

31 January 2024

David Wells
Head of Transformation – Western Sydney International Airport
Airservices Australia

Sent my email to: stakeholder@airservicesaustralia.com
CC: Kieran.Langford@airservicesaustralia.com

Dear Mr Wells,

Re: Submission to the AvSEF on proposed changes to general aviation operations in the Sydney Basin

Aeria Management Group (AMG) welcomes the opportunity to make this submission to the Aviation State Engagement Forum (AvSEF) on “Proposed changes to general aviation operations in the Sydney Basin in support of the new Western Sydney International (Nancy-Bird Walton) Airport.”

AMG is the Airport Lessee Company for Bankstown Airport and Camden Airport, in South-West Sydney, and is owned by Aware Super, one of Australia’s largest superannuation funds, with \$150 billion under management and more than 1.1 million members.

With \$450 million invested in our general aviation (GA) airport precincts since 2015 and a further \$200 million in the forward investment pipeline, AMG is committed to the continued sustainable growth and evolution of Bankstown Airport and Camden Airport and GA operations and services.

The matters raised in the AvSEF are covered in detail in our submission to the Draft Environmental Impact Statement (EIS) for Western Sydney International Airport (WSI), which we attach as the core of our submission to the AvSEF at Appendix A.

This includes our responses and recommendations in respect of proposed airspace changes, such as the introduction of “Class D+” airspace, lateral expansion of the Bankstown Airport control zone and changes to VFR routes, as well as the proposed Engadine Corridor.

Proposed changes to airspace, flight paths and regulations due to the commencement of WSI will have a significant impact on existing operations and future investment and aviation growth at Bankstown Airport and Camden Airport, with flow-on effects for Australia’s aviation industry, economy and workforce.

AMG is committed to securing the ongoing viability and sustainable growth of GA in the Sydney Basin, including measures to mitigate any negative impacts on our operators.

We look forward to further discussions with Airservices Australia on these matters.

Kind regards,



Daniel Jarosch
Chief Executive Officer
Aeria Management Group

APPENDIX A

Western Sydney International (Nancy-Bird Walton) Airport Draft Environmental Impact Statement AMG Submission

EXECUTIVE SUMMARY

The Bankstown Airport and Camden Airport precincts provide significant enabling infrastructure and facilities to support GA, emergency services, emerging technologies and economic and employment generation, benefitting Sydney, NSW and Australia.

These aviation assets are co-located with key manufacturing, industrial and logistics centres, technology and innovation hubs, skilled workforce populations and customer and community services that provide a launchpad for current operations and catalysts for future growth.

Together, Bankstown Airport and Camden Airport:

- Have a dynamic economic ecosystem that supports a diverse range of airside and landside businesses and activities;
- Support an estimated 4475 direct on-site jobs across airside and landside operations and a further 4125 jobs through the related supply chain, totalling almost 9000 jobs (REMPAN, 2023);
- Support more than 600 new flight students a year; and
- Generate an estimated \$1.79 billion in annual direct and indirect value-added benefit to the NSW economy (REMPAN 2023).

The EIS acknowledges that the proposed changes to flight paths, airspace and regulations to accommodate WSI will have an economic toll on such operations, particularly flight training schools at Bankstown Airport, the leading training base for future pilots in NSW. However, the estimated total economic cost stated in the EIS of \$15 million p.a. from 2026 substantially underestimates the direct impacts on flight training schools, including the significant economic and employment costs if businesses are forced to reduce, relocate or cease their operations.

The EIS also fails to consider the impacts on other aviation-related businesses and services such as aircraft maintenance and engineering. Nor does it consider the overall impacts on GA operators more broadly, including increased compliance costs, safety risks, airspace complexity, congestion and delays.

This submission includes recommendations to appropriately mitigate such impacts. Key aspects of the submission include:

Economic impacts

The proposed changes to airspace and flight paths in the Sydney Basin to accommodate WSI will have significant economic impacts on flight training schools and related aviation businesses, as well as GA operators overall, a preliminary assessment of which are quantified below.

Those economic impacts include:

- Increased time and costs of accessing usable airspace, including the two possible (new) flight training areas identified in the EIS'
- Reduction in flight student numbers, with significant flow-on effects for the Australian aviation industry and national workforce and skills pipeline;

- The potential for extended qualification and employment timelines for future pilots;
- Additional compliance costs to meet proposed new airspace classification requirements;
- Additional imposts such as fuel and emissions costs; and
- Additional economic costs related to operational impacts.

A number of flight training schools at Bankstown Airport report that the scope and scale of such impacts will likely reduce their operations and threaten their ongoing viability, potentially leading to the closure of some businesses.

Any reduction in flight training and students would have significant economic and employment impacts and undermine future workforce needs, including the growing global demand for pilots and aircraft engineers. Such impacts are also contrary to the Government's commitment in the Aviation Green Paper, released in September 2023, to the GA sector and the growth of flight training.

Operational costs

Increased safety risks and congestion

As acknowledged by the EIS, WSI-related changes to flight paths and airspace will increase safety risks and hazards for all aircraft in the Sydney Basin.

The forecast substantial increase in aircraft movements due to the take-up of emerging aviation technologies and Advanced Air Mobility (AAM) aircraft will further increase airspace congestion and related safety risks and hazards.

Noise impacts

Changes to airspace, flight paths and regulations related to WSI will result in aircraft having to fly at lower altitudes while transitioning into airspace outside the Bankstown Airport control area (CTA). This change, coupled with an increase in aircraft numbers and congestion, will increase noise exposure and impacts for residents and communities beyond currently impacted areas, with a flow-on increase in noise complaints anticipated.

Those impacts may lead to increased restrictions on airport operations and future development and growth of GA operations and services in the Sydney Basin, with significant flow-on economic and employment costs.

