN: Other than our regular road maintenance program, but there are no extensions or widening of roads anticipated.

The Hon. Dr B. P. V PEZZUTTI: Has the Roads and Traffic Authority any plans at all to improve the access to what is a huge and major infrastructure for Australia?

Mr BROWN: I am unaware of any, but I am not responsible for council roads.

The Hon. Dr B. P. V PEZZUTTI: Has the State Government been consulting you about the needs for infrastructure support and development?

Mr BROWN: No.

The Hon. E. M. OBEID: Mr Brown, has there been any costing of the real financial effect on Bankstown council and its ratepayers if suddenly these movements started?

Mr BROWN: No, we have not done the sort of analysis that we would need. We could only guess at this stage, but it could be significant, particularly in terms of road maintenance and road upgrades because the roads immediately around there are mostly council roads other than, say, Henry Lawson Drive and Milperra Road.

The Hon. E. M. OBEID: Yes, it would be quite significant if it could be reduced to dollar terms, because this is something that probably ratepayers would have to bear if this did take place.

Mr BROWN: I agree.

The Hon. E. M. OBEID: Some residents have brought to the Committee's notice that there is a lot of activity in new development of hotels and motels and that this could be associated with the future development of the Bankstown Airport.

Mr BROWN: Development being undertaken in Bankstown?

The Hon. E. M. OBEID: Yes.

Mr BROWN: There is a lot of activity, but I have not related it to any prospective developments at Bankstown Airport.

The Hon. E. M. OBEID: I am saying in the Bankstown district around the airport. Are you aware of the motivation for that? Does it have anything to do with the airport?

Mr BROWN: In my discussion with developers, they have not raised with me the question of the airport. It has generally been about the development of Bankstown, its proximity to the city, growth of industry around here, but certainly not the airport.

The Hon. E. M. OBEID: You are quite aware that a lot of industries move to the areas you have nominated, Henry Lawson Drive and Milperra Road, around that district, simply because they have good access and there is a free flow of traffic, but if suddenly more services entered into Bankstown Airport, there would be total chaos for those already there and the community in getting in and out of the area.

Mr BROWN: Council 's submission is in part based on its concern about traffic congestion. It is already evident that we have severe congestion particularly in peak hours, and as I said in the submission, this would be further exacerbated by additional traffic into Bankstown Airport.

CHAIRMAN: In council 's submission it was mentioned that the FAC is not subject to council codes and regulations. They have to advise you about building, I think. I know they do in Botany council.

Mr BROWN: It has been the practice of the airport authorities to consult with us and to the best of my knowledge they certainly do not need our approval. They consult with us, let us know what they are doing, and my understanding is that any construction is built in accordance with the building codes of Australia. So we as a council have no concern that the developments are jerry built in any fashion. In terms of consultation, yes, there can always be better consultation with the community.

CHAIRMAN: I suppose this is a little out of the realms of the Committee's terms of reference to some degree, but with the proposed corporatisation, obviously those regulations are there for the purpose that they are a Federal Government body. If they corporatise it, they should come under the Local Government Act?

Mr BROWN: We would take that view but as I understand it, the legislation avoids that.

The Hon. Dr B. P. V PEZZUTTI: Now that the new corporation has come into place since 1 July, do you think that will reduce the importance of the Bankstown Airport committee given that the corporate entity of BAL has been altered? Do you think there will be a reduction in your access to the real managers of what is - I mean, the new manager of Sydney Airports Corporation which now includes a whole lot of airports. BAL used to basically manage here. Do you think there will be any change in that arrangement?

Mr BROWN: I would hope not and I would have no reason to believe that it would be adversely affected because, as I said, council has a good working relationship with the management and we have appreciated their candour during the past.

The Hon. Dr B. P. V PEZZUTTI: Has council made urgent, consistent and telling applications to the State Government of New South Wales to improve access amenity to Bankstown Airport, given that it is the fifth busiest airport in the world?.

Mr BROWN: I suspect submissions have been made to the Government over the years but we certainly have not made any in recent times. Of course, if there were to be any upgrading of traffic into Bankstown we would.

The Hon. Dr B. P. V PEZZUTTI: Has any Olympic-related money, apart from the velodrome, been spent in the Bankstown council area to tidy up or sort things out at Bankstown Airport given that the Americans are moving in here during the Olympic Games?

Mr BROWN: Certainly not at the airport. We do not see that as our asset. We think it is reasonably well managed. Our focus has been on the construction of the velodrome and in providing facilities for the American athletic team.

The Hon. Dr B. P. V PEZZUTTI: Have you made representations to the current Government about improving access to the M5 East for the airport?

Mr BROWN: No, we have not. We made representations about the extension of the M5 further east, but we have made no representations about its connection to the airport.

The Hon. Dr B. P. V PEZZUTTI: Are you aware of any regional operator who is interested in basing their operation at Bankstown?

Mr BROWN: No, there have been no representations to us about that.

The Hon. Dr B. P. V PEZZUTTI: Or for other local government areas interested in trying to encourage an airline carrier to operate a service, say, Dubbo to Bankstown?

Mr BROWN: I am unaware of any.

The Hon. Dr B. P. V PEZZUTTI: Is there any interest in the business community in having such a service?

Mr BROWN: No one has raised it with me.

The Hon. Dr B. P. V PEZZUTTI: So any fears that people might have that people will fly to Bankstown is a—

Mr BROWN: I do not know what they are based on. I am only answering your question.

The Hon. Dr B. P. V PEZZUTTI: Is there anything else that you have heard that has twiggged your mind that says, hang on, there might be something happening?

Mr BROWN: No.

CHAIRMAN: Thank you for coming today.

(The witness withdrew)

JOHN BURKITT LYON, Commercial Pilot, Flight Instructor, and President of Bankstown Airport Chamber of Commerce, sworn and examined:

CHAIRMAN: Did you receive a summons issued under my hand in accordance with the provisions of the Parliamentary Evidence Act 1901?

Mr LYON: Yes.

CHAIRMAN: Are you conversant with the terms of reference of this inquiry?

Mr LYON: Yes.

CHAIRMAN: You have made a submission to the Committee. Would you like that to be taken as part of your sworn evidence?

Mr LYON: I would.

CHAIRMAN: If you should consider at any stage during your evidence that in the public interest certain evidence or documents should be heard or seen only by members of the Committee, the Committee would be willing to accede to your request and resolve into confidential session.

Mr LYON: I understand.

CHAIRMAN: If you would like to give a brief summary of your submission, we will then ask you some questions.

Mr LYON: Basically the chamber's position with regard to Bankstown and the situation as it relates to regional airlines is that we believe that the present position should be maintained, and that is the situation where, from time to time, some of the regional airlines operate into Bankstown for reasons of convenience associated with their principal operations, which are at Mascot. The chamber is of the opinion that that situation should remain unchanged.

The Hon. Dr B. P. V PEZZUTTI: Are you aware of any plans to increase and improve the quality of infrastructure around Bankstown Airport such that it could take regional air transport services?

Mr LYON: The only plans that I am aware of are those associated with some drainage works on the eastern end of the runway and the routine housekeeping—kerbing and guttering and that sort of stuff.

The Hon. Dr B. P. V PEZZUTTI: Are you aware of any approaches to the Chamber of Commerce by airline operators who might be thinking of operating a service, say, from Lismore to Bankstown or Dubbo to Bankstown?

Mr LYON: No, there have been no such approaches.

The Hon. Dr B. P. V PEZZUTTI: Apart from charter flights, general aviation and freight, has there been any other interest in Bankstown being used for purposes other than it is being used for at the moment of which you are aware?

Mr LYON: Not that I am aware of.

The Hon. Dr B. P. V PEZZUTTI: How much freight goes out of Bankstown at the moment?

Mr LYON: A fair bit. I could not tell you in precise terms.

The Hon. Dr B. P. V PEZZUTTI: Do you have any idea how much of that goes to regional airports?

