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BARA

Board of Airline
Representatives
of Australia Inc



Sydney Airport Demand Management

Overview of BARA



The Board of Airline Representatives of Australia (BARA) is the industry body that supports the safe and efficient operations of international airlines serving Australia for the benefit of consumers, businesses and tourism.

The Australian Competition and Consumer Commission (ACCC) has authorised BARA to negotiate on behalf of its members with major international airports, Airservices Australia and other providers of essential aviation-related services to improve the efficiency and safety of international aviation to the benefit of airlines and passengers.

BARA's Vision and Outcomes

To guide BARA's work and clearly articulate its ideals, BARA's members have developed a [Vision and Outcomes for International Aviation in Australia](#), available at www.bara.org.au. The vision for international aviation in Australia is 'High quality, adaptive and efficient'. Underpinning this vision, BARA has identified four key outcomes to boost competitiveness, productivity and the financial performance of industry participants. These are:

Outcome 1: [Timely and reasonably priced airport infrastructure](#)

Outcome 2: [Competitive supply of jet fuel](#)

Outcome 3: [Safe and efficient air navigation](#)

Outcome 4: [Environmentally sustainable growth](#)

This submission by BARA to the Department of Infrastructure, Transport, Regional Development and Communications responds to the *Sydney Airport Demand Management: Discussion Paper*. In its submission BARA highlights the opportunities to modernise aircraft operations to and from Sydney Airport to the benefit of passengers, freight forwarders and surrounding communities. These outcomes can be best supported by the independent management of slot allocation and administration that closely follows the Worldwide Airport Slot Guidelines (WASG).

BARA's member airlines

AIR ASIA X	CHINA SOUTHERN AIRLINES	QANTAS AIRWAYS
AIRCALIN	DELTA AIR LINES	QATAR AIRWAYS
AIR CANADA	EMIRATES	ROYAL BRUNEI AIRLINES
AIR MAURITIUS	ETIHAD AIRWAYS	SINGAPORE AIRLINES
AIR NEW ZEALAND	EVA AIR	SOUTH AFRICAN AIRWAYS
AIR VANUATU	FIJI AIRWAYS	SRILANKAN AIRLINES
ALL NIPPON AIRWAYS	GARUDA INDONESIA	THAI AIRWAYS
AMERICAN AIRLINES	JAPAN AIRLINES	TURKISH AIRLINES
ASIANA AIRLINES	LATAM AIRLINES GROUP	UNITED AIRLINES
CATHAY PACIFIC AIRWAYS	MALAYSIA AIRLINES	VIETNAM AIRLINES
CHINA EASTERN AIRLINES	PHILIPPINE AIRLINES	VIRGIN AUSTRALIA

Executive Summary

Before the COVID-19 pandemic, international flights to and from Sydney Airport were often characterised by high levels of congestion and ongoing, significant delay during the busy morning peak period. The quality and capacity of services for international flights at Sydney Airport need to improve so that as traffic volumes gradually recover, the allocation of slots to airlines is consistent with their ability to operate reasonably efficiently.

Member airlines support the application of the Worldwide Airport Slot Guidelines (WASG) to Sydney Airport, including the Coordination Committee and slot monitoring and compliance requirements. This provides consistency for airlines in scheduling and operating international flights as part as of their global networks.

Improved operating performance to the benefit of passengers, airlines and communities

A renewed focus on improving the operating efficiency of aircraft operations to and from Sydney Airport would greatly benefit the industry. A modernised approach to air navigation services, coordination between industry participants, and the delivery and management of airport services to a reasonable standard are also necessary to support the recovery in Australia's international aviation industry.

The much tighter approach to slot allocation (5-minute slot bands and even distribution of flights across each hour), which has been in place for some years now, means the operational 15-minute rolling hour basis can be removed or at least replaced by 80 movements per hour. Any issues with airline scheduling or operations should be addressed directly through the slot compliance arrangements rather than interventions into daily operations.

There are opportunities to reduce and better manage aircraft noise around Sydney Airport than the current regulation of aircraft movement numbers and noise sharing rules provide. In the first instance, allowing aircraft to operate much closer to their optimum performance profile can deliver a significant improvement in aircraft noise outcomes for the communities surrounding Sydney Airport.

An integrated and independent slot coordinator that meets global standards

BARA supports an integrated approach to international terminal, apron and runway slot allocations for international flights. This can best be done through applying the WASG, as the standards contained reflect best practice for coordinating and managing airport slots. The International Air Transport Association (IATA) is providing the review with further information on the WASG's application to Sydney Airport, which BARA supports.

International terminal, apron and runway slot allocation should be integrated and must be managed by one independent slot coordinator. All direct industry participants, including Sydney Airport, cannot be an independent slot coordinator because they have a conflict of interest in pursuit of their own financial gain, with undesirable consequences. Member airlines have expressed their confidence in the competence and independence of Airport Coordination Australia as the current slot coordinator.

Available capacity and service outcomes for international flights must be transparent and cover all key airport service requirements. Member airlines consider the strong growth in international traffic volumes before the COVID-19 pandemic occurred through a sustained reduction in the average quality of airport services, causing ongoing congestion and delay to international flights. The

Executive Summary

WASG's Coordination Committee is one avenue to promoting greater transparency over the practical service capacity for airlines operating to and from Sydney Airport.