Operational delays

The proposed requirement for flight plan notifications and transponders will increase time and administrative burdens on operators at Bankstown Airport and Camden Airport, in addition to the related equipment-installation and maintenance costs.

Increased aircraft activity and proposed regulations may also create delays in the provision of Air Traffic Control (ATC) services, noting the general staffing shortfalls acknowledged by Airservices Australia.

Mitigation strategies and measures

We endorse the view of the General Aviation Advisory Network (GAAN) that the Government should conduct further analysis and investigation of the estimated economic impact of changes to airspace, flight paths and regulations related to WSI.

AMG's submission makes other recommendations to Government to mitigate the economic and operational costs on operators at Bankstown Airport and Camden Airport, including:

- Payment of fair, adequate and flexible compensation to impacted aviation businesses at Bankstown Airport and Camden Airport,

- Provision of funding or investment incentives to expand GA operations at Camden Airport, including flight training operations,
- Delivery of the Engadine Corridor VFR transit route south from Bankstown Airport to reduce safety risks and the economic and operational impacts on flight training schools,
- Provision of efficient and fit-for-purpose ATC services and control tower operational hours,
- Provision of appropriate resources to proactively educate residents about aircraft noise and to respond to noise complaints, and
- Delivery of a whole-of-airspace review of the Sydney Basin to ensure safe and equitable access and use for all operators

Estimated total economic costs (including operational impacts)

A preliminary economic impact analysis by Urbis, commissioned by AMG, estimates that costs to GA operations and related aviation services at Bankstown Airport and Camden Airport due to the commencement of WSI will be approximately \$76.2 million in 2026 – more than five times the figure in the EIS – growing to \$102 million p.a. by 2055 (based on growth of flights projected in the approved Master Plan 2019 for Bankstown Airport).

For the purposes of this analysis, we have assumed that WSI-related changes will result in a 20 per cent reduction in student numbers at Bankstown Airport, with flow-on impacts on workforce and skills gaps and Australia's aviation sector.

The estimate of economic costs does not include the potential additional costs of businesses relocating from Bankstown Airport or closing altogether, which would substantially increase the forecast impacts to GA operations. Hence, this is likely a lower-bound estimate.

Accordingly, the total economic cost to GA operations and services at Bankstown Airport and Camden Airport is estimated at \$2.65 billion to 2055.

The mitigation measures outlined in AMG's submission present the opportunity for the Government to decrease this total cost by approximately 40 per cent to \$1.44 billion.

The total estimated cost to 2055 in real, discounted terms, is approximately \$1.13 billion, with the opportunity to decrease to \$616 million through the delivery of mitigation measures.

Longer-term considerations

The EIS recognises that a single runway system at WSI will likely operate close to capacity by 2055 and that a second runway is anticipated to be required at around this time.

It is critical to acknowledge that further airspace changes will be required to accommodate a second runway, which would have significant additional impacts on Bankstown Airport and Camden Airport. Such impacts would likely include substantial increases in restrictions on flight paths and available airspace and increases in aircraft congestion, operational requirements and safety risks.

Those impacts would threaten the long-term viability of Bankstown Airport, Camden Airport and essential GA services and operations in the Sydney Basin.

DETAILED RESPONSES

ECONOMIC IMPACTS:

A) FLIGHT TRAINING SCHOOLS

Deficiencies in the EIS estimate of economic costs

Changes to flight paths, airspace and related regulations to accommodate WSI will have a significant impact on operations and essential services at Bankstown Airport and Camden Airport. Those changes are scheduled to commence in mid-2026, ahead of the planned opening of WSI late that year.

The EIS acknowledges that the proposed changes will have a significant economic impact on flight training schools at Bankstown Airport. The extent to which such impacts are quantified in the EIS is based on an additional \$100 of cost per training flight across an estimated 150,000 movements a year, totalling \$15 million p.a from 2026 and escalating by 1 per cent year-on-year.

AMG understands the GAAN believes this estimate is understated, since it assumes flight training will continue at current levels of activity and does not consider the economic impacts of substantial loss of business, costs of relocating to another airport or business closures, nor costs to other aviation operations.

We endorse the GAAN's view and recommendation for further investigation and analysis of the economic impacts due to the commencement of WSI.

Flight school operators at Bankstown Airport advise that the proposed changes in the EIS will have substantial impacts on their current operations and growth potential, including:

- Increased time and costs of accessing proposed new flight training areas and usable airspace for flight training;
- Increased safety risks due to greater complexity and congestion of airspace adjacent to Bankstown Airport, particularly for student pilots;
- Increased flight training times and delayed qualifications for student pilots, with significant flow-on impacts for the Australian aviation industry and national skills, talent and workforce pipelines;
- Increased time and staffing costs to comply with proposed VFR and IFR procedures and the purchase and installation of additional surveillance equipment; and
- Reduced training capacity associated with proposed new flight training areas, due to the impact of height restrictions and weather on training hours.

The estimated economic impact in the EIS also fails to consider factors such as:

- Impacts on other aviation operations, notably aircraft maintenance businesses and their staff;
- Additional fuel and emissions cost impacts on GA operators; and
- Additional compliance cost impacts on GA operators, including equipment and regulatory requirements.

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| Recommendation | The Government conduct further analysis and investigation of the estimated economic impact of changes to airspace, flight paths and regulations due to the commencement of WSI. |
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Costs related to the loss of current flight training areas

Airspace currently used for flight training in proximity to Bankstown Airport will be reduced or lost altogether due to the commencement of WSI, forcing operators to travel greater distances at increased cost to provide this essential service.

The EIS proposes to replace the three existing flight training areas to the west of Bankstown Airport with two new possible flight training areas to the north and south-west of the airport.