Mr LYON: The vast majority of it would be going to regional airports. By regional airports I assume you mean Orange and Bathurst and those sorts of places?

The Hon. Dr B. P. V PEZZUTTI: Yes.

Mr LYON: That is where the vast majority would be going.

The Hon. Dr B. P. V PEZZUTTI: Those airlines already service regional airports in freight terms?

Mr LYON: That's correct.

The Hon. Dr B. P. V PEZZUTTI: Do you have any idea how many regional passengers use Sydney Airport at the moment?

Mr LYON: No, I do not.

The Hon. Dr B. P. V PEZZUTTI: I will tell you. It is 1.24 million. Is Bankstown Airport capable of taking that sort of load?

Mr LYON: I could not answer that question without seeing precisely the question you are specifically asking.

The Hon. Dr B. P. V PEZZUTTI: I am trying to find out if there is any basis for Bankstown Airport being a site for regional passengers.

Mr LYON: My answer to that question is in the negative.

The Hon. Dr B. P. V PEZZUTTI: There has been a lot of commercial activity in Bankstown, and some of the other evidence we have received is that there has been the development of motels and hotels. Is any of that related to the possibility of regional people coming to Bankstown?

Mr LYON: No.

The Hon. Dr B. P. V PEZZUTTI: What is driving it?

Mr LYON: I think some people saw an opportunity with regard to providing a level of accommodation and service that did not exist in this region prior to the building of the two hotels that you are probably referring to. By the way, a similar situation has existed in Parramatta.

The Hon. Dr B. P. V PEZZUTTI: I accept that. What about the thoughts put in our mind this morning about the improvements related to the Olympics? Are you aware of any Olympic-related activity?

Mr LYON: There is some hard standing being constructed on the north side of the airfield.

The Hon. Dr B. P. V PEZZUTTI: What is that to take?

Mr LYON: Just parking spots.

The Hon. Dr B. P. V PEZZUTTI: Just commuter craft?

Mr LYON: Basically the sort of aircraft operating out of Bankstown right now.

The Hon. Dr B. P. V PEZZUTTI: Just as background, are there servicing facilities for aircraft at Bankstown Airport?

Mr LYON: Yes, there are.

The Hon. Dr B. P. V PEZZUTTI: Could the servicing facilities be increased to take the Saab 340?

Mr LYON: Bankstown can handle the Saab 340 right now.

The Hon. Dr B. P. V PEZZUTTI: In terms of servicing it?

Mr LYON: There would be one or two organisations on the airfield that would be capable of handling that sort of aircraft, subject to approvals and any necessary changes to their internal documentation and standards activities.

The Hon. Dr B. P. V PEZZUTTI: What about the BAe146?

Mr LYON: Given that both aircraft are fundamentally turbine powered, you have approvals and other things to take into consideration for that sort of work to be done. Nobody on Bankstown, so far as I am aware, has type approval for BAe146s.

The Hon. Dr B. P. V PEZZUTTI: Has anybody in the Bankstown Chamber of Commerce been part of the consultative committee on Bankstown Airport?

Mr LYON: Yes.

The Hon. Dr B. P. V PEZZUTTI: How many members do you have on it?

Mr LYON: I am usually the only person who attends. Sometimes one other person might come with me.

The Hon. Dr B. P. V PEZZUTTI: Are you in the habit of being informed of future plans well in advance?

Mr LYON: We are kept in the picture with things.

The Hon. Dr B. P. V PEZZUTTI: So that if there was anything in the wings you would be aware of it, on past experience?

Mr LYON: Yes.

CHAIRMAN: Mr Lyon, how many and what type of organisations form the Bankstown Airport Chamber of Commerce?

Mr LYON: The types of organisations are charter organisations, flying schools and maintenance organisations. The current membership is of the order of 50 or 60.

CHAIRMAN: Does the chamber have a position on landing fees at Sydney or at regional airports?

Mr LYON: Inasmuch as it might impact upon the current level of activity at Bankstown. If the landing fees at Mascot were pushed to the point where we got a concerted situation with regard to the movement of regional airlines to Bankstown, obviously we would have a position on that and we would be opposing it.

CHAIRMAN: And what about fee increases at country and regional airports? Are they of concern to you?

Mr LYON: They are not of great concern to us other than the ordinary situation with regard to the costing of activities. They are not going to have an impact on the volume of traffic and the nature of the traffic that might come into Bankstown.

CHAIRMAN: Does the Chamber have a position on the deregulation of intrastate aviation?

Mr LYON: Not specifically, no.

CHAIRMAN: And does the Chamber have any views on the operations of the Air Transport Council?

Mr LYON: No, not at this stage.

CHAIRMAN: Do the members of the Bankstown Airport Chamber of Commerce want to see rural and regional air services directed to Bankstown?

Mr LYON: Not specifically, no.

CHAIRMAN: Would the redirection of rural and regional services to Bankstown restrict the development of other forms of aviation—training, charter and general aviation at Bankstown?

Mr LYON: It could well do, yes.

CHAIRMAN: How many people are employed at the airport and what is the impact on the local community?

Mr LYON: Approximately 2,300 people are employed directly on the airport, with another 700 people who are employed in the immediate area, so totally you could say there are about 3,000 people employed directly associated with the airport. I would think that, given the recent activity that has been happening, if we had a significant increase in traffic that would start having negative impacts on the viability of the airport itself.

CHAIRMAN: What is the current relationship between the airport business and the community and how would this be affected if rural and regional air services were introduced at Bankstown?

Mr LYON: I believe that the situation between the businesses and the airport and the community is quite good. The chamber has been active in the past in making sure that operations are conducted in a way that is sensitive to people's desires in terms of noise and that sort of thing. The level of complaint, I believe, is relatively low, although from time to time we have had some specific instances, but they have usually been dealt with fairly quickly.

CHAIRMAN: What impact would the redirection of aircraft to Bankstown Airport during the Olympics have on its operation?

Mr LYON: Obviously that is a very hard question to answer at this stage, but we basically believe that the airport should be able to continue to operate pretty much as it is now without any significant change. If you look at the level of activity that goes on there now and what is likely to arrive with the Olympics, I do not believe the impact is going to be that significant. The biggest problem for Bankstown is going to be aircraft parking.

CHAIRMAN: How many more aircraft movements do you think Bankstown can handle as a percentage, or what percentage of capacity do you think it might be at now?

Mr LYON: I am not really in a position to give you a definitive answer on that. That question has so many answers, it is not funny. It depends on the level of service, infrastructure that might be available and a whole range of other considerations. It is almost impossible to give you a definitive answer on that.

CHAIRMAN: I am not sure whether you have had much connection with the slots into Kingsford-Smith Airport, but is it difficult to get a slot that you are aware of?

Mr LYON: It can be difficult from time to time, yes.

CHAIRMAN: Do you have any problem in getting into Bankstown Airport? Are there any restrictions there?

Mr LYON: Not in the nature of a slot, no, but in general terms no.

CHAIRMAN: Do you experience any trouble with the lows of flight patterns, north to 1,000 feet and the Kingsford-Smith low, flying too close?

Mr LYON: No.

The Hon. E. M. OBEID: Mr Lyon, your chamber believes that the community should not impose a set of requirements that prevents Bankstown Airport from meeting the transport needs of the people of New South Wales. This is a very broad statement. Which really applies, you do not want restrictions in view of the fact that you represent a lot of the service sector at the Bankstown airport, you would like to see more growth there?

Mr LYON: Yes, but a whole range of issues need to be put together in context with that. We have got a community situation to deal with. There is no particular advantage to the chamber or the operators who currently operate out of Bankstown by having, say, regional airlines conduct their operations at Bankstown.

The Hon. E. M. OBEID: Having said that, your members only benefit when there is more traffic coming through there. I mean, there is no way their business will grow without more traffic coming through there. We are told that the airport is at its capacity now. How do you envisage your members will benefit if there is no through traffic, more than what is there now?

