

Greater use of Sydney Airport's capacity would boost national productivity

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All eyes have been on Qantas this past week but the federal government's focus on the state of Australia's largest airline has masked greater opportunities to increase productivity in Australian aviation.

The government recently approved Sydney Airport's latest 20-year master plan, and confirmed an announcement would be made this year on a second airport for Sydney, with Badgerys Creek the preferred option.

Yet before the first sod is turned at Badgerys Creek, there are major productivity gains ripe for the picking at Sydney's Kingsford-Smith Airport. It is relatively low-hanging fruit for Tony Abbott, who wants to be known as "an infrastructure prime minister".

Sydney Airport is a transport and economic behemoth. It is the most important infrastructure asset in Australia, driving a direct and indirect economic contribution of almost \$28 billion, or about 6 per cent of the NSW economy and 2 per cent of the Australian economy. It generates about 160,000 direct jobs and another 120,000-plus indirectly. It moves 40 million passengers a year and hosts the world's second-busiest route (Sydney-Melbourne, with 956 movements a week) .

The on-time operation of Sydney Airport is critical to the productivity of the Australian economy.

Yet it has its wings clipped by outmoded operational strictures that make it one of the most constrained airports in the world. It is these constraints that cause most of the delays at Sydney Airport and most certainly prevent on-time operations recovering after disruptions caused by bad weather.

With four out of every 10 planes in Australia flying through Sydney at least once each day, delays at Sydney Airport mean delays for air travellers around the country.

Without removing the curfew which effectively closes the airport between 11pm and 6am, plenty can be done to remove the disruptive constraints on Sydney's aviation infrastructure, especially since a fully functional Badgerys Creek airport is decades away.

I propose a three-point plan to reduce delays, increase productivity, create jobs, and maximise Australia's greatest infrastructure asset.

The first step is to increase the number of movements per hour.

Sydney Airport is restricted to a maximum of 80 aircraft an hour between 6am and 11pm. The number is arbitrary, originally established by politicians, and does not reflect the true capacity of the airport, which is at least 90 movements an hour. Moreover, this maximum limit is assessed for compliance every 15 minutes, which is excessive and means that rarely do the actual movements ever reach 80: more like 75-76 an hour.

Let's increase the slots to 90 an hour and add the flexibility of a rolling average over three hours instead of 60 minutes, so the maximum can genuinely be used during the peak period. There's a national productivity increase of more than 10 per cent. Certainly, those extra 10 slots can be allocated only for the quieter, new-generation jets. Over time, aircraft have become significantly quieter, yet to date there has been no adaptation of the constraints on Sydney Airport to reflect this substantial improvement.

Second, it is vital to synchronise regulations governing airport activity with what is permitted under the Sydney Airport Curfew Act.

The act allows for 35 aircraft a week to land (generally over the water) in the "shoulder period" for an hour before 6am. Yet, absurdly, the regulations governing the activity restrict these movements to 24 a week. Similarly in the hour after 11pm, the act allows 14 aircraft a week to land but the regulations allow none.

Let's make the regulations consistent with the act, allow 35 a week in the morning and 14 a week in the evening (and again restrict them to the quieter, new generation jets) and there's another productivity increase of almost 50 per cent.

Finally, it is essential to provide flexibility in the event of weather disruptions. This would allow Sydney Airport to "catch up" when operations are affected by Mother Nature. It might be a major bushfire emergency, flooding in Brisbane or a series of freak thunderstorms but the result is a tsunami of lost productivity, reputational damage and disrupted lives.

Australia's aviation network is so dependent on Sydney as its major hub that any disruption there is amplified around the nation. Travellers camp on the airport floor, unable to find a spare hotel room, unable to reach their destinations, missing funerals or critical business meetings. The airlines, with planes stranded at the wrong places across the country, take two to three days to recover the schedule, so the delays continue.

The impact is often greatest on regional Australia where alternative flights are limited.

A simple solution in extreme situations is to allow all flight operations to continue at the end of the day until midnight; this is relatively minimal disruption to people's rest so long as it is restricted to major weather emergencies or situations where the airport itself is closed for a minimum of 60 minutes.

Building an airport at Badgerys Creek is critical. It will relieve congestion at Sydney Airport and generate thousands of jobs. But Sydney Airport is more important and always will be. It already delivers many more jobs than Badgerys Creek ever will. It is just commonsense to maximise the asset.

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This story was found at: <http://www.smh.com.au/comment/greater-use-of-sydney-airports-capacity-would-boost-national-productivity-20140303-340cw.html>