Slot compliance at Sydney Airport would be best served through the sound application of the slot monitoring principles and activities specified in the WASG. Slot compliance should be monitored through the development of one dataset generated automatically from schedule and operational data to identify any non-compliant flights. Process and information from airlines can then be focused on any identified issues with individual flights.

Slot compliance during the COVID-19 pandemic and expected gradual recovery

BARA supports the ongoing waiver of slot compliance for international flights until the markets they serve are free from government-set (Australian and overseas) travel restrictions due to COVID-19. Ongoing slot waivers while travel restrictions remain are necessary so airlines can respond to market conditions with appropriate capacity levels, while providing certainty for slot allocations when more open borders become possible.

Airlines operating international flights have made significant investments in both people and facilities in Australia in establishing and growing international passenger and freight markets. They deserve the opportunity to re-establish these markets in the future.

The issue of slot compliance during the ongoing pandemic and expected gradual recovery is affecting airports globally and not unique to Sydney Airport. BARA supports the slot compliance arrangements at Sydney Airport implementing the recent recommendations of the Worldwide Airport Slot Board (WASB) concerning the Northern Summer 2021 season and slot use alleviation, especially the section covering government-imposed restrictions on travel as a valid reason for the non-use of slots. The aircraft size test should also be removed for international flights, which is not part of the WASG, noting that the re-emergence of Australia's international aviation industry is likely to be dominated by new generation aircraft.

Improving the efficiency of aircraft operations

Problems with the quality and management of the aviation infrastructure services at Sydney Airport hamper the operational performance of international flights. The daily issues international flights face derive from an airfield configuration unfortunately best described as the model of how not to design a modern airport. When combined with outdated and legacy operating procedures and a lack of structured coordination between aviation infrastructure service providers, poor outcomes are inevitable, which are exacerbated during times of high airline demands or adverse weather.

Available evidence indicates that Sydney Airport's practical capacity, not the legislative demand management cap, is currently the main limiting factor to peak time aircraft movements. BARA, therefore, considers the gains from less aircraft congestion, noise and fuel burn through improved aviation infrastructure services are likely to be the largest overall industry benefits available. Simply scheduling more international flights during the pre-COVID-19 pandemic busy morning peak would have only increased the congestion and delay passengers and airlines experienced at the airport.

The pathways to improved operational performance for international flights described in this submission are also covered in BARA's two policy documents, [Safe and efficient air navigation services](#) and [Environmentally sustainable growth](#), available on BARA's website.

Congested and inefficient international aircraft operations

As noted by the Productivity Commission in its Final Report into the *Economic Regulation of Airports*, at Sydney Airport, 'In general, the average number of actual movements exceeds 70 an hour only a few times a week during morning peak periods.'¹ BARA considers the main reason for this outcome is the lack of practical capacity in the aviation infrastructure services to support the present cap of 80 aircraft movements per hour. Adverse weather conditions and issues with applying the cap are also factors, but underlying problems in practical capacity are considered the overwhelming cause of actual outcomes being usually well below that permitted.

The lack of practical aviation infrastructure capacity is also shown in the low average on time performance for international flights to and from Sydney Airport. From a representative sample of 67 international airports², Sydney Airport ranked poorly at 61st and 42nd for within 15 minutes departures and arrivals for international flights in 2018–19, respectively (Figure 1 on the following page). Less than 75% of international flights arrived or departed Sydney Airport within 15 minutes of schedule over 2018–19, which must be considered below the standards expected from a major international airport, especially one subject to slot management arrangements.

BARA estimated the direct cost of these inefficiencies to airlines at about \$700 per international flight.³ These direct cost estimates do not include the impact of the delays on the service quality to international passengers and freight forwarders, plus additional aircraft noise and carbon emissions.

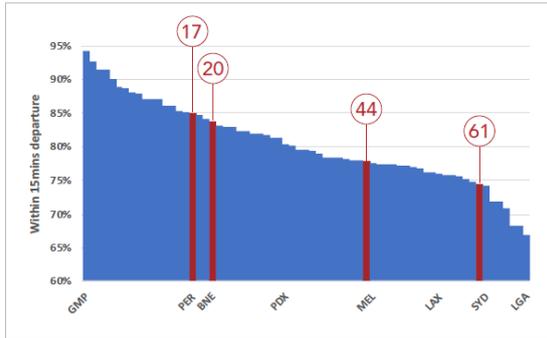
¹ Final Report, p.240.

² International airports with more than 10 million passengers and with less than 50% international passengers.

³³ See BARA submission to the Productivity Commission [Submission DR92 - Board of Airline Representatives of Australia \(BARA\) - Economic Regulation of Airports - Public inquiry \(pc.gov.au\)](#).