Mr LYON: The chamber has not actually sat down and done a full economic study on that. You would really need to do that to give you the answer you are seeking.

The Hon. E. M. OBEID: I am saying to you, as the president of the chamber which calls itself the Bankstown Airport Chamber of Commerce, you are interested in the welfare of your membership. They can only benefit through more activity at the airport. On the other hand, you say you would not like to see regional services move to Bankstown, but then again, how do your members benefit when the airport is already running near capacity? How do they improve their lot?

Mr LYON: They have the same problem that most businesses have in the community across the board. They will continue to operate their businesses efficiently and effectively as they can given the current circumstances of their trade at the time.

The Hon. E. M. OBEID: What I am concerned about is that your statement really reflects that you would like to see more growth at Bankstown airport.

Mr LYON: I do not want to see the imposition of restrictions as we currently operate. That statement there is not intended to imply that the chamber is seeking to expand the level of activity at the airport. What it is saying is that what we do not want is the current situation restricted.

The Hon. E. M. OBEID: I find that a little bit of taking both ends of the argument. You do not want restrictions. If the community is up in arms about extending anything that is there now - -

Mr LYON: I would disagree that the community is up in arms.

The Hon. E. M. OBEID: We have had strong representation from the community that they have got enough now and they do not want to see any more.

Mr LYON: As I said, I do not believe that we have a major problem at Bankstown. There have been individual instances from time to time that have been dealt with effectively and what I would not like to see, what the chamber would not like to see is a set of restrictions which negatively impacted on the existing level of activity. Where we go in the future is another matter entirely. I do not have a crystal ball. I cannot give you an answer to that question.

The Hon. E. M. OBEID: You must agree that airports among residential areas, whether Kingsford-Smith, possibly Badgerys Creek or Bankstown, are creating a lot of difficulty as far as noise pollution and matters of community interest. You would only be adding more if we advocate what you are saying of leave it open so that someone might take advantage of that in the future.

Mr LYON: I do not see how the two things relate to one another. Business growth is a matter of a whole range of complex issues which inter-relate with one another. This industry does not operate in a vacuum. It has competition with the transport network and things of that nature. There is no crystal ball that I can give you to forecast with any degree of accuracy what the level of activity might be in some period in the future.

The Hon. E. M. OBEID: What I would like to know is how do you propose this happens in light of the current community problems and how they perceive the future growth would be?

Mr LYON: As I have said to you, I believe you have misunderstood certainly my intent.

The Hon. E. M. OBEID: It is not a clear statement that you are against any further growth.

Mr LYON: What I have said in that statement is that growth ought to take place in a natural process and if would you like to read the last sentence, it says, "whilst actively seeking to minimise the impact on local residents". I am fully aware that any growth that may occur at Bankstown will have to be dealt with sensitively and sensibly.

The Hon. E. M. OBEID: Has your chamber met with interested residents about the future of Bankstown Airport?

Mr LYON: From time to time people come along to the consultation meetings and express their views, yes.

The Hon. E. M. OBEID: You have not met with the current group that is meeting against any further improvements at Bankstown Airport?

Mr LYON: I have met with a group of people who claim that they represent the community, yes.

The Hon. E. M. OBEID: I am sure we do not want to play on semantics here. There is quite a large sector of the community that we know of who are very much against doing anything there and I am sure it would be in your interests, representing a lot of the service centres at the airport, to try to understand where they are coming from and how you can fit in with them.

Mr LYON: That is exactly what I think I said a couple of minutes ago. I mean that is precisely what I said.

The Hon. E. M. OBEID: I wish you well. You have certainly left it very open as to what you could see happening there. I would suggest that you do meet with community representatives. Maybe we could all be more enlightened.

CHAIRMAN: Do you personally or the chamber have any views on curfews at Bankstown Airport?

Mr LYON: The chamber does not have a view on it. My personal opinion is at this stage there is no need for such a curfew.

CHAIRMAN: You mentioned in your preliminary address that would you like to see current services maintained and that would include some freight services which I assume are things like mail and bank runs?

Mr LYON: Yes.

CHAIRMAN: You also suggested there are current passenger regional RPT services. Is that a large percentage or much of that?

Mr LYON: Very small.

CHAIRMAN: What concerns have you with the operation of Bankstown Airport?

Mr LYON: One of the things I am concerned about is sometimes things do get misrepresented and people take hold of what we might call technical terms and manipulate them for a meaning that is not consistent within what those terms are usually meant by the industry itself. The consequence of that can be that a false impression can be left as to what is happening in any given situation.

CHAIRMAN: Thank you very much for that, Mr Lyon.

(The witness withdrew)

MALCOLM ANDREW CAMPBELL, Operations Manager and Deputy Chief Pilot, International Aviation Pty Ltd, and

JOHN KENNETH FITZGERALD, Metro Captain, International Aviation Pty Ltd, sworn and examined:

CHAIRMAN: Did you receive a summons issued under my hand in accordance with the provisions of the Parliamentary Evidence Act 1901?

Mr FITZGERALD: Yes, I did.

CHAIRMAN: Are you conversant with the terms of reference of this inquiry?

Mr FITZGERALD: Yes, I am.

CHAIRMAN: Did you receive a summons issued under my hand in accordance with the provisions of the Parliamentary Evidence Act 1901?

Mr CAMPBELL: Yes, I did.

CHAIRMAN: Are you conversant with the terms of reference of this inquiry

Mr CAMPBELL: Yes, I am.

CHAIRMAN: You have provided us with a submission. Would you like that to be included as part of your sworn evidence?

Mr CAMPBELL: Yes.

CHAIRMAN: If you should consider at any stage during your evidence that in the public interest certain evidence or documents you may wish to present to the Committee should be seen or heard only by the members of the Committee, the Committee would be willing to accede to your request and resolve into confidential session. I will just ask you to give us a brief summary of your position and we will follow it up with some questions.

Mr CAMPBELL: I have been with the aviation industry since 1980. I am a licensed aircraft engineer and hold an airline transport pilot's licence. I have flown a variety of piston, turbo-prop and jet aircraft. I have extensive operating experience throughout rural New South Wales, Australia and overseas. I have been involved in operating regional airlines, passenger charter and air freight, involving flying, maintenance and operations management.

My role with International Aviation includes managing the RPT route structure, evaluation and selection of new routes, developing schedules and dealing with regulatory organisations. I am also involved in rostering the pilots, aircraft, fleet planning, field management and recruiting. I still manage to find time to fly with the airline, mainly between Mildura, Broken Hill and Sydney on the RPT route and ad hoc charter.

John Fitzgerald has been flying since 1991. He holds an airline transport licence. He has extensive operating experience throughout rural New South Wales and eastern Australia and has flown in the USA and the Pacific Islands. John has been involved in flying scheduled airline passenger and freight charter operations and was previously based in Bathurst for two years. John has previously provided consultant services to a number of passenger and freight charter operators.

John's role with International Aviation is primarily concerned with operating scheduled airline services between Sydney, Mildura and Broken Hill. He also regularly flies passenger and freight charters to destinations throughout eastern Australia and is involved in special projects, preparation of tenders and charter quotations.

CHAIRMAN: The questions that we ask you can either take on notice or provide us with answers to the best of your ability. You mainly operate Metros?

Mr CAMPBELL: We operate Metros, and the largest aircraft we have got are Hs748s, which are 54-seat capacity. At present we are not operating with passengers on that configuration; we are only in freight, which is five-tonne capacity.

The Hon. Dr B. P. V PEZZUTTI: What is a simpler name for the Hs748?

Mr CAMPBELL: It is the Hs748. It does not have another name, unfortunately.

CHAIRMAN: Do you want to go through your submission? There are some points in there that you might like to bring out.

Mr CAMPBELL: I have actually written a brief just on the terms of reference this afternoon. The KSA landing fees was the first on the list of the terms of reference. Previously, or still, at present, landing fees are based on \$5.72 per tonne, which on a Metro for us worked out to be \$34.32 each landing. If you are unfortunate enough to get a peak landing, it is \$250 for a landing or \$250 for a takeoff.

