## **Explanatory Statement**

Issued by the Authority of the Minister for Infrastructure, Transport, Regional Development and Local Government

Sydney Airport Demand Management Act 1997

Sydney Airport Demand Management Regulations 2025

#### **Purpose**

The purpose of the Regulations is to repeal and replace the existing *Sydney Demand Management Regulations 1998* to reflect reforms introduced by the *Sydney Airport Demand Management Amendment Act 2024* (the Amendment Act).

#### **Background**

The Sydney Airport Demand Management Act 1997 (the Act) regulates the allocation and use of slots for aircraft arrivals and departures at Sydney Airport. Section 74 of the Act provides that the Governor-General may make regulations, not inconsistent with the Act, prescribing matters required or permitted by the Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

The Regulations form part of the legislative framework supporting the Amendment Act, which implements reforms arising from the 2021 Review of the Sydney Airport Demand Management Scheme by Mr Peter Harris AO (the Harris Review) and the Productivity Commission's 2019 report on the Economic Regulation of Airports. The *Aviation White Paper – Towards 2050* (the White Paper), released in August 2024, also highlighted the need for a more competitive domestic aviation sector. Initiative 11 of the White Paper seeks to reform Sydney Airport slot management to improve efficiency and reduce incentives for anticompetitive slot misuse. Commencement of the Amendment Act, together with the Regulations and the *Sydney Airport Slot Management Scheme 2025* demonstrate the substantive implementation of the Government's reforms to enhance competition and efficiency of the demand management framework at Sydney Airport.

## **Summary of the Regulations**

The Regulations reflect the reforms made through the Amendment Act to improve the allocation and use of slots at Sydney Airport. Key changes include the provisions to support the introduction of a recovery period for significant disruptions, revised functions for the Compliance Committee, enhanced information management provisions for the Minister and regulated entities and new publication requirements to support a more transparent demand management system.

The Regulations aim to ensure that Sydney Airport operates efficiently, while maintaining community protections and supporting consumer confidence in the aviation sector. Each substantive part of the Regulations is summarised below.

## Maximum movement limit and recovery period declaration

The maximum movement limit of 80 movements per hour established by the Act, together with the curfew imposed by the *Sydney Airport Curfew Act 1995* both play an important role in managing aircraft noise and protecting nearby communities. The Regulations modernise

the way Airservices Australia reports on the maximum movement limit to the Minister, the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (the department) and to the Australian people by requiring the quarterly publication about compliance with the movement limit online, enhancing information timeliness and transparency.

The Amendment Act introduces a mechanism to temporarily increase the maximum movement limit, enabled by a recovery period declaration. Under a recovery period declaration, the movement limit can be increased from 80 movements per hour to up to 85 movements per hour for up to two hours after periods of significant disruption. This mechanism will help flights already scheduled for that day to catch up on delays as soon as possible, leading to less disruptions for passengers and the wider aviation network. The total maximum daily movements at Sydney Airport will not increase and a recovery period declaration cannot be made within 60 minutes of a curfew period. Additionally, the Regulations require Airservices Australia to publish information about compliance with the maximum movement limit each quarter on its website.

## **Compliance Committee**

The Amendment Act included substantial reforms to the composition and role of the Compliance Committee to bring more independence to the compliance function and improve oversight. The current framework at Sydney is outdated and not fit-for-purpose which does not support the Government's objectives for delivering efficiency, competition and consumer outcomes.

The new Compliance Committee will be led by an independent Chair and include three independent appointed members. Together with representative members for the Slot Manager, Sydney Airport and Airservices Australia, the new Compliance Committee will have an enhanced role in providing advice to the Government on compliance with the Sydney Airport demand management framework. The requirements for independence of the Chair and appointed members will significantly enhance the Compliance Committee's role and enable it to support a modern compliance regime.

## **Information Management**

As a result of the reforms, the Regulations include significant enhancements to increase transparency and accountability in how slots are allocated and used by operators at Sydney Airport. The Regulations impose requirements on regulated entities in relation to record keeping, access and retention and provide a mechanism for information to be shared between entities to support compliance and transparency. Importantly, the Regulations also provide that the terms of information access requests are, in some instances, able to be agreed between entities. This flexibility will enable entities to negotiate the appropriate period to provide information access and encourage compliance with the requests when received.

#### Publication

The Regulations will now require the Slot Manager to regularly publish data in relation to slot allocation and usage at Sydney Airport. This will enhance consumer outcomes,

transparency and accountability within the slot management system and support better airline performance. In addition, the Regulations provide the Minister with the power to publish any other information relevant to slot allocation and use at Sydney Airport. The publication of slot allocation and utilisation data is expected to improve accountability, transparency and compliance with the demand management framework at Sydney Airport.