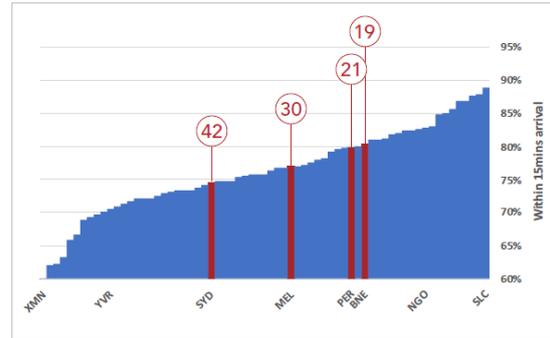
Figure 1. Within 15-mins on time performance for international flights, 2018–19

On time departures performance



Source: Derived from Flightstats

On time arrivals performance



Source: Derived from Flightstats

Consistently measured and reported data for aircraft delays are lacking for international flights to and from Sydney Airport (eg covering airfield and inflight). This lack of consistently collected and reported data hampers the ability to better understand the merits of various options to improve operational performance at the airport.

Available data and experience do support the position that the gap between permitted and actual hourly aircraft movements cannot be solved through simply allowing more scheduled flights during the busy peak period. It would only add to existing levels of aircraft congestion and delay, which would ultimately be resolved through an extended shoulder period of daily operations.

Airfield configuration limitations and airline use issues

The operational performance of Sydney Airport’s parallel runways has been historically limited by a number of physical factors, including the narrow distance between runways, the short length of the third runway, and inefficient crossovers and terminal paths.

During periods of low visibility operations, the less-than-ideal lateral distance between the parallel runway centre-lines (1,035 metres) requires the activation of Precision Runway Monitoring, a dedicated Air Traffic Control (ATC) service needed to reduce the negative impact on runway capacity. The parallel runways also do not have aligned thresholds, giving rise to potential wake turbulence issues for a following aircraft on a lower descent profile in crosswind conditions.

The shorter third runway cannot accommodate some heavy aircraft types/categories, and some aircraft types are not permitted to use the runway for noise sharing. For those aircraft types that can land on the third runway, during parallel runway operations, a pilot preference to land on the main runway can mean it is oversubscribed to its capacity while the third runway remains underused. This results in aircraft flying airborne traffic patterns contrary to the optimal terminal airspace management concept of ‘geographic’ arrivals and departures, generating airborne track and altitude inefficiencies as well as increasing ATC workload.

The general constraints to Sydney Airport’s airfield design are well recognised and a physical remedy (ie an improved airfield design) is not considered practical. It is necessary, therefore, to rely on technology, standards and procedures to reduce the gap between the present operational performance and what is possible from a better designed airfield. Unfortunately, Sydney Airport also lags in the area of technology, standards and procedures to achieve these potential efficiencies.

Air navigation services

The air navigation services for aircraft operations to and from Sydney Airport do not make the best use of modern aircraft technology. Instead, older, legacy practices are applied so that more accurate information about the precise location of aircraft is not used for perceived benefits in noise sharing.

Under modern aircraft procedures, aircraft depart the airfield's runway on a prescribed trajectory (Standard Instrument Departure – SID) loaded into the aircraft's Flight Management System (FMS) and arrive from top of descent to the destination airport's runway threshold via a prescribed trajectory (Standard Terminal Arrival Route – STAR). The STAR will usually 'connect' the aircraft's arrival trajectory to the instrument approach aligned with the runway centreline. This is referred to as a Connected or Closed Star. Under this procedure, the ATC only directly intervenes through radar vectoring by exception (ie when separation or sequencing require). Closed STARS are now widely employed in Australia and globally, but Sydney Airport remains the exception.

Sydney Airport uses 'Open STAR' procedures for arrivals into the airport, relying on radar vectoring of aircraft rather than the aircraft's FMS (see Box 1 on the following page). Open STAR procedures generate more aircraft noise and track miles than necessary. They are used at Sydney Airport due to the narrow distance between the two parallel runways, although BARA considers there are opportunities for improved performance.

Airport services

As BARA reported to the Productivity Commission's inquiry into the *Economic Regulation of Airports*, member airlines considered the growth in international flights and passengers at Sydney Airport before the COVID-19 pandemic was occurring through a decline in average airport service outcomes on key services items, especially contact gates, bussing operations and the baggage system.

Unplanned and greatly expanded airside bussing operations for international flights could at times be best described as chaotic for airlines, causing ongoing delay and impeding their ability to operate to schedule. Members also reported ongoing concerns that Sydney Airport does not have enough understanding of how airlines conduct their operations at the airport. Adequate space for ground services equipment and airfield foreign object debris (FOD) were also key concerns for airlines.

Rates of mishandled international bags through Sydney Airport are consistently too high (see Figure 2 on the following page)⁴. BARA notes that international baggage capacity and/or mishandled bag rates are not factored into international terminal infrastructure assessments of slot capacity, which is a weakness of the present slot allocation arrangements.

⁴ BARA's estimates for mishandled bags are derived from data provided by Unisys Australia. The data Unisys provided is for general information and Unisys does not represent or warrant the suitability of the data or information for any particular purpose.

Box 1. Open STAR procedures

'Open STAR' procedures are used for aircraft arrivals into Sydney Airport. An Open STAR includes 'radar vectoring' of aircraft by controllers, where from arrival routes aircraft fly via a waypoint to join a STAR that places the aircraft on a downwind leg (parallel to the final approach path). The controller then navigates the aircraft by issuing radar vectors. Arriving aircraft are instructed to turn onto the final approach with appropriate separation from the preceding aircraft at the discretion of the controller.