These peaks are discriminatory against smaller operators, who cannot distribute the fees amongst as many passengers. At present slot times have been allocated. All our company slots have been booked outside of peaks with the controlled departure times program. They issue delays in departing out of ports to arrive in Sydney, and these delays quite often put us into peak landing fees, which are beyond our control. We still get charged the \$250 peak fee.

There are also delays caused by air traffic control. Whose fault they are I do not care. We still have a slot allocated and we quite often get a un-forecast peak landing fee. We limit our Metros to 10 passengers, and the cost of distributing our peak fee amongst 10 passengers is exorbitant. These fees are set up basically by the major airlines.

A set fee of \$250 distributed among 300 passengers is nothing. Distributed among 10 passengers it is horrendous. The fees change as at 1 October. The \$2.92 per thousand kilos with a minimum of \$100 is increased to \$140 within the next two years. This clearly is in favour of the operators of larger aircraft, who will show a reduction of fees.

A 747-400, of approximately 400-tonne capacity, will be paying \$1,168. They would have been paying \$2,288—a saving of about \$1,000 on a landing, while our landing fee will increase by \$65 a landing. Our aircraft have, as I said, seating limits of 10 passengers. On a two-hour flight it is very hard on that seating capacity to spread that cost out amongst the passengers. The passengers will look for alternatives—for example, bus or car—for travel.

The next term of reference was landing fees at regional airports. They vary greatly from airport to airport, averaging around \$80 for a Metro 2. The highest I know of is Jackson, which is privately owned, and that is \$855 per landing for a Metro 2, which is ridiculous. It becomes an airport for emergency use only. That is an extreme. Once again, these get passed on to passengers.

Where we have problems is training and recurrency requirements, which require repeated circuit training and landings. The costs mount up astronomically.

Regional centres prefer turbine and jet aircraft and naturally would like to have the best service possible, yet charging exorbitant fees which get passed on to passengers. Starting new services requires bums on seats as soon as possible. Advertising, crew training, aircraft allocation and acquisition, terminal set up, handling agents, and purchase of vehicle

and accommodation are huge overheads which require huge expenditure. Landing fees on low passenger loads associated with the first year of any new sector are a huge burden and add to the changes becoming unviable and hence withdrawn. Passing on any expense will encourage people to look for alternatives, once again car or bus. Most regional routes are marginal enough with low passenger loads. Any additional costs can have dramatic effects.

Slot times: For our operation we have had no problem with slot times. We do not have a huge requirement at this stage. We do believe there will be difficulty in gaining additional slot times for the expansion we have planned. I cannot comment on it being difficult at this stage but the people in the slot allocation have been very co-operative. We just hope we can get the slots we request in the future.

Limiting access of aircraft from Sydney and diverting country inbound traffic to Bankstown is not a viable alternative. Apart from the high aircraft traffic loads at Bankstown and in the morning around 6 o'clock to 7 o'clock and in the evening, again around 6 o'clock to 7 o'clock when the bank and freight run traffic comes come in and out, you can have up to 10 aircraft in one circuit on bad days. Already the means of getting passengers to and from the city to Mascot and Bankstown is very time consuming with no suitable public transport and over-congested roads. People need to be able to meet connecting domestic and international flights and keep meetings in the city without fear of traffic delays already in excess of one hour in peak time.

Deregulation is not really a "do I agree or don't I agree" situation. There are for and against. Providing regulation is unbiased and fair, continued regulation I believe is warranted. This industry for small operators is fragile, to say the least. For a fledgling operation to have just established themselves on a protected run and then to have another jump in after the local public has been educated to travel by air quite often results in insufficient passengers for both carriers and in many cases is predatory. With our company, we have been operating Sydney to Mildura for about four to five months now which is not subject to regulation because it is interstate but if it were subject to regulation we would have been a lot happier.

As soon as we started operations, Southern Australian Airlines announced they were starting in competition with us with a Dash 8 and announced ridiculously low fares. The general feeling from people on their own staff which I am told was first hand is that they intended on putting us out of business, then dropping the run themselves, hence Mildura city would lose a direct service to Sydney. We are the only people providing a direct service at the moment. Since then, after telling the public they were purchasing a Dash 8 aircraft to run that service, it became apparent they were not purchasing one, they were renting one from a Perth operator which since withdrew the aircraft and they could no longer operate it.

While this is interstate, this sort of thing happens on intrastate operations. We are looking at a number of smaller intrastate operations we would like to run, but it is dicey to have a lot of expenditure and someone else backed by a major carrier, either Qantas or Ansett come along and say, "Well, that is a bit close to Dubbo, we might put them out of business, withdraw the route and put it back on our original route. But it has to be fair. Some routes should be regulated with one operator. Some suit more than one operator but, it needs input from local council, local industry and passenger statistics. Sometimes when there is one operator, for instance, Broken Hill to Sydney, Hazelton Airlines are operating only a midday flight which is not servicing the city's needs. The local mayor approached us and since then we have been running Broken Hill/Mildura/Sydney. This gets around the regulation problem because we are operating interstate, but we would like to run it direct to Sydney as a second carrier but we would still like it to be a protected route.

Summing up, a lot of these terms of reference cover items having a direct financial impact on our company and companies like ours. Increased costs mean fewer passengers. Passengers look for alternatives which usually means either car or bus. These changes mean more people on our country roads and between Bankstown and Mascot and the percentage of people killed travelling from country areas will dramatically increase statistically with the safety in airline travel. Keeping the cost of aviation down will directly save lives.

CHAIRMAN: Did you have any further comments to add before we go to some questions?

Mr FITZGERALD: No, I think it is an appropriate time to have some questions, but to emphasise what Malcolm said, we have established a successful airline service to Mildura and Broken Hill. The people of Broken Hill from time to time ask us why is it that we cannot go from Broken Hill straight to Sydney and we tell them, of course, that the New South Wales regulation issue is the reason. The regulation or not regulation of New South Wales intrastate services is not a simple yes or no answer. Obviously we would like to get out there and expand our company with more routes.

This whole business is very marginal whether you make a profit or do not. As Malcolm mentioned, as our costs increase we necessarily have to pass those on to our passengers. As airline tickets increase, passengers will not get on an airline; they will drive their Holden for 12 hours from Broken Hill to Sydney. I believe it is an accepted fact from Federal Government statistics and various other civil aviation safety authority statistics that any form of commercial air transport, including air charter or airline service, is safer than being on the road in a private motor vehicle. The more people who end up on the roads the worse off they will be in the safety scenario overall.

It is also important obviously for regional and rural New South Wales to have expeditious travel access to and from the city and for specialist expertise to get from the city to regional and rural areas. If you do not have an RPT airline service going to an area, obviously it is back to air charter which costs more or, once again, travelling by road. So we would love to hear some questions from the Committee at this stage.

CHAIRMAN: Thank you, Mr Fitzgerald. Both of you I think alluded to fairly significant flying experience in country areas. What areas have you flown and operated in? You mentioned Bathurst. Give us an idea of your background.

Mr FITZGERALD: I originally started flying tourists round the Blue Mountains and out of Katoomba. I spent a few years in Bathurst flying a combination of passenger charter and freight charter throughout eastern Australia including most of New South Wales. It is a combination of government officers, private business people and private individuals travelling around the place. I have done limited flying in the United States of America and across the Pacific Islands, ferrying aeroplanes around the place and operating the current airline service out of Mildura and Broken Hill.

Mr CAMPBELL: I have a similar background. I have operated mainly charter around Australia with a small amount of overseas charter, ferrying aircraft from Japan, Asia, Taiwan, all around the Asian sectors, scheduled airline services between local places, Bathurst, Cowra, Young, Cootamundra, Forbes, Condobolin, Lord Howe Island, Norfolk island and up to Brisbane and a lot of regional New South Wales centres. My predominant experience is in charter.