Flight training operators at Bankstown Airport report that such changes would have significant economic impacts, including:

- The distance from Bankstown Airport to the current flight training area west of the airport is approximately seven (7) nautical miles. The distance to the proposed southern training area is approximately eighteen (18) nautical miles – or more than double the current distance. Travelling this additional distance will increase flight times for pilot training from the industry-standard 1 hour start-up to shutdown sortie length, to an estimated 1hour 20 minutes for recreational pilot licences and 1 hour10 minutes for private licences
- Increased travel distances and times will, in turn, increase fuel burn, carbon emissions and associated costs. This outcome will also undermine the transition of Australia’s aviation industry towards decarbonisation and the Commonwealth Government’s commitment to achieve net zero by 2050
- Further delays and costs will be experienced due to increasingly narrower flight paths and the related reclassification of Class G airspace adjacent to the Bankstown Airport CTA. Student pilots typically lack the experience and expertise to navigate complex and congested airspace in the early stages of training. It is expected that in many cases instructors will need to retain control of aircraft while navigating to the proposed new training areas before handing over control to students, adding to the time required for training and obtaining relevant qualifications.

Tuition fees are input-cost sensitive and any cost increases are likely to be passed on to students, with flow-on impacts on student enrolment numbers and loss of market share. For the purposes of this submission, AMG has assumed a 20 per cent reduction in student numbers at Bankstown Airport, with flow-on impacts on workforce and skills gaps and Australia’s aviation sector.

Some students may choose to train in other states or countries – at significant cost to the economic and employment outcomes for Sydney, NSW and Australia.

Separately, operators at Camden Airport report concerns that more GA operators will opt to use unchanged Class G airspace to the south-west of the airport, increasing airspace congestion.

Limitations of proposed new flight training areas

The proposal to accommodate two possible (new) flight training areas to the north and south-west of Bankstown Airport will not eliminate such economic costs.

Flight training operators indicated that the proposed northern training area is not viable for flight training, in part due to its proximity to the Sydney Airport CTA.

While preferable, the proposed southern training area will impose additional costs and operational limitations, including:

- The additional time and cost to travel to the proposed training area from Bankstown Airport (as outlined above), compared with current training areas
- The operational height restrictions of 1500ft for those parts of the southern training area closest to Bankstown Airport are incompatible with some essential flight training operations, such as stalls and aerobatics. Such procedures require base operations of 3000ft above mean sea level (AMSL), which means that aircraft need to operate under a 4500ft AMSL control step. Bankstown Airport training schools will need to travel further into the southern training area or

west beyond Camden Airport to conduct such exercises, further increasing costs per flight, fuel burn and carbon emissions

- The economic estimate in the EIS incorrectly assumes the proposed new flight training areas will deliver the same number of flight training days as current flight training areas. Some flight training schools report that the weather impacts will be greater in the southern training area, impacting available training hours as compared with current training areas to the west and north of Bankstown Airport and Camden Airport, respectively.

Impacts on the viability of flight training schools

AMG endorses the GAAN's view that the real economic impact on some flight training schools will be substantial loss of business, the costs of having to relocate to another airport or losses related to the closure of their business altogether.

The potential closure of flight training schools at Bankstown Airport would have significant economic and employment impacts on GA operations in the Sydney Basin and the sector more broadly, threatening the ongoing viability and sustainable growth of essential flight training services in Australia's largest population and workforce base – with flow-on consequences for Australia's economic and employment output.

The importance of the GA sector was affirmed in the Government's Aviation Green Paper, which stated: "Australia is well placed to capitalise on the growing global demand for pilots, supported by good weather, uncongested airspace and a global reputation for safety.

"This presents significant growth potential for the GA sector. There may be further opportunities to expand the current flight training industry in Australia, attracting student pilots domestically and from overseas to fill long term demand for new pilots."

Proposed changes related to the commencement of WSI would instead increase weather impacts, congestion and safety risks. Coupled with the risk of business losses or closures, the growth potential outlined in the Aviation Green Paper is at risk of being realised.

Impacts on workforce and skills gaps

As noted above, there is growing global demand for pilots and other aviation professionals, such as Licensed Aircraft Maintenance Engineers (or LAMEs).

Boeing's Pilot and Technical Outlook 2023-2042, released in July 2023, forecasts that by 2042 the Oceania region – which includes Australia, New Zealand and the South Pacific – will require an additional 10,000 pilots, 11,000 technicians and 18,000 cabin crew.

The potential reduction or closing of flight training schools at Bankstown Airport - the primary GA airport in the Sydney Basin – would, in turn, threaten the viability of aircraft maintenance businesses and their capacity to recruit and retain staff and future apprentices and trainees.

Any impacts on the viability of essential flight training and aircraft engineer operations at GA airports in the Sydney Basin will exacerbate current workforce and skills gaps and imperil the future pipeline of essential workers to meet Australia's aviation needs.

Total economic impacts on flight training schools

Preliminary analysis by Urbis estimates the total economic cost to flight training schools of the impacts outlined above will be \$1.40 billion to 2055.

The total estimated cost over that time in real, discounted terms, is approximately \$597 million.

These estimates assume a 20 per cent reduction in flight student numbers at Bankstown Airport, due to increased tuition fees, training times and other regulatory requirements.

Importantly, these estimates do not include the costs to businesses of having to relocate from Bankstown Airport or closing altogether, which would substantially increase economic impacts.

Recommendations in the Mitigation Measures section of this submission could reduce such estimated costs substantially.

B) GA BUSINESSES SUPPORTING FLIGHT TRAINING SCHOOLS

Impacts on related aviation businesses

AMG endorses the position of the GAAN that the negative impacts of WSI-related airspace changes will fall not only on flight training operators, student number and, ultimately, pilots – but also on aircraft maintenance and parts-supply businesses and their employees.