Open STAR procedures do not make use of the aircraft's flight management system (FMS), which can optimise its flight profile. The aircraft also overflies far more suburban areas and houses than needs occur.

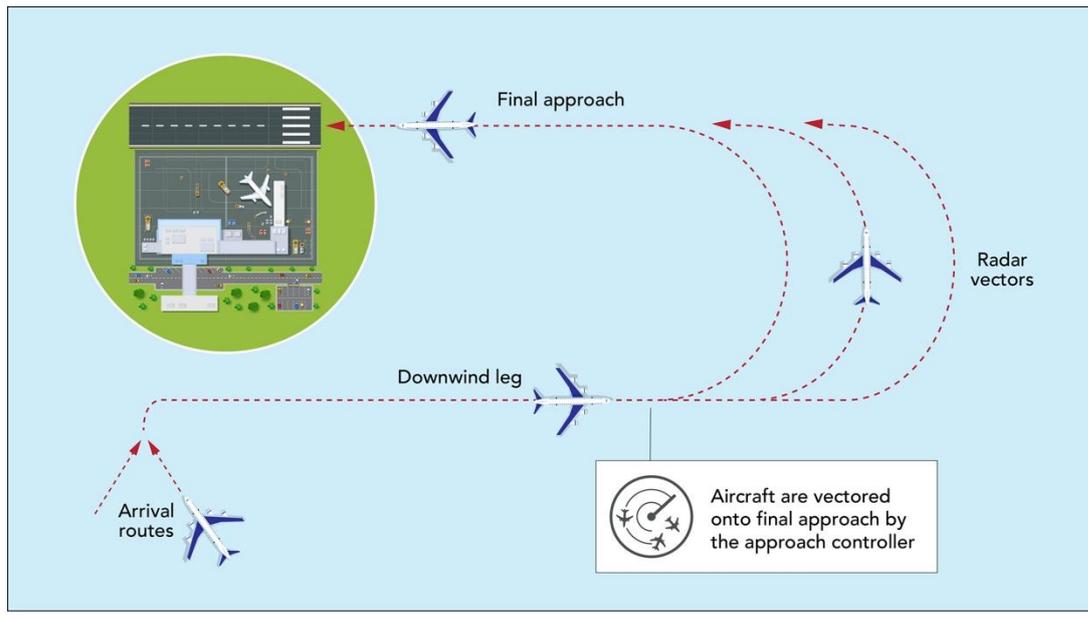
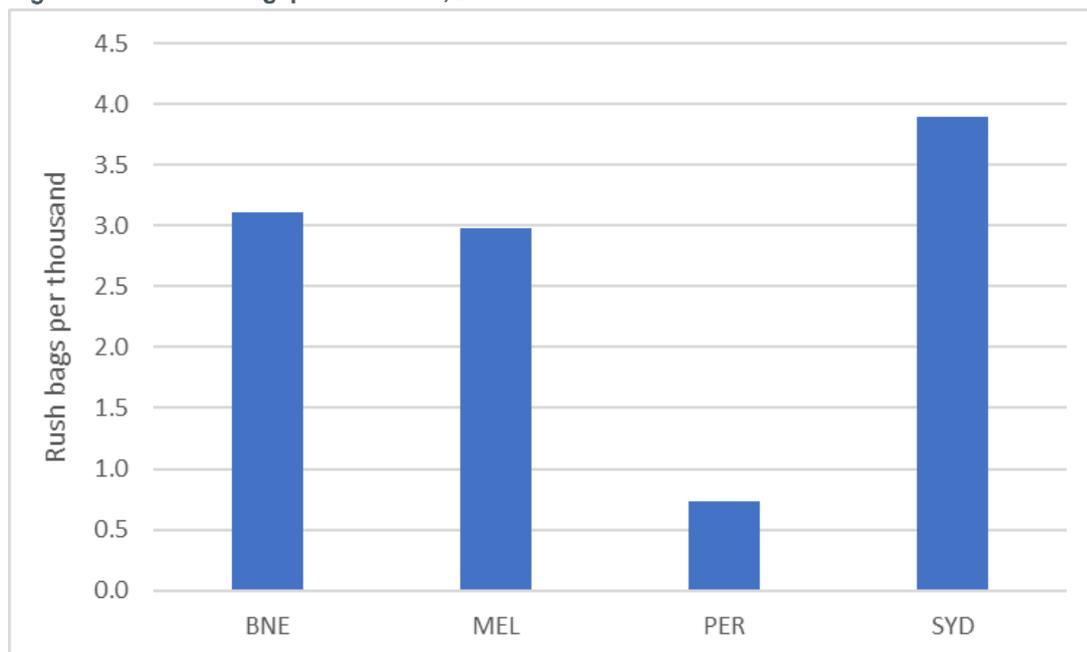


Figure 2. 'Rush bag' per thousand, 2018–19



Notes: 'Rush bags' are those that did not make their passenger's flight and were put on follow up flights.

Source: Derived from Unisys baggage report.

A package of enhancements to deliver better outcomes

If implemented, a number of initiatives would greatly improve the operational performance of international flights to and from Sydney Airport and would also benefit passengers and the communities surrounding the airport. Making the best use of new generation aircraft to the benefit of communities is necessary to help airlines justify the investments made in these enhanced aircraft capabilities.