CHAIRMAN: Is it very easy for charter operators to get extra slots in Sydney airport?

Mr CAMPBELL: On a one-off basis at this stage it has not been a problem. They ask for 24 hours notice, but slot allocation has not been a problem at this stage.

CHAIRMAN: If the Air Transport Council were to continue on and if there was no deregulation, that Broken Hill run that you spoke about, would you like to see a chance to operate that in association with somebody else? If the Air Transport Council continued on for another three years, what they would do normally is advertise that route and you would have an opportunity to bid for that as well as the current operator and put your proposition that the two operators run.

Mr CAMPBELL: I have no problem with continuing with the run with competition. Even if it is allocated to one operator, at the moment we can show that it requires a second operator. It has happened in the past with other places, but my information at the moment is that for Broken Hill they are not interested in having a second operator. So, for the time being we do have to run via Mildura.

CHAIRMAN: You say not interested in Broken Hill, you mean the Air Transport Council?

Mr CAMPBELL: The council is not in favour of us running another service.

CHAIRMAN: Slots are allocated to airlines, not to individual towns. We have had a lot of complaint about that as we have gone around country areas. They are concerned that if there is deregulation, some of the other airlines may choose to allocate those slots to their better passenger-orientated services and forget the smaller towns.

Mr CAMPBELL: That is something that has not occurred to me but it makes perfect sense. We have got a lot of fear from Qantas and Ansett. They are the majority of the backers for the smaller regional operators. They can swap slots within their own company. They do have the proviso to swap with other operators. That has not been something that has been prevalent with us and I do not see it happening, but that would be a protection for country towns if they had a certain number of slots allocated for their own routes. Then it would not matter who is operating in there, the slots would be available.

CHAIRMAN: Is the Air Transport Council working effectively in terms of licensing charter operators?

Mr CAMPBELL: The Air Transport Council does not licence charter operators.

Mr FITZGERALD: We are not affected by that in our day-to-day operations. My understanding of that is it affects charter operators who operate a charter between any two New South Wales ports requires a licence which is a yearly renewable licence. It is a piece of paper on the wall. You do not let it run out. That is the effect it has on us. I think there is some requirement that you cannot do between two ports more than six times a month but in terms of its practical effect on us, we have to have a piece of paper stuck on the wall that we have to renew every year. I do not know what contribution it makes to protecting anybody or anything, other than it costs us money.

CHAIRMAN: Are the Civil Aviation Safety Authority regulations for charter operators sufficient to ensure that charter operators can offer efficient and safe services?

Mr CAMPBELL: The rules are very strict providing people abide by the rules. There are still one or two operators who are managing not to abide by the rules in certain areas. Generally the whole game has been lifted since the two main crashes that have been talked about most of the time. Most operators are running a pretty good show at the moment. As far as RPT goes with maintenance and operating standards, they are basically the same. It is just a lot more tape with RPT. Anything that goes through CASA to be approved, whether it is a new route structure, a new aircraft type line on the AOC becomes extremely difficult if it is RPT whereas with charter it tends to go on a little easier.

Mr FITZGERALD: Just to add on the charter versus RPT issue regarding the Civil Aviation Safety Authority, the number of aircraft with fewer than 10 passengers operating in New South Wales has diminished. I think it is down to three operators running RPT airline services. However, I am aware there is a proposal before CASA to bring the regulations concerning RPT and charter aircraft into line so they are the same regulations for aircraft with fewer than 10 passenger seats.

This only would affect two or three operators around the place operating Piper Chieftains. There are no turbo-prop or jet operators with fewer than 10 passenger seats operating, so where you have aircraft with fewer than 10 seats, charter and airline standards are going to be the same. That is, I believe, the proposal that Dick Smith is championing at this stage. Above nine passenger seats I think that the charter and RPT standards are higher.

CHAIRMAN: One of our witnesses suggested that there was going to be more self-regulation with CASA in the future? Do you have any concerns with those proposals?

Mr CAMPBELL: I am not fully conversant with the level of self-regulation within CASA. I know that CASA is a law unto itself. It can do whatever it likes. It will not put anything in writing. It will make unlawful requests. One person in particular who has just been stood down was putting requirements on us before they would issue us an airline operating

certificate. When questioned on it we said, "This is not lawful. You have no right to ask for this," and the reply was, "I am not going to put it in writing, but if you do not do it you will not get your certificate." That was repeatedly conveyed back to us.

The CASA operators at Bankstown and Brisbane, Archerfield, Wagga and Tamworth all have different interpretations of the rules. Some operators have changed their chief pilot's office so that they can get a different regional CASA operator to get things passed. It is quite common for that to happen. CASA is very difficult to work with. It will not work with you; it works against you.

CHAIRMAN: Some of the country councils have suggested that if deregulation were introduced and there was a lot of competition with people in planes flying into some of the smaller airports in country areas, costs would be driven down to the extent that it was not productive to continue to fly but the first thing that companies would do would be to reduce their safety. Do you think CASA would have sufficient controls to guard against that?

Mr CAMPBELL: I do not see that reducing the profit margin on operators should reduce their safety margin. There are certain rules in place that have to be complied with. The engineer certifying the aircraft is the one whose life is on the line when it comes to an accident. If any engineer got pressure from his manager, he is not a good engineer if he lets an aircraft out without seeing it safe and maintained within the law.

I have been in situations where operators have said to me, "Can it go today? We do not have to change that tyre." They are performing the management role. They are seeing if the engineer is over maintaining it or it is something to be put off. There is nothing wrong with a manager saying to an engineer, "Can this go now?" It is up to the engineer to say, "No, it can't." Managers have to accept that.

I have been in that situation many a time, and it has always been accepted if I have said, "No, it has to be fixed." Then it has to be fixed. It should not come down to costs, but there are some operators—not many now—who do sacrifice maintenance.

The big thing that happens at the moment is that pilot wages are sacrificed. The award was written in 1984, and the last amendment to it was in 1995, and they are very small amendments. The co-pilot's award for flying a Metro on an airline service is about \$25,000 a year. It is not very good.

The amount of responsibility a co-pilot, let alone a captain, has is enormous. A captain who has spent probably up to \$50,000 to get rated and the appropriate experience under the award is on \$41,000 and is in command of an airline aircraft. So wages do not go up. Every time bills go up to an airline wages do not.

We pay above the award now. I would like to pay a lot more, but every time a bill goes up I cannot go to the boss and say, "Well, I am going to put them up another \$5,000 a year." We have to justify the other expenses first.

Mr FITZGERALD: On the issue of a plethora of aircraft flying around the place and reduced profit margins leading to pressures on operators to reduce costs and a reduction in safety, there will always be operators who meet the bare bones of the legal requirements and will be safe. There will be other operators who perhaps far exceed the minimum legal requirements.

If the operators who are now far in excess—I can think of a couple of them who are out there now—of the legal requirements reduce that excess they could be still quite safe, if you like. If there are operators out there who feel the need to reduce their costs to the point where they are not meeting legal requirements and there are a plethora of aircraft on that route, based on my experience in the industry, all the pilots working for the other companies will basically do in the guys who are cheating. It is like the schoolyard scenario.

If somebody is getting away with something, the other guys will do them in fairly readily. That is where the CASA issue becomes a factor. Underlying all of that regarding CASA and its ability to enforce regulations and the appropriateness

of regulations or otherwise, no operator—it does not matter who you are and where you are going in this country—charter or RPT or any operator cannot afford to have an accident.

If you go out there and have an accident and hurt somebody, you are guaranteed you will be out of business within 12 months. It has happened time and time again. It does not matter what the minimum legal requirements are. Every operator who is at all sensible knows that if he goes out and hurts a paying passenger, the chances are that he is not going to be in business. So in that way you are alluding to self-regulation. I think that is the underlying factor that every smart operator is aware of.

CHAIRMAN: You fly the Broken Hill-Sydney-Mildura route. How much extra time does that Mildura journey take?