Currently, 15 per cent of Aircraft Maintenance Engineers and LAMEs and 12 per cent of Air Transport Professionals in Greater Sydney work within the GA catchments of Bankstown Airport and Camden Airport (ABS, 2021).

Any reduction in flight training operations and related aircraft movements at Bankstown Airport and Camden Airport will have flow-on impacts regarding demand for support services, particularly aircraft maintenance operators.

This impact is significant, particularly given the interdependent nature of the GA sector and current and growing shortfalls in numbers of aircraft engineers and pilots.

Impacts on workforce and skills gaps

As noted above, the Government's Aviation Green Paper details the growing global demand for pilots and states that "flight training presents significant growth potential for the GA sector".

The scale of such demand is significant, as evidenced by the findings of Boeing's Pilot and Technical Outlook 2023-2042, detailed above.

The potential reduction or closure of flight training operations at Bankstown Airport would, in turn, impact related aviation operations, such as aircraft engineers, and their capacity to recruit or retain qualified staff or apprentices.

GA aircraft maintenance businesses at Bankstown Airport and Camden Airport are already reporting shortages of staff and apprentices. Changes related to the commencement of WSI are likely to exacerbate this issue, with flow-on cost impacts on the economy and employment sector.

Total economic impacts on GA businesses supporting flight training schools

Preliminary analysis by Urbis estimates the total economic cost to GA businesses supporting flight training schools will be \$1.20 billion to 2055.

The total estimated cost over that time in real, discounted terms, is approximately \$512 million.

Recommendations in the Mitigation Measures section of this submission could reduce such estimated costs substantially.

C) GA OPERATORS MORE BROADLY

Increased compliance costs

Proposed changes to airspace adjacent to Bankstown Airport are detailed in the EIS and the related Airservices Australia Industry Briefing Paper and Aviation State Engagement Forum, in December 2023, titled "Proposed changes to general aviation operations in the Sydney basin in support of the new Western Sydney International (Nancy-Bird Walton) Airport".

Those proposals include the reclassification of such airspace from Class G to Class D, supplemented by the requirement for the carriage and use of a transponder and lodgement of

flight plan notifications – which has been referred to as “Class D+” by Department representatives and Airservices Australia.

This proposed reclassification will increase compliance costs for GA operators at Bankstown Airport.

AMG understands that approximately 85 per cent of aircraft operating at the airport use standard VFR processes, consistent with the use of Class G airspace. Complying with the so-called Class D+ will require equipment upgrades to some aircraft and impose additional logistical and administrative requirements on some operators, including:

- Increases in time and administrative resources to comply with mandatory flight planning requirements. AMG understands that the preparation and lodgement of flight plans could take operators up to 45 minutes in some cases, significantly delaying their flights and operations;
- Increases in flight training times and tuition fees, as well as the administrative burden of amending standard flight training curriculums, to ensure students are equipped to comply with the increased requirements; and
- Costs to purchase, install and maintain a transponder to comply with the proposed airspace reclassification.

The additional time required to comply with the flight notification requirements may be exacerbated by delays in the provision of ATC services and approvals – referred to below.

Total economic impacts on GA operators more broadly

Preliminary analysis by Urbis estimates the total economic cost to GA operators more broadly of increased compliance costs will be \$55 million to 2055. The cost in real, discounted terms over that time is \$24 million.

Recommendations in the Mitigation Measures section of this submission could reduce such estimated costs substantially.

This preliminary assessment of costs is based on the following assumptions:

- A cost of \$15,000 to purchase and install a transponder to comply with the proposed airspace reclassification for the estimated 10 per cent of aircraft requiring additional equipment;
- An average net increase of 35 minutes in administrative process to comply with IFR procedures for current VFR-based operations, with time valued based on an estimated average GA worker wage of \$41.25 per hour (ABS, 2021); and
- An average estimated delay of five minutes to flight movements to capture potential delays in the provision of ATC services and approvals, detailed below, similarly valued at \$41.25 per hour.

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| Recommendation | The Government commit to a process and timeline for delivering measures to mitigate the economic impacts of changes related to the commencement of WSI, including but not limited to the payment of fair and flexible compensation to GA operators at Bankstown Airport and Camden Airport and/or investment or funding incentives to support the evolution and sustainable growth of GA in the Sydney Basin |
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Additional recommendations to mitigate the costs to GA operators at Bankstown Airport and Camden Airport are detailed below.

OPERATIONAL IMPACTS:

Safety risks and congestion

The Civil Aviation Safety Authority (CASA), Airservices Australia and industry experts have long recognised significant and ongoing safety risks associated within and adjacent to the Bankstown Airport airspace.

Such risks have been highlighted by several safety incidents in and around the Bankstown Airport CTA including a fatal midair collision in 2008. Further details about such risks and the consideration of strategies over the past decade to reduce those risks are detailed below.

The EIS acknowledges that safety risks and hazards will increase due to WSI-related changes to flight paths and airspace. Such heightened safety risks for GA operators in the Sydney Basin include:

- Most flight training aircraft from Bankstown Airport currently operate via standard VFR procedures. Proposed airspace changes will alter VFR flight paths arriving at and departing from Bankstown Airport. This proposal, combined with the prospect of the route to the proposed new southern training area becoming increasingly narrow and congested, will increase safety risks; and
- The constrained characteristic of the Bankstown Airport CTA requires common entry and exit directions, generating traffic convergence. The introduction of WSI-related changes to flight paths and airspace will result in these convergence points becoming a “pinch point” for Bankstown Airport – increasing safety risks for all operators.

More broadly, the increase in aircraft movements in the Sydney Basin, due to the commencement of WSI and broader industry trends, will heighten safety risks and hazards and other operational issues for all aircraft operators.

AMG understands the GAAN is concerned by potential issues relating to the likely demand for rotorcraft operations to and from WSI and their intersection with the Bankstown Airport CTA, as public demand develops for rapid movement between WSI and Sydney Airport.