In air navigation services, BARA's initiatives for improved performance are briefly described in Box 2 on the following page. They can lift the practical capacity of the existing infrastructure more towards what can be achieved by a modern airfield design.

The current low traffic volumes do provide an important opportunity to trial the implementation of initiatives listed in Box 2.

The quality of airport services should not decline again as traffic volumes recover

BARA's member airlines seek a standard of delivery in airport services that best supports their ongoing safe and efficient operations and good passenger experiences. To date, their experiences at high traffic volumes generally have not been positive for them in operating their international flights to and from Sydney Airport.

One underlying problem is that Sydney Airport has little to no financial exposure to service outcomes or its own service delivery capability. This has extended to requiring airlines to collectively pre-pay for any financial compensation they receive from the airport operator for poor service outcomes on their part.

Such financial insulation has meant Sydney Airport's financial incentive is to permit a level of international flights and passengers that cannot be accommodated at a reasonable standard in airport services. Sydney Airport gains the financial benefit of the additional passengers (especially retail spend) and flights, while the airlines are left with the problems of increased congestion and delay. An airline's commercial agreement has proven to have no practical value when faced with such declining service outcomes for international flights.

BARA does not expect a review of demand management at Sydney Airport to resolve this commercial problem. It does, however, highlight the need for independence in airport infrastructure capacity assessments and slot coordination in supporting a reasonable standard of operating efficiency for international flights, including on time performance and baggage outcomes.

Box 2. Initiatives to improve the efficiency of aircraft operations

Departures management: This is a key component of Airport Collaborative Decision Making, which is widely used in Europe and North America.

Departures management is based on changing the departure of aircraft priority away from 'first come – first served' to one that maximises the efficiency of runway and taxiway operations. It does this by Air Traffic Control (ATC) choosing the sequence of departures by aircraft weight categories to minimise the wake turbulence between departing pairs of aircraft, hence safely minimising the time between departures. Aircraft push back times are also designed to permit an unimpeded taxi to the runway, reducing aircraft taxiway holding point times for departing aircraft.

Runway allocated slots: One way of improving the efficiency of parallel runway operations at Sydney Airport is through runway allocated slots. Under this initiative, slot allocation to individual flights is runway specific, creating greater structure around runway use. Pilots would still retain the discretion to nominate a different runway on the day of operation, but overall use for the season would be assessed against an agreed compliance rule. Runway allocated slots would need to be supported by improved operational coordination between Sydney Airport and Airservices Australia to better match the runway used with the availability of a contact gate or airside bussing service for each flight.

Wake turbulence separation standards: Applied wake turbulence standards are distance- and time-based for arriving and departing aircraft, respectively. It can be possible to safely reduce both the departure and arrival wake turbulence separation requirements when crosswinds displace the turbulence away from runway centreline. Variable wake turbulence standards would be based on wind velocity (strength and direction). New technology exists to establish the degree and rate of displacement of wake turbulence from the centreline and to inform ATC in the application of the wake turbulence standards, as happens in Europe and North America.

Time-based separation: Planning for airport capacity and airline schedules assumes suitable weather conditions. But strong headwinds can lower runway acceptance rates for aircraft landing, causing delays and even flight diversions or cancellations. Time-based separation for arrivals into Sydney Airport can maintain runway acceptance rates during strong headwinds. At Heathrow Airport the application of time-based separation reduced headwind-related delays by 62%.

Land-long procedures: The wake turbulence behind an aircraft drifts downwards and below its arrival trajectory. If the following aircraft flies a glide slope to a displaced threshold further down the runway, it will not be affected by sinking wake turbulence from the preceding aircraft beneath. Longitudinal separation of the aircraft can then be reduced and effective runway capacity increased. GPS and the Ground-based Augmentation System recently installed at Sydney Airport could be used to support land-long procedures.

Crosswind threshold: At Sydney Airport, the strength and direction of a crosswind on the parallel runways determines whether single runway operations should be applied – accompanied by a reduction in landing capacity. There is a case for the landing crosswind threshold used by ATC to increase from 20 to 25 knots, increasing the resilience of parallel runway operations.

Definition of a regulated hour (Question A)

BARA's understanding is the original purpose for the operational rolling 15-minute approach to implementing the 80-hour movement cap related to the wide time bands previously used for slot allocation (ie one hour slot allocation bands). The wide band to slot allocation meant too many aircraft could be seeking to operate in the early part of the allocated slot hour, causing congestion and delay, while airlines still complied with their slot use. The operational 15-minute rolling cap sought to deal with this issue by intervening into daily operations, requiring aircraft movements to be spaced out over each hour.

The current 15-minute rolling cap does add to the operational difficulties faced by international flights. That is, it is not possible to catch up on less than 20 aircraft movements in one 15-minute period in the next 15 minutes. It alone is not the main cause of congestion and delay at the airport, but nor does it any longer serve a useful purpose in seeking to smooth out aircraft operations.

Present slot allocations provide for 5-minute bands for each flight that are already spread evenly across each hour. A well implemented slot management system regulates daily aircraft operations to an acceptable standard without the need to intervene into daily operations through counting and restricting total aircraft movements each 15 minutes.