Mr CAMPBELL: Without the actual time on the ground, picking up extra passengers and refuelling, the sector time itself has increased by about 25 minutes. The flight time from Broken Hill to Mildura is 35 minutes and into Sydney is about one hour and 55 minutes. A direct flight would be about two hours and five minutes Broken Hill direct to Sydney. At the moment we land at Mildura in the morning. You are on the ground about 6.35 and airborne again at 7.10. There is an extra delay there as well

CHAIRMAN: And that is in the Metros?

Mr CAMPBELL: That is in the Metros.

The Hon. E. M. OBEID: It is quite obvious that you do not think that Bankstown Airport in its present state has much prospect. It is quite clear. We have seen it. You have certain concerns about the major airlines and the way they can manipulate, to your disadvantage, people in your side of business. That would tend to grow. Can you just elaborate a little more on what you have said?

Mr CAMPBELL: For want of resources. They have the opportunity because two of the major Qantas-backed companies are Southern and Eastern Australia Airlines. They are operating primarily Dash 8 aircraft, although Southern also operates BEa146s. They show a profit on all their routes.

Twenty-five per cent of Qantas's total expenditure goes to reservations and marketing. I am sure when they are showing their profit structure on the regional routes of Eastern and Southern they are not including reservations and marketing. They have a lot bigger resources at their disposal and it is easier to show a profit. And when they have \$15 million aircraft they are operating on routes that you could not possibly support a lease on, let alone purchase, we are behind the eightball to start with unless we are backed by a major carrier incorporating reservations and marketing.

It is to the benefit of Qantas and Ansett to have these regional carriers, because they get the on-traffic on their other domestic routes and overseas routes. But for someone who is just carrying regional traffic to the city from country areas it is very difficult to compete.

The Hon. E. M. OBEID: You are all for deregulation; it will improve your business.

Mr CAMPBELL: I am not necessarily for or against. It is not a yes or no answer. Regulation has its place if it is managed correctly and has a bit more input from councils and industry within the city itself looking for another operator, or if there are three operators who cannot make it, possibly it is only suitable for two.

On some routes where they have only one and they have a monopoly on it, there quite possibly is room for two. But the problem with deregulation is with routes like Deniliquin. We are looking at the moment at operating into Deniliquin. People have operated the route into Sydney in the past and it has been marginal, but they have been operating smaller piston aircraft. We hope that in the future we can run the route with a Metroliner and that the larger aircraft with a quicker flight time will be able to attract more people.

There is a certain amount of education of the public involved. Once you have educated them to travel by air, your flying loads pick up relatively quickly. If we are just starting to get to a break-even or a profitable stage and someone else says, "Look there are passengers there. We will come in there and operate a Chieftain or another Metro", all a sudden the loads are down below profit again.

We might have spent about six months getting to a stage where it was becoming almost a profitable state and someone else will come in and kill the profits. There are still passengers for both people but it would not support two.

The Hon. E. M. OBEID: Can you just further explain slots? When you are landing you have certain slots in which you can land, but sometimes you are delayed and you have to pay peak rates. Is the slot time within the right rate and then, if they delay you, do you have to pay a much higher rate? Could you just elaborate a little on that?

Mr CAMPBELL: With the slot times at present you bid on a slot time or you ring Ernst Krolke. He is in charge of allocating slots. There is talk of a bidding system for it. We have come in late to the system with slots, and every time we have requested one or a change Ernst has been very co-operative and we have got the slot we have requested, mainly with a five-minute change either side of what we have requested, so it has worked quite well so far. You get allocated a slot.

For instance, in the morning slot we had one 10 minutes before the peak. The peak was eight o'clock, so if you landed between 8.00 and 9.00 you would cop, on top of your normal \$37 fee, an extra \$250.

About six o'clock the night before the controlled departure program management system faxes us a list of delays. We get a list of about 10 operators. On ours the delay is anywhere between nothing and one hour. We generally get somewhere of the order of between 15 and 25 minutes, which means we have to delay our departure—and in our case it is Mildura—out of Mildura by 25 minutes, which then puts us behind the eightball. We then get a peak charge.

If we have been allocated a slot, I think it is unfair that we get charged a peak charge when it is the controlled departure program people who have delayed us in the first place.

The Hon. E. M. OBEID: It is a great way of earning money, isn't it?

Mr CAMPBELL: The purpose of the slots was to ease congestion in the peak periods. I can see the logic of that. As soon as slot times were introduced, they should have scrapped the peak charges because slot times in themselves stop peak congestion. As of 1 October the peaks are canned, but we are still paying for them now and we have in the past.

The Hon. Dr B. P. V PEZZUTTI: I am interested in a couple of things. You talked about the problem of competing in a market. Take Broken Hill as an example. If, for example, to give the people of Broken Hill a better service instead of just one service a day directly to Sydney there was a need for two and the current operator - I assume it is Qantas?

Mr FITZGERALD: Hazleton Airlines.

The Hon. Dr B. P. V PEZZUTTI: If they were to propose a second run, that would initially cut down on Hazleton's carriage, you would think. This might go to a number of other areas where Hazleton did have services and have licences for services but then withdrew them. There are 14 in New South Wales, I think. Is there a place for a community service obligation payment by the New South Wales Government to give equity of access to people from regional New South Wales to the capital, Sydney?

Mr CAMPBELL: I do not know what you just asked.

The Hon. Dr B. P. V PEZZUTTI: I am asking you if at the beginning of a route like Deniliquin there is a route which needs to be serviced because the people need it and yet it is unprofitable, is there a place for the Government to make community service obligation payments to assist those people to have equity of access?

Mr CAMPBELL: I would see something of that order should be in place. In the past I believe it was in place in many cases. I do not know over what point they cut it out. There was lots of support to the aviation industry many years ago. It was all cut out to the point of parking fees and things like that. As far as being encouraged by local council, Deniliquin and Swan Hill especially at the moment, are keen to have a service but there is nothing in place of financial assistance to set it up. The most they can offer is a positive press statement and a bit of help with the terminal.

The Hon. Dr B. P. V PEZZUTTI: Have you approached the state and regional development in New South Wales, Harry Woods or the Treasurer, Mr Egan, in regards to start up costs?

Mr CAMPBELL: No, I have not.

The Hon. Dr B. P. V PEZZUTTI: Have you any idea of what the community service obligation payment is or the subsidy to the railway line that has been reintroduced to Broken Hill?

Mr CAMPBELL: No idea.

The Hon. Dr B. P. V PEZZUTTI: That railway line could not possibly operate at a profit. In fact it is making a dead loss.

Mr CAMPBELL: In fact the service between Mildura and Broken Hill was - -

The Hon. Dr B. P. V PEZZUTTI: The State Government made a political decision to return a train to Broken Hill which was losing money hand over fist. It made that community obligation payment for equity of access. As a matter of fact, they paid it. They are prepared to pay for a train to go to Broken Hill but it is not reasonable to make a community service obligation to the passenger or to the airline to make some of these regional airline services that are unprofitable, and therefore do not exist, profitable.

Mr CAMPBELL: Even subsidies in the case of landing fees reduction would be a help. At the moment at Broken Hill we get charged \$18 turn around for each passenger we put into the airport. Mayor Black who has been very supportive of us, approached us to run the service to Broken Hill but he is not in a position to waive that fee. It would be an immense help to us. We are operating an average of probably four or five passengers from the Mildura/Broken Hill sector. Some of those travel on to Sydney and some do not. When we were operating Sydney/Mildura without Broken Hill, our average load was three passengers and we were almost to the point of cancelling the service. By adding Broken Hill, for a number of reasons the whole service filled up, and we are full on most flights now, so we are looking for a larger aircraft.