We understand the GAAN has also noted that uncrewed aircraft and AAM aircraft will also begin to need access to airspace in the Sydney Basin.

AMG endorses these positions and notes the forecast in the Aviation Green Paper for a threefold increase in aircraft movements in Australia from 3 million to 8-10 million a year by 2050, largely due to the take-up of AAM aircraft, such as eVTOLs and drones.

Together, the impacts of WSI-related changes to airspace and aircraft movements and the significant increase in aircraft movements more generally, due to emerging technologies, increases the need for a whole-of-airspace review for the Sydney Basin – further detail of this recommendation is below.

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| Recommendation | The Government commit to a whole-of-airspace review for the Sydney Basin to ensure safe and equitable access and use for all airports and aviation operators |
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Delays in aircraft movements

A key concern raised by operators at Bankstown Airport and Camden Airport was the need for timely IFR procedures and ATC approvals.

Operators at Bankstown Airport advise that the current response time from ATC for IFR flights is approximately 10-15 minutes and up to 20 minutes during peak periods, delaying the take-off and landing of aircraft.

Proposals in the EIS to increase the complexity of airspace regulations and requirements, coupled with the expected increase in airspace movements and congestion, may increase such response times and cause extended delays for GA operations.

Airservices Australia has acknowledged delays with the provision of ATC services, due in part to inadequate staff availability. As noted by Airservices Australia in the Australian Aviation Network Overview Report for December 2023, “our industry is still facing the lingering challenges in post-pandemic recovery where more resources and systemic improvements to business processes, in particular whole-of-network capacity planning, are required to return to long-term performance expectations”.

Potential delays to GA operations are compounded by ATC separation requirements that allow for only one IFR aircraft to be airborne within the Bankstown Airport CTA at any one time. While the EIS proposes to expand the Bankstown Airport CTA by 4.2 nautical miles to the west, there is no related proposed relaxation of ATC separation requirements.

AMG understands the GAAN has identified the need for procedures to ensure minimal ground and airborne operation delays, particularly for clearances and releases for IFR operations, including approaches. AMG endorses this position.

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| Recommendations | <ul style="list-style-type: none"> • The Government commit to ensuring the efficient delivery of ATC services and tower operations, in respect of current operations and impacts related to the commencement of WSI • The Government commit to a review of the provision of ATC procedures and services at Bankstown Airport and Camden Airport to ensure they are fit-for-purpose currently and in respect of impacts related to the commencement of WSI |
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Noise impacts

Direct noise impacts arising from WSI

The EIS focuses on assessing short-, mid- and long-term impacts of aircraft noise associated with the preliminary airspace and flight path design of WSI. The EIS recognises that aircraft noise may have adverse impacts on residential properties and communities in areas close to WSI and across the Sydney Basin.

The EIS Technical Paper 13: Facilitated Changes further assesses the noise impacts associated with operations at Bankstown Airport and Camden Airport and recognises that Bankstown Airport is the most affected of all Sydney Basin airports by WSI-related changes.

Proposed procedures for IFR operations in the EIS will result in aircraft having to fly at lower altitudes than is currently the case, while transitioning into airspace outside the CTAs for Bankstown Airport and Camden Airport. This requirement is likely to increase noise exposure and impacts for residents and communities around these airports.

AMG is concerned by the likely related increase in noise complaints and the broader potential negative impact on the public perception and reputation of Bankstown Airport and Camden Airport.

AMG has a strong commitment to working with the community and governments at all levels to manage and minimise the impacts of aircraft noise. This commitment includes the adoption and rollout to airport operators of the voluntary “Fly Neighbourly” program, to minimise the impacts of aircraft noise on residents and the community.

AMG also supports the continued commitment by governments to the implementation of the National Airports Safeguarding Framework (NASF), as a mechanism to manage the operational needs of airports with surrounding land uses.

Guideline A of the NASF is clear on the need for controls and consistency to manage developments and the encroachment of sensitive land uses in the vicinity of airports, including activities associated with rezoning of “brownfield areas” and/or development applications. The NASF requires all levels of government and airport operators to support effective disclosures about aircraft noise to prospective residents.

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| Recommendation | <ul style="list-style-type: none"> • The Government work with local and state authorities to ensure current and prospective residents and communities around Bankstown Airport and Camden Airport are informed about the noise impacts of WSI-related changes to airspace and flight paths • The Government ensure Airservices Australia is resourced appropriately to respond to anticipated increases in aircraft noise queries, concerns and complaints from residents and communities around Bankstown Airport and Camden Airport |
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Indirect noise impacts – potential impacts on airport planning and development

AMG is concerned by the potential impacts of aircraft noise related to WSI on the sustainable operation and growth of GA services at Bankstown Airport and Camden Airport.

Increased noise exposure and impacts related to WSI may heighten the risk of additional operational restrictions on Bankstown Airport and Camden Airport, such as movement caps or curfews.

Such noise impacts, which are beyond the control of AMG and its operators, may also have negative implications for the development, assessment and determination of future Master Plans and Major Development Plans for Bankstown Airport and Camden Airport.

This outcome would constrain investment in GA facilities and infrastructure and undermine the sustainable growth of GA operations in the Sydney Basin.

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| Recommendation | The Government/Department acknowledge in writing the increased noise exposure, impacts and footprint for areas around Bankstown Airport and Camden Airport due to the commencement of WSI and commit to take such impacts into account when assessing any planning documents or development proposals for Bankstown Airport or Camden Airport |
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MITIGATION MEASURES TO REDUCE ECONOMIC AND OPERATIONAL IMPACTS OF WSI

Fair and flexible compensation and investment for GA operators and GA airports

AMG endorses the position of the GAAN that fair and adequate compensation should be paid to all businesses and other operators at Bankstown Airport and Camden Airport, based on all added costs and economic loss being imposed by WSI-related airspace changes.