BARA, therefore, recommends that, as part of the overall recommendations to modernise slot management in line with the WASG at Sydney Airport, the operational 15-minute rolling cap be removed or at least replaced with 80 movements per hour. Any issues with airline schedules and/or operations should be addressed in the first instance through the slot monitoring and compliance arrangements rather than intervening in the daily operations of aircraft at the airport.

Excluded flights from the movement cap (Question B)

BARA's members understand aircraft noise around Sydney Airport is an issue of significance to communities and that the industry needs to actively participate in developing and implementing aircraft noise mitigation strategies.

People living near airports or under or near busy flight paths are exposed to aircraft noise, which can affect people differently. Many people are not aware of aircraft noise until they are exposed to it overhead. As noise perception is subjective, broad surveys are used to gauge the number of people affected by aircraft operations and the level of exposure at different times during the day and night.

New generation aircraft have a noise footprint on average 15% smaller than the aircraft they are replacing. Aircraft equipped with engines meeting the latest noise standards are quieter by seven Effective Perceived Noise decibels (7 EPNdB). The best environmental outcomes are achieved when air navigation services allow modern aircraft to operate as efficiently and quietly as possible.

BARA sees merit in moving from fixed rules and regulations to a framework that better encourages improved environmental performance based on the noise output of individual aircraft, including permitting them to fly as quietly as possible. This 'outcomes' focus framework can incorporate ongoing advancements in aircraft technologies and air navigation services.

There are various options that could be explored as part of an overall environmental impact reform package. These include:

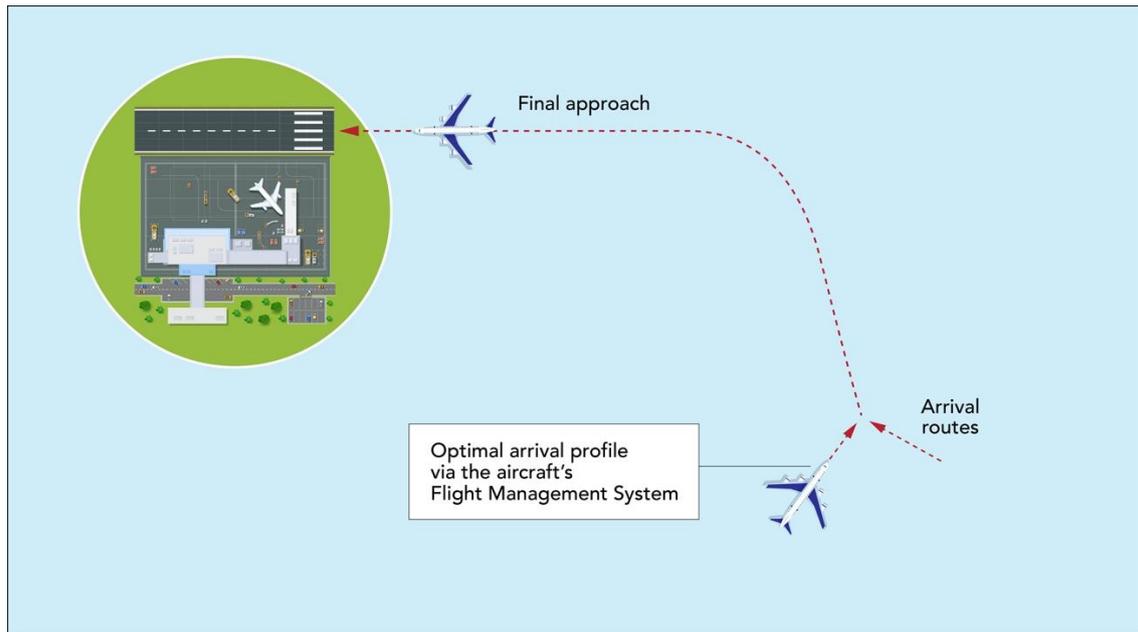
- noise measurements for individual aircraft
- operational flexibility to reduce noise and fuel burn
- noise budgets for each airport
- publicly available reporting on improvements achieved.

BARA also draws attention to two enhancements that would reduce aircraft noise for communities around Sydney Airport, namely Closed STAR and variable glide slope approaches into the airport (see Box 3 on the following page). Such enhancements should be considered with the improvements in aircraft technologies, as they are necessary to get the best environmental outcomes from new generation aircraft.

Box 3. Closed STAR and variable glide slope approaches

Closed STAR: Currently used at Melbourne, Brisbane and Perth airports, a Closed STAR is effectively a 'fixed route' followed by aircraft in landing at the airport.

From arrival routes aircraft fly via a waypoint to join the STAR, which takes the aircraft to join the final approach. Flow management is applied early during the flight to ensure the sequencing of aircraft onto the runway. The Closed STAR exploits the aircraft's flight management system (FMS) to optimise the descent profile. This reduces track miles and aircraft noise on approach compared with the present Open STAR arrangements.



Variable glide slope approaches: Under conventional practices, arriving aircraft fly a constant glide slope (3 degrees) on approach to the runway. In all but still air conditions, maintaining this constant slope requires engine thrust. Satellite-based technology means new generation aircraft can adjust their glide slope to compensate for prevailing headwinds, allowing quieter, continuous 'idle thrust' approaches.