Mr FITZGERALD: The issue of government subsidies to rural airlines, and I think that is what you are talking about, is something that I think the Queensland Government has been subsidising country air services for some time now because of the vast size of the State and small rural communities, which is similar to country towns in New South Wales. When you start running an airline service you have to go every day of the week that somebody wants to go. There are huge outlays. The amounts of money you are talking about are frightening. You can tear up half a million dollars in no time flat. When you change from a charter operator to an airline operator everybody has their hands out for money. You have councils with their airport landing fees, passenger terminal charges and airline reservation booking systems. Every man and his dog has his hand out for your money. It is not our money but the passenger's money.

One of the interesting things that is a significant cost for us is the cost of using country airports. My understanding of the way airports used to be run in this country under the Federal Government is that the Department of Transport

maintained them, had a fair amount of money and life was beaut. They were then handed over to local councils in the majority of cases and local councils need to run the airports as a cost centre or profit centre, but either way it is a facility for the local community to provide a service for the people of that community, but the local council still has to pay for the upkeep of the airport. It is not an insignificant cost in a local council budget such as Broken Hill. So they need to charge airport users, the airlines and charter operators, landing fees. They need to charge passenger ticket taxes for somebody to walk through their terminal and the costs go on. I should say that a lot of these issues are Federal Government issues perhaps, but it may be within the State Government 's realm of jurisdiction to consider grants to country councils for upkeep of airports, improvement programs at airports. That may be something you would wish to consider.

The Hon. Dr B. P. V PEZZUTTI: Given that the State Government does subsidise Countrylink and its transport operations on the ground, I was wondering that it maybe a way of getting round this. As we go into deregulation and if it is deregulated and in Ballina we end up with two or three operators which is quite a profitable run, we might end up with a whole lot of little aeroplanes that probably would not need to be subsidised but where there is no service at all or where you have a marginal service, that may be something that is worthy of approach. What is this 54 seater? Is that a turbo prop?

Mr CAMPBELL: Yes. Three years ago the council 's policy was that if an operator operated a certain aircraft, it might be a 30 seater or a turbo prop or jet, at no point could any operator coming on to that run operate a lesser size or capacity aircraft. If someone was operating a Chieftan, moved into a Dash 8, which is a huge step, the run could not support it and they fell over, anybody else who wanted to operate that service would have to operate a Dash 8. That makes the route unprofitable, and all you do is see one operator after another fall over on the same run.

The Hon. Dr B. P. V PEZZUTTI: The 54 seater, where do you fly that?

Mr CAMPBELL: We use it for freight at the moment. We are in the middle of contract negotiations with a number of operators. One will be Brisbane/New Guinea, and the other one will be operating Sydney/Melbourne/Sydney each night or Sydney/Brisbane/Sydney each night. We have one we purchased out of South Africa which will be on its way in the next month or so and it is a full passenger interior one and we hope that will be on the Sydney/Mildura/Broken Hill one.

The Hon. Dr B. P. V PEZZUTTI: In terms of what could happen after deregulation, would you consider your Broken Hill/Mildura/Sydney run a straight Broken Hill/Sydney run?

Mr CAMPBELL: It is something we are looking at. I really need to look at it closely before I make a decision on it, but I see possibly in the future there will be the Sydney/Mildura direct and Broken Hill/Sydney direct services running parallel.

The Hon. Dr B. P. V PEZZUTTI: There is nothing to stop you running Broken/Bankstown at the moment, is there?

Mr CAMPBELL: Yes, passengers.

The Hon. Dr B. P. V PEZZUTTI: I am pleased you answered in that way. Obviously you got round the problem by going to Mildura, but I wonder if there is any interest out there from anybody in regional New South Wales in flying to Bankstown?

Mr CAMPBELL: The only advantage with Bankstown over Sydney is you can park your car. There is no parking that does not cost a fortune at Mascot. In fact I had a call today from the people at the motel we stayed in at Broken Hill. The person who was going to book with us was not going to book because they thought we would go to Bankstown. Once he found out we go to Sydney he made a booking. People are afraid to come to Bankstown because you then have to

travel to Sydney to make a connecting flight or get into Sydney with a huge cab fare or a big wait in somebody 's car, which is too unreliable.

The Hon. Dr B. P. V PEZZUTTI: From inside the airline industry are you hearing discussions from the Sydney Airports Corporation or its predecessors suggesting you might think about flying into Bankstown?

Mr CAMPBELL: There has been talk of anything less than 30 seaters being pushed into Bankstown. I see that as being another thing by Qantas Ansett where they know they are running Dash 8s and Saabs, so it will not push them out. Anything less than they have there is no competition, they have all gone to Bankstown. Kendell and Hazelton are phasing out their metros and Easterns at the beginning of next year will get rid of their jetstreams. It will not affect the major backed airlines one again, but all it needs is it is another way for the big guys to push out the small operators. No one wants to go to Bankstown.

The Hon. Dr B. P. V PEZZUTTI: That is being pushed by the two airlines. Is there anything coming back from Sydney airport operators making those suggestions to you?

Mr CAMPBELL: I am not quite sure where it comes from. It is talk within the industry. As you get into this document it is quite difficult sometimes.

Mr FITZGERALD: I have not been aware of anything in particular from Sydney Airports Corporation or the Sydney Mascot management in writing. It is obvious on page 2 of your handout the charges for Sydney and I refer in particular to the minimum landing charge for a fixed wing aircraft of \$100. This type of flat fee charging in Sydney has been coming in over the last few years. It has taken the little guys. It is we want anything that is 400 seats with the white kangaroo on its tail over here and you other guys we are not interested in, but if you can afford it we will have spare runway capacity. Bankstown versus Sydney is an interesting issue. We are a company that has set up in Bankstown. We have an extensive hangar and maintenance base at Bankstown. Our operational officers are at Bankstown. A number of our staff live quite close to Bankstown Airport. The reality is that no passengers want to go there. We would be quite happy to fly out of Bankstown Airport if all the other regional airlines are forced to go there. We would be in a good position, but if we are the only regional airline that flies out of Bankstown Airport and the competition goes to Sydney we will not have any passengers. Everybody wants to go to Sydney. They are either getting connecting flights interstate or overseas, or they wish to do business in the CBD which is far closer in time from Mascot airport than it is from Bankstown

You guys have travelled out to Bankstown town centre today. Getting from the CBD to Bankstown Airport by road in peak hour is a nightmare. The roads are terrible. The sign posting to find Bankstown Airport once you have found Bankstown is non-existent. It seems that no Sydney taxi driver knows where Bankstown Airport is and once he gets there he does not know where the passenger terminal is. I have done a great number of passenger charter jobs for a lot of business people, private people and, indeed, government officers of various departments. The Bankstown Sydney issue is an interesting one. Some departments always travel out of Sydney and others out of Bankstown. If they travel out of Sydney they would probably incur on, say, a \$5,000 charter job it would cost us and we would pass on to them a \$600 surcharge to fly over to Sydney to pick them up and fly back to Sydney to drop them off.

There are significant costs associated with us operating from Sydney on charter and in airline as opposed to us operating from our own base at Bankstown, but the reality is nobody wants to go from Bankstown. As I say, the roads and signage are terrible just getting there and once you get there the passenger terminal facilities are pretty ordinary as well. If you can imagine Bankstown Airport, from an aircraft operating point of view it is not too bad. You do not get the delays and big costs that you do with Mascot. Bankstown Airport's roadways and the access to it by road were built in the second world war. It has evolved.

The Hon. Dr B. P. V PEZZUTTI: You get wet feet walking out to the aeroplane.

Mr FITZGERALD: Bankstown Airport is not a viable option for passengers at this stage. The facilities and road access are not there. People do not want to go there.

The Hon. Dr B. P. V PEZZUTTI: Say, for example, Sydney Airports Corporation decides that because of the noise that people are making around Sydney about aircraft noise and they want fewer aeroplanes, they make the smart decision to transfer all regional services to Bankstown, that would require change to regulations or even change to the legislation. Say they made that decision and they promised the people from country areas that they would have a fast transport service to Sydney and everything would be wonderful, how much do you think that would set back regional air transport?