We also endorse the GAAN's position that the form and scale of such compensation should be informed by further investigation and full analysis of economic impacts on all GA operators at Bankstown Airport and Camden Airport, including flight training schools, pilots and aircraft maintenance businesses.

Such impacts, which are detailed above, include:

- Increased travel times, costs and fuel burn;
- The potential reduction, relocation or closure of business operations; and
- Changed procedures and compliance requirements, including the requirement for flight plans and transponders.

Such compensation should be flexible and designed to potentially include direct payments and/or investments to assist in the ongoing viability and sustainable growth of GA businesses and the broader GA sector.

This mitigation strategy could include government funding and investment incentives to support the take-up of emerging aviation technologies, AAM aircraft and the transition of the aviation sector towards decarbonisation, such as:

- Assistance for flight training schools and other GA operators to invest in AAM aircraft, such as electric and/or hydrogen-powered aircraft; and
- Assistance for GA airports to invest in facilities and infrastructure to support AAM aircraft and emerging aviation technologies, such as electric-and-hydrogen charging facilities and vertiports.

As noted in the Aviation Green Paper, GA airports are strongly positioned to be the catalyst for emerging aviation technologies and the transition to net zero. Metro GA airports, such as Bankstown Airport and Camden Airport, offer significant opportunities through aviation infrastructure, appropriate planning overlays, diverse aviation ecosystems, access to large skilled workforces and complementary onsite operations, such as manufacturing and logistics businesses.

Already, Bankstown Airport is emerging as a key innovation hub for AAM aircraft, with multiple airport operators developing zero-emission electric and hydrogen propulsion technologies and drones for essential uses, such as emergency medical care, patient transfers, search-and-rescue missions and freight.

Bankstown Airport has significant opportunities to build upon its logistical infrastructure – across airside and landside – as an innovation hub for aviation verti-modal and micro-logistics systems.

The development and adoption of such emerging aviation technologies will require capital and operational investment. Government support will be critical to realising this opportunity to invest in the evolution and growth of GA operations in the Sydney Basin.

Delivery of Engadine Corridor

The proposed Engadine Corridor transit route south from Bankstown Airport has been identified by GA operators as a critical initiative to mitigate the impacts on their operations of WSI-related changes to airspace and flight paths, including:

- Reduced travel times and costs – the proposed corridor would provide direct and shorter access for flight training schools between Bankstown Airport and the proposed southern flight training area, reducing the additional distance to access a viable training area from about 18 nautical miles to 9 nautical miles; and
- Reduced compliance costs – access to a travel route in Class G airspace would mitigate the requirements under the proposed so-called Class D+ airspace for flight planning and transponders.

Committing to the delivery of the Engadine Corridor as soon as practicable will also provide some assistance to flight training schools at Bankstown Airport that are currently assessing the ongoing viability of their operations due to the changes proposed in the EIS.

The delivery of the Engadine Corridor would also reduce current and ongoing safety risks within and adjacent to the Bankstown Airport CTA. The proposal has been under consideration by CASA and Airservices Australia since 2015, following several safety incidents in and around the Bankstown Airport CTA, including a fatal midair collision in 2008:

Those safety risks will be exacerbated by the proposed changes due to the commencement of WSI, which will result in increased airspace complexity and congestion in the Sydney Basin.

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| Recommendations | <ul style="list-style-type: none"> • The WSI EIS identify the Engadine Corridor as a significant mitigant to the impacts on GA operators at Bankstown Airport of changes related to the commencement of WSI • The Government/Department, CASA and Airservices Australia commit to a formal process and timeline for consideration, determination and delivery of the proposed Engadine Corridor, prior to the commencement of WSI-related changes to airspace and flight paths |
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Investment to expand GA operations at Camden Airport

Camden Airport is well placed to meaningfully mitigate the impacts of changes due to the commencement of WSI and to help maintain numbers of flight training students in the Sydney Basin.

Camden Airport already supports flight training and broader GA operations, including emergency services, across a diverse aviation ecosystem. Increasing such support will require significant investments in infrastructure and facilities at the airport, which are not captured in the EIS.

The Camden Airport Master Plan 2020 identified the potential for expanded aviation activity and development opportunities, including:

- A hangar refurbishment program, along with opportunities for new aircraft hangar development and new aircraft parking areas;
- Expanded/redeveloped hangar facilities and expanded aircraft grassed parking areas; and
- Development of the vacant land within the Camden Airport Business Zone for expanded aviation operations – including a new taxiway, aprons and hangar facilities.

For the purposes of this submission, AMG engaged AECOM to undertake a preliminary capacity analysis and assessment of the opportunities to expand GA operations and services at Camden Airport.

This preliminary analysis indicates Camden Airport can accommodate approximately 26,000 additional annual aircraft movements beyond current FY2023 operations. This expansion would potentially accommodate a further 100 flight students a year at the airport – double its current student numbers.

The potential to host a further 100 students a year at Camden Airport would mitigate the expected decline in flight training operations and student numbers and flow-on impacts at Bankstown Airport and help to ensure the ongoing viability of this essential service.

The preliminary capacity analysis and assessment considers development scenarios that are aligned with the development opportunities identified in the Camden Master Plan 2020, outlined above. Such works would require extensive earthworks, civil infrastructure and improvements to road connectivity and flood-mitigation measures.

Preliminary estimates of the costs of delivering expanded operational capacity at Camden Airport range from \$10 million to \$58 million. Importantly, such costs are substantially lower than the estimated economic impacts in this submission on GA operators of changes related to the commencement of WSI.

Government support in the form of development funding or investment incentives is critical to realising such opportunities to enable the ongoing viability and growth of GA operations in the Sydney Basin.