Slot management arrangements

BARA supports the Level 3 application of the Worldwide Airport Slot Guidelines (WASG) to Sydney Airport. The demand management legislation and regulations should reference the need to fit in with the WASG rather than prescribe the existing requirements, so ongoing improvements and changes are incorporated into arrangements for the airport. The International Air Transport Association (IATA) is providing the review with more detail on the application of the WASG to Sydney Airport, which BARA supports.

There is a compelling case for an integrated and independent international terminal, apron and runway slot coordinator for international flights at Sydney Airport. The Coordination Committee should be established as per the WASG and its effectiveness reviewed after a suitable time. Slot monitoring arrangements should focus on identifying slot use issues for individual flights and minimise the information requirements on airlines.

In supporting the expected gradual recovery in Australia's international aviation industry over the coming years, BARA supports the recent Worldwide Airport Slot Board (WASB) recommendations concerning the Northern Summer 2021 season and slot use alleviation. The present size of aircraft test should also be removed, which is not part of the WASG, consistent with airlines being able to deploy the aircraft to Australia that best match the gradual recovery in international passenger markets.

Before the COVID-19 pandemic, Australia's international aviation industry delivered a period of unprecedented growth, diversity and affordability. Following global trends, it doubled in size and halved inflation-adjusted airfares for passengers over the 14 years to 30 June 2019. Airlines provided over 550 international flights each day to and from Australia, serving over 42 million passengers annually.

The sustained growth in international flights and passengers through Australia's major capital city airports, including Sydney Airport, showed the slot management arrangements were no constraint to ongoing growth, connectivity, diversity in product and lower international airfares. The planned opening of Western Sydney Airport in 2026, in line with current forecasts of returned high levels of demand for international travel, will become the next major step in the aviation infrastructure capacity in the Sydney basin.

An integrated, independent slot coordinator

The WASG provides a consistent, transparent, and fair method to allocate and manage airport capacity. Air transport is global in nature and is best supported through harmonised slot allocation standards at both the origin and destination airports. BARA is unaware of any special circumstances at Sydney Airport that would warrant departure from the WASG. Rather, the goal should be to modernise the current regulatory framework at Sydney Airport to the WASG standard.

Integrated slot coordination

BARA supports an integrated international terminal, apron and runway approach to slot management for international flights. It makes no sense for airlines to have to deal with two separate entities to obtain an approved international slot for operations to and from Sydney Airport. This requirement is embodied in the WASG, which defines an airport slot as 'a permission given by a coordinator for a planned operation to use the full range of airport infrastructure necessary to arrive or depart at a Level 3 airport on a specific date and time'.

The scope of airport services covered needs to expand to encompass all key international terminal services. Baggage services are not yet included in the capacity assessment of the international terminal, and often deliver poor outcomes to international passengers and flights. The baggage system should be a priority for inclusion in future slot infrastructure capacity assessments.

Independence of the slot coordinator

Air transport services into Sydney Airport, as occurs at airports globally, promote a range of commercial, economic and social objectives. Before the COVID-19 pandemic, Sydney Airport was capacity constrained and international flights were subject to ongoing, significant delay during the busy morning peak period.

All direct industry participants have a conflict of interest in slot coordination for international flights in pursuit of their own financial interests. Member airlines have expressed their confidence in the competence and independence of Airport Coordination Australia as the current slot coordinator, and it is critical for slot coordination at Sydney Airport that this independence continues.

Sydney Airport's own commercial interests render it heavily conflicted and preclude it from having any direct role in slot coordination for international flights with airlines. A number of member airlines have told BARA they are concerned about the implications of Sydney Airport having a direct role in their slot coordination at the airport.

As described earlier, Sydney Airport enjoys the financial benefits of greater numbers of international flights and passengers but is financially insulated from the problems of ongoing, significant delay experienced by international flights due to a lack of practical capacity in airport services. The growing profits from its non-aeronautical revenue streams, which are often directly linked to international passenger numbers, gives it an incentive to place these profits above a reasonable standard of airport services for international flights.

There are currently no useful commercial remedies available to international airlines to address the problems in airport services through the airport services agreements they have with Sydney Airport that cover the provision and pricing of airport services. BARA explained these problems in some detail to the Productivity Commission in its inquiry into the economic regulation of airports.

If Sydney Airport were directly involved in slot coordination for international flights, either airfield and/or the international terminal, it would extend its market power even further over international airlines operating to the airport. International airlines have expressed their concern to BARA about such a development, and have identified negative consequences for them, including their:

1. Ability to raise airport service issues directly with Sydney Airport. It would be expected that to remain in favour with Sydney Airport for slot allocation, especially when there are competing applications for slots, an implicit requirement would be for the airline not to raise any service problems with the airport.
2. Ability to have effective input into airport capacity and related issues. Airlines would not want to raise any issues about the practical capacity at the airport, at say the coordination committee, due to concern that this would reduce their standing with Sydney Airport over the allocation of slots.
3. Desire for collective representation about the provision and pricing of common use airport services could be compromised. Some members have expressed concern to BARA about representations Sydney Airport has made to them about such matters. Sydney Airport's

control of slot allocation to individual international airlines should not become an avenue for it to pursue other commercial interests over them.