Mr FITZGERALD: The issue is an interesting one. It will affect cities and towns which are closer to Sydney more than those that are further away. If you are coming from Broken Hill to Sydney, getting to Bankstown is a good first step. But if you are coming from Bathurst, Mudgee or Newcastle and you are forced to go to Bankstown Airport, the road option becomes a really good option.

The Hon. Dr B. P. V PEZZUTTI: From Lismore I would drive to Coolangatta and get the jet. What about in terms of what would be needed out here, the cost of setting up the infrastructure, have you any idea of that?

Mr CAMPBELL: I have no idea of the costs but there would be a huge change and it would have to take five years to set it up properly with road changes or possibly a monorail system running through to Sydney so that every 15 minutes you can get a direct trip that will take you 15 minutes. The only way I can see it is the monorail, but people don't like the monorail. People who live near Bankstown know that there is light aircraft traffic. You start bringing regional aircraft in, larger with longer flight paths, lower and longer, the people did not move near Bankstown knowing that was there. They moved to Sydney knowing that was there. A lot of people have industry related to Sydney airport. It disrupts a whole lot of people by moving a business centre of the aircraft industry from Mascot to Bankstown.

The Hon. Dr B. P. V PEZZUTTI: From your knowledge of the regulations, what would be one of the recommendations from this Committee that would establish and almost embed regional airlines into Sydney?

Mr CAMPBELL: I do not understand.

The Hon. Dr B. P. V PEZZUTTI: What is there that we could recommend as part of our inquiry recommendations that would embed regional airport access, regional traffic access to Kingsford-Smith?

CHAIRMAN: He is suggesting what sort of guarantees should there be.

The Hon. Dr B. P. V PEZZUTTI: What do we need to recommend to ensure that regional people have the same access? Legislation covers international and interstate but it does not cover regional. There are regulations which cover regional but not legislation.

Mr FITZGERALD: You are talking about Sydney (Mascot) Airport slots locations?

The Hon. Dr B. P. V PEZZUTTI: Yes.

Mr FITZGERALD: I believe there is a term called fenced-off slots. Are you familiar with that?

The Hon. Dr B. P. V PEZZUTTI: Yes.

Mr FITZGERALD: I was very interested to read about that only this week. Keeping up as a company and a pilot operating to Sydney regularly with the ongoing changes is pretty much a full-time job on its own. However, reading about the fenced-off slots for New South Wales country services, that seems to be a recommendation that you could pursue: to cement those fenced-off slots in place somehow.

The Hon. Dr B. P. V PEZZUTTI: You can fence off the slots but, as you point out, if the landing fee is too high that helps make the routes unprofitable and, therefore, the routes do not happen. What we are trying to do at the same time that we deregulate—this Committee is also interested in State development, which is our basic reason for existing—is to ensure reasonable access and development of regional communities. You do not get regional communities developing unless they have reasonable access to the city. If you fence off a few slots and put the prices up, how does that help regional New South Wales?

Mr FITZGERALD: What it is going to do is obviously increase operating costs, which will be passed on to the paying passengers. The paying passengers will look at the cost and look at the option of going by road. Basically, going by private car seems to be the way people think of travel in this State. More people will go by road. It is as simple as that. If you up the price, you are going to have fewer people buying tickets and you will have smaller aircraft and more people travelling by road.

CHAIRMAN: You mentioned the airline reservation system. Is that expensive or difficult from your point of view?

Mr CAMPBELL: The airline reservation system at the moment is monopolised by two major carriers again, and unless you are aligned—

The Hon. Dr B. P. V PEZZUTTI: Duopolised.

Mr CAMPBELL: Sorry, I will treat them as one. Unless you have an arrangement with Qantas or Ansett, which is extremely difficult to get nowadays, you basically cannot get a start. Seventy-five per cent of our ticket sales should come through the Sydney-based bookings and 25 per cent should be at the regional centre. That is based on local traffic and local knowledge.

At present because we cannot get on a Qantas or Ansett system—they will not look at us—we are getting probably 90 per cent of our sales from the Mildura or Broken Hill end and 10 per cent from Sydney, because all the reservation computers at the moment work on what is called the SETA system. It is an archaic, old computer system about 40 years old in design. It could be all done by Internet or modem, but they do not want to do that because it is duopolised now.

Ninety-nine per cent of travel agents have what is called Galileo or Sabre. This is connected to the SETA system, so travel agents will only book on-line through computer. We appear on Galileo and Sabre. Ninety per cent of travel agents are affiliated with either Ansett or Qantas. Because they are affiliated with them, they type in a destination. They might type in "Sydney-Mildura QF" or "Sydney-Mildura AN". When they put the QF or the AN at the end the only thing that appears on that screen is Qantas and Ansett flights or people affiliated with them.

If they put in "Sydney-Mildura YK", which is our last letter code, nothing appears. I cannot tell you why. If they put in "Sydney-Mildura" with no code, we are top of the list. Then it will show Qantas and Ansett. We cannot change this. It is the way they are taught. It is illegal by the ACCC's definition. It does breach some areas of the Trade Practices Act, but nobody is willing to look at it because they are too big to fight.

The Hon. Dr B. P. V PEZZUTTI: Has the ACCC looked at pricing of the airline runs, because they do have tremendous similarity to the dollar? I wonder if they have looked at the duopoly?

CHAIRMAN: They have.

Mr CAMPBELL: One of their primary tasks at the moment is looking at what will happen with deregulation and protecting smaller companies from predatory pricing by Qantas and Ansett. They have got a big submission from us of probably about 40 pages.

The Hon. Dr B. P. V PEZZUTTI: I am aware of that one, but I am worried about the price that Ansett or Qantas would charge you to go on to their booking system. In other words, are they keeping you out using that artificial mechanism?

Mr CAMPBELL: No, it is not. It is straight out, "I am sorry, we do not do that any more." Their reasons behind it are logical. If they are selling tickets on behalf of us and our airline collapses, we have an accident, or anything happens, these people have bought a ticket through Ansett and their name will be affected. I understand that.

Anybody at the moment who is affiliated with them, Kendells, Impulse and people like that—they are just the Ansett-affiliated ones—have a very strict auditing system that happens about every three months. Ansett will go through their whole system—maintenance, crew training, facilities, the whole lot. It is quite a good system.

But because of the Monarch and Seaview crashes—I am not sure who Seaview was affiliated with—the major airlines are afraid of the stigma of a small airline having an accident and being labelled as part of their operation. I understand that. But the way travel agents are, you cannot sell a ticket through a Sydney travel agent. You can ask them direct questions, "Does anybody else fly there?" and they will say, "No". It is the way that they are taught the program to punch into their computer.

CHAIRMAN: There are a couple of documents that you have presented. Could you officially table them?

Mr FITZGERALD: We would like to table formally the handouts that we submitted to Committee members.

CHAIRMAN: If you have any further information particularly in relation to some of the questions we have asked, we will take those on notice and you can send the information to us in writing.

Mr FITZGERALD: Certainly we would be pleased to do that. Basically, our case that we are pleading today is that the Committee has expressed an interest in the effects on smaller rural and regional towns, places such as Deniliquin perhaps. When it comes to the big guy-little guy argument, the David-and-Goliath argument, the smaller towns are traditionally the places where start-up operators such as us are able to go in and make a go of it. Companies that are established with larger aircraft are not interested in ports like that.

CHAIRMAN: That is one of the supplementary questions that I was thinking of asking you. If you wanted to try to get a service for Hay-Deniliquin-Sydney, would you have any problem with the ATC at the moment in getting a licence?

Mr CAMPBELL: No. Because no-one has operated there, there would be no problem. The problem with Swan Hill is there is no fuel; Hay no fuel. That is the big deterrent at the moment. The fuel suppliers are not willing to put fuel out there for any operator. Deniliquin does have fuel, but because no-one is operating it, it would basically be a formality to get those licences from the Air Transport Council.

(The witnesses withdrew)

(The Committee adjourned)