AMG would welcome the opportunity to discuss this proposal further with the Government.

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| Recommendation | The Government commit to funding or investment incentives to expand aviation operations at Camden Airport, to meaningfully mitigate the impacts of WSI-related changes and support the ongoing viability of the GA sector |
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Comprehensive review of Sydney Basin airspace

The EIS states that the Sydney Basin is likely the most complex and busiest airspace within Australia. The EIS also notes that the introduction of WSI into that already congested airspace will potentially result in increased safety risks and hazards for all aircraft in the Sydney Basin, including for GA operators at Bankstown Airport and Camden Airport.

Despite this, the development and detailed evaluation of initial airspace concept designs (including Concept W, the suggested concept contained in the EIS) consisted exclusively of consideration of WSI and Sydney Airport flight paths, underpinned by commitments to minimise changes to Sydney Airport and to manage environmental and noise impacts from WSI (as identified within the guiding Airspace Design Principles),

This approach negated the importance of essential GA airports and services within the Sydney Basin and resulted in substantial understated and inequitable impacts to the operations of Bankstown Airport and Camden Airport, including the removal of current flight training areas in proximity to Bankstown Airport.

Addressing and correcting such inequality in the treatment of and impacts on GA airports should be a priority of Government.

At the same time, the forecast increase in aircraft movements due to the take-up of emerging aviation technologies and AAM aircraft – such as eVTOLs, drones and uncrewed aircraft – will further increase airspace congestion and related safety risks and hazards in the Sydney Basin.

Such impacts highlight the urgent need for a comprehensive airspace review to:

- Ensure the equitable distribution and management of airspace in the Sydney Basin;
- Ensure the ongoing viability of GA operations in the Sydney Basin; and
- Minimise safety risks and hazards for all current and future aircraft in the Sydney Basin, associated with increasingly congested and complex airspace corridors.

As noted in AMG's submission to the Aviation Green Paper, which is available on our website, this review should encompass traditional and AAM aircraft and prioritise the need to ensure safe and equitable passage for all aircraft operators. This includes undertaking a review of Australian Defence Force airspace boundaries and related restrictions on other airspace users.

The United Kingdom and the Tri-State Area in the United States, which have some of the busiest airspace in the world, have recently conducted comprehensive assessments of their respective airspace and management processes for aeronautical activity. The Government must look to these international examples as a blueprint to review and evolve its approach to airspace management.

A Sydney Basin airspace review would also enable effective planning to facilitate future operations at WSI beyond stage 1 (i.e. long-term parallel runway operations), which are expected to further increase safety risks and congestion and have potentially serious implications for the long-term viability of operations of Bankstown Airport and Camden Airport.

Reduction in economic impacts

The delivery of mitigation measures outlined above – particularly, the Engadine Corridor and payment of compensation and investment in Camden Airport – would meaningfully mitigate the scope and scale of the economic impacts outlined in this submission.

Preliminary analysis by Urbis indicates that the economic impact on flight training schools could be reduced from a cost of \$1.40 billion to 2055 to \$1.02 billion.

Similarly, the economic impact on aviation businesses that support flight training schools could decline from \$1.20 billion to \$400 million and compliance costs on all GA operators from \$55 million to \$26 million.

The total impact of the proposed mitigation measures to 2055 would reduce total costs from \$2.65 billion to \$1.44 billion. In real, discounted terms, the total economic cost would drop from \$1.13 billion to \$616 million.

AMG notes that these are estimates only based on a preliminary economic analysis, further highlighting the need for further investigation by the Government of the full economic costs of changes to airspace, flight paths and regulations due to the commencement of WSI and the impacts of potential mitigation measures.

ECONOMIC IMPACT ASSESSMENT - METHODOLOGY

As noted above, the estimate of economic impacts in the EIS substantially understates the scope and scale of costs to flight training businesses and broader GA operations.

AMG engaged Urbis to undertake a preliminary economic impact assessment of the range and size of such impacts to GA operations and services in the Sydney Basin and the related impacts on economic and employment outcomes for Sydney and NSW.

Urbis used a mixed-methods approach, incorporating engagement with operators at Bankstown Airport and Camden Airport and data available at the time of writing, to identify and quantify three key areas of impacts due to WSI-related changes:

1. Flight schools – Increased costs to flight school operations at Bankstown Airport, including costs related to reduced student numbers and increased travel times and distances and the flow-on economic impacts on GA businesses supporting flight training schools
2. Compliance – Increased costs to comply with the proposed reclassification of airspace from Class G to Class D, plus requirements for flight planning and transponders. Compounding such impacts is the risk of delays related to the provision of ATC services.
3. Fuel burn – New entry and exit procedures will see increased jet engine fuel burn and carbon emissions for GA operators.

Some costs, risks and operational issues that were identified in the preliminary economic assessment were not able to be quantified, including:

- The potential impacts of weather and terrain changes on flight training hours
- The direct and indirect impacts of increased aircraft noise exposure, footprint and levels
- Impacts on workforce and skills pipelines, including the reduced capacity to meet current and growing demand for essential roles, such as pilots and aircraft engineers

As detailed in this submission, mitigation measures and strategies will be vital to reducing such quantified and non-quantified economic impacts. The economic impact assessment considers the likely impacts of key mitigation measures, including:

- Delivery of the Engadine Corridor prior to the commencement of WSI-related changes to airspace and flight paths in mid-2026;
- Investment in infrastructure to support expanded GA operations, including flight training, at Camden Airport; and
- Ensuring adequate and efficient provision of ATC processes to minimise potential delays.

This analysis produced a band of estimated economic impacts, which are contained in the table below. The upper-bound estimate represents the impacts under current proposals in the EIS, absent the introduction of the mitigation measures outlined in this submission. The lower-bound estimate accounts for the delivery of those mitigation measures.