In summary, the independence of the slot coordinator is essential in pursuing the fair and transparent application of slot management arrangements. Sydney Airport should have no direct role in determining the allocation of slots to individual airlines for international flights. Airport Coordination Australia has both competence and independence as the present slot coordinator, and such an outcome must continue to be preserved.

Coordination Committee

One avenue to improving information sharing and transparency about infrastructure capacity, slot allocation and use outcomes, would be an effective coordination committee at Sydney Airport. The role, principal tasks and terms of reference governing the committee are well described in the WASG, and as envisaged, could make a useful contribution to efficient aircraft operations and use of the infrastructure at Sydney Airport.

The coordination committee would in the first instance allow participants to provide a view of the quality of the information available for slot management, and identify areas for improvement. As one example, which was noted earlier, airlines have often found airside bussing operations for international flights to be a particular problem at the airport, as they impede their on-time performance and ability to operate to schedule. A better understanding of the assumed capacity of the bussing operations, including how operations can be effectively managed, could contribute towards the services being provided to a reasonable standard if needed again in the future.

BARA's preference would be for a representative committee of airlines/airline industry bodies rather than all international airlines, which would make for an unwieldy number of participants. International airlines, could for example, have a representative of say three airlines, which would be renewed periodically. This would provide a more effective way for international airlines to contribute to the work of the coordination committee.

Slot monitoring and compliance

BARA is a member of the Sydney Airport Slot Compliance Committee, which at present is not particularly effective in its activities. This stems from problems in how slot compliance is structured, particularly its legal nature, such that the committee was trying to determine whether an aircraft operator 'knowingly or recklessly' engaged in off-slot movements. For example, does an aircraft operator forgetting to update its operations by an hour due to daylight savings represent a 'reckless' act on its part? Such issues remain an ongoing problem for slot compliance.

BARA considers that slot compliance at Sydney Airport would be best served through the sound application of the slot monitoring principles and activities specified in the WASG. The effectiveness of the arrangements can be reviewed after say two years.

The first objective for slot monitoring and compliance should be to develop a more useable and informative dataset that would be analysed to identify any individual flights that had breached the no-slot or off-slot movement requirements. This dataset should be automatically generated from existing data sources.

The aircraft operator of any flights that were identified as an issue from the initial dataset would then have to provide a structured set of information and explanations. As noted in the WASG, this information could include:

- the published movement time for the purposes of selling tickets to passengers
- the reasons for the delays or non-operation by occurrence
- any new operational requirements or passenger clearance processes that cause ongoing delay to the flight. BARA notes the present passenger clearance processes implemented to enforce international travel restrictions are lengthy and cumbersome for airlines, and often cause substantial delays
- any other information the aircraft operator believes the slot coordinator should take into consideration.

BARA supports the WASG's framework for the slot coordinator to review and potential enforcement action. This framework should be given an opportunity to demonstrate its value rather than seek to create unique processes for flights to and from Sydney Airport.

Supporting the gradual recovery in Australia's international aviation industry (Questions EE to II)

Australia's international aviation industry is now operating at only about 3% of passengers and 8% of flights. Many Australians remain stranded in overseas countries and there have been widespread losses in income and employment. It will become increasingly difficult for airlines to maintain even the current small network of international flights under the existing travel ban and operational requirements. The Final Report into the National Review of Hotel Quarantine also recognises that existing models of quarantine (ie 14-days mandatory quarantine in a government-run facility) are unlikely to be able to expand much above current levels, so it is clear new approaches are needed to manage the risks of returning travellers.

Slot management arrangements are not designed for an industry in such a dire state. The timing of the recovery in international passenger demand remains unclear. It might also be expected that travel to some countries starts to recover earlier, while travel restrictions remain in place for an extended time for countries deemed high risk. The role of COVID-19 testing regimes, vaccines and the electronic processes necessary to support future international travel will all continue to evolve over the coming months.

The impact of the COVID-19 pandemic on the aviation industry globally is well documented and is not unique to Sydney Airport. BARA supports the application of the recently announced recommendations of the Worldwide Airport Slot Board (WASB) concerning the Northern Summer 2021 season and slot use alleviation. These recommendations recognise that coordinators should accept as valid justification for the non-use of slots, any government restrictions that prevent or severely restrict travel to specific airports, destinations (including intermediate points) or countries for which the slot was held. This is particularly relevant to Australia given the extensive international passenger travel restrictions in place.

Pandemic recovery pool of slots

BARA does not support the establishment of a pandemic recovery pool of slots.

Rather than have multiple slot pools, which adds complexity and potential inefficiencies, BARA prefers a single slot pool with access to airlines based upon guidance from the WASB in the

application of the WASG. This approach is simpler and supports non-discriminatory access to available slots.

Size of aircraft test

The present size of aircraft test should also be removed for international flights, which is not part of the WASG. The future demand for international travel by route is extremely uncertain, and airlines will need to adjust the deployment of their aircraft to best match re-emerging markets. BARA notes the gradual recovery in Australia's international aviation industry will likely be dominated by fuel-efficient new generation aircraft that produce less noise than those they are replacing. Airlines using such aircraft should be afforded the best opportunity in re-establishing commercially viable international flights.

BARA's publications

BARA's Policies, Position Statement and quarterly *Airline Views* articulate the reforms that will support safe and efficient international aviation for Australia.



For these documents and more information, visit bara.org.au/publications