All costs have been presented as totals across the evaluation period from 2023 to 2055 and discounted at 5%, to be consistent with the existing WSI EIS analysis.

Summary tables

Results of the preliminary Economic Impact Assessment, with a comparison to the WSI EIS (\$m), Nominal value

| Item | WSI-related costs, no mitigation | WSI-related costs, with mitigation | WSI Estimate |
|---------------------------------|-------------------------------------|---------------------------------------|---------------|
| Costs | | | |
| Impact to Flight Schools | \$1,398m | \$1,015m | \$520m |
| Impact to aviation supply chain | \$1,199m | \$400m | - |
| Compliance Costs | \$55m | \$26m | - |
| Total Costs | \$2,651m | \$1,441m | \$520m |

Results of the preliminary Economic Impact Assessment, with a comparison to the WSI EIS (\$m), in real, discounted terms (5% discount rate)

| Item | WSI-related costs, no mitigation | WSI-related costs, with mitigation | WSI Estimate |
|---------------------------------|-------------------------------------|---------------------------------------|---------------|
| Costs | | | |
| Impact to Flight Schools | \$597m | \$434m | \$258m |
| Impact to aviation supply chain | \$512m | \$171m | - |
| Compliance Costs | \$24m | \$11m | - |
| Total Costs | \$1,133m | \$616m | \$258m |

CONCLUSION

This submission details the deficiencies in the estimate in the EIS of economic costs relating to changes to airspace, flight paths and regulations due to the commencement of WSI and highlights the substantial scope and scale of such negative impacts on all GA operations in the Sydney Basin.

The greatest impacts will be on essential flight training services at Bankstown Airport, the leading flight training base in NSW.

Such impacts include reductions in operations and student numbers, increased costs of accessing usable training airspace and the potential reduction, relocation or closing of flight training businesses altogether.

At a time of growing global demand for pilots, flight training schools face a potential reduction in student numbers in the order of 20 per cent. Given the current economic uncertainty, the potential closing of flight training schools will have significant flow-on costs to economic and employment outcomes, including workforce and skills pipelines and the ongoing viability of the GA sector.

The Government's Aviation Green Paper highlights the crucial importance of GA operations and services and predicts a bright future for the sector, including the potential expansion of flight training students domestically and from overseas.

The Green Paper also positions GA as the launching catalyst for the evolution of Australia's aviation industry, including the development and take-up of emerging aviation technologies and the transition towards net zero.

Impacts related to the commencement of WSI undermine such forecasts and threaten the sustainable growth of GA operations and services directly contradicting the intent of the Aviation Green Paper. These impacts also include increased safety risks, compliance costs, noise exposure and footprints and potential delays to aircraft movements.

Such costs will be exacerbated by the likely long-term expansion of operations at WSI, notably the likelihood of a second runway around 2055, which will seriously threaten the viability of GA in the Sydney Basin.

In line with its commitment in the EIS, the Government must consider and consult on mitigation measures to minimise the impacts on operations at Bankstown Airport and Camden Airport. This process should start with a full and accurate analysis of the economic impacts on all GA operators.

AMG's submission includes additional recommendations and mitigation measures to reduce the impacts on GA operators and to secure the ongoing viability and sustainable growth of the sector, benefitting economic, employment and social outcomes across Sydney, NSW and Australia.

We welcome the opportunity to discuss these recommendations with the Government and Department in more detail, in line with our shared interest in securing the sustainable future of GA operations in the Sydney Basin.

AMG recommendations

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| Further economic analysis | The Government conduct further detailed analysis and investigation of the estimated economic impact of changes to airspace, flight paths and regulations due to the commencement of WSI |
| Compensation and investment | The Government commit to a process and timeline for delivering measures to mitigate the economic impacts of changes related to the commencement of WSI, including but not limited to: <ul style="list-style-type: none">• The payment of fair and flexible compensation to GA operators at Bankstown Airport and Camden Airport |

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| | <ul style="list-style-type: none"> Investment or funding incentives to support the evolution and sustainable growth of GA in the Sydney Basin |
| Engadine Corridor | The WSI EIS identify the Engadine Corridor as a significant mitigant to the impacts on GA operators at Bankstown Airport, due to changes related to the commencement of WSI and classification of airspace. |
| | The Government/Department, CASA and Airservices Australia commit to a formal process and timeline for consideration, determination and delivery of the proposed Engadine Corridor, prior to the commencement of WSI-related changes to airspace and flight paths. |
| Expansion of GA operations at Camden Airport | The Government commit to funding or investment incentives to expand aviation operations at Camden Airport, to partially mitigate the impacts of WSI-related changes and support the ongoing viability of the GA sector |
| ATC services | The Government commit to ensuring the efficient delivery of ATC services and tower operations, in respect of current operations and impacts related to the commencement of WSI. |
| | The Government commit to a review of the provision of ATC procedures and services at Bankstown Airport and Camden Airport to ensure they are fit-for-purpose currently and in respect of impacts related to the commencement of WSI. |
| Airspace review | The Government commit to a whole-of-airspace review for the Sydney Basin to ensure safe and equitable access and use for all airports and aviation operators. |
| Noise impacts | The Government work with local and state authorities to ensure residents and communities around Bankstown Airport and Camden Airport are informed about the noise impacts of WSI-related changes to airspace and flight paths. |
| | The Government ensure Airservices Australia is resourced appropriately to respond to aircraft noise queries, concerns and complaints from residents and communities around Bankstown Airport and Camden Airport. |
| | The Government/Department acknowledge in writing the increased noise exposure, impacts and footprint for areas surrounding Bankstown Airport and Camden Airport due to the commencement of WSI and commit to take such impacts into account when assessing any planning documents or development proposals for Bankstown Airport or Camden Airport. |