Further details of the Regulations are outlined in <u>Attachment A</u>.

## **Authority**

The Sydney Airport Demand Management Regulations 2025 (the Regulations) are made under section 74 of the Sydney Airport Demand Management Act 1997 (the Act).

The Regulations are a legislative instrument for the purposes of the *Legislation Act 2003* and is not exempt from sunsetting or disallowance. The Act imposes no preconditions for the exercise of the regulation-making power.

#### Consultation

The department undertook extensive consultation in developing the Regulations. Consultation commenced in early 2024 on the policy framework and continued through targeted meetings in November and December 2024 and April 2025.

A formal consultation process on the Regulations was conducted in July 2025. An exposure draft of the Regulations was released on 10 July 2025, with written submissions invited until 25 July 2025. As part of this process, the department held an industry engagement session on 14 July 2025, where the key policy parameters were presented and discussed. Stakeholders were also offered the opportunity for one-on-one meetings to expand on their written submissions.

In total, the department received 13 written submissions. Submissions raised issues regarding the clarity and fairness of the slot allocation rules, the operation of transitional arrangements, and the transparency of compliance and reporting requirements. Stakeholders also sought assurance that the reforms would support consistent regulatory outcomes and provide sufficient certainty for planning future services.

In response to this consultation, refinements were made to the Regulations to address the issues raised. Reporting provisions were strengthened to improve transparency and public confidence, targeted transitional measures were included, and compliance mechanisms were adjusted to ensure enforcement remained effective but proportionate. The consultation confirmed broad support for the reforms and provided constructive input that directly shaped the final form of the Regulations.

#### **Statement of Compatibility with Human Rights**

A statement of compatibility with human rights for the purposes of Part 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011* is set out at Attachment B.

## Details of the Sydney Airport Demand Management Regulations 2025

#### Part 1 – Preliminary

#### Section 1 – Name of Instrument

1. This section provides that the name of the instrument is the *Sydney Airport Demand Management Regulations 2025*.

#### Section 2 – Commencement

- 2. This section provides for the Regulations to commence on the same day as Schedule 1 to the *Sydney Airport Demand Management Amendment Act 2024*. In addition to aligning with the commencement of Schedule 1 to the Amendment Act, it is also intended that the commencement of the Regulations will align with the commencement of the *Sydney Airport Slot Management Scheme 2025* to ensure that the full suite of reforms to the demand management framework commence at the same time.
- 3. The relevant date for which Schedule 1 to the Amendment Act is proposed to commence by Proclamation is 26 October 2025. This date was selected as an appropriate date in the international slot coordination calendar, the start of the Northern Winter 2025 scheduling season, to facilitate a smooth transition for the suite of reforms.

# Section 3 – Authority

4. This section details that the instrument is made under the *Sydney Airport Demand Management Act 1997*.

#### Section 4 – Schedules

- 5. This section provides that each instrument specified in the Schedule to the Regulations is amended or repealed as set out in the relevant item in the Schedule. Any other item in the Schedule has effect according to its terms.
- 6. The Schedule to this instrument repeals the *Sydney Airport Demand Management Regulations 1998*, ahead of its sunsetting date of 1 April 2026.

#### <u>Section 5 – Definitions</u>

- 7. This section sets out the defined terms used in the Regulations. A number of terms are defined in the Act, with a note providing a non-exhaustive list of examples to assist readers in locating those definitions. Additional definitions specific to the Regulations are also included below.
- 8. The term *Act* refers to the *Sydney Airport Demand Management Act 1997*.
- 9. The definitions of *airline* and *airport-operator company* are defined by reference to the *Airports Act 1996*.
- 10. *Appointed member* and *representative member* refer to the two different categories of members of the Compliance Committee established under section 66 of the Act.
- 11. **Protected regional service slot series** has the same meaning as in the *Sydney Airport Slot Management Scheme 2025*.

#### Part 2 – Maximum aircraft movement limit at Sydney Airport and recovery periods

<u>Section 6 – Airservices Australia to publish information about compliance with maximum</u> movement limit

- 12. This section requires Airservices Australia to publish information about compliance with the maximum movement limit at Sydney Airport each quarter. The information must identify any aircraft movements that exceeded the daily limit imposed under subsection 6(1) of the Act and explain the circumstances (including the flights and dates) in which the limit was exceeded.
- 13. The information must be published on Airservices Australia's website within 21 business days of the end of each calendar quarter. In this section a "quarter" is defined as the three-month period ending on 31 March, 30 June, 30 September or 31 December.
- 14. A transitional provision is included to provide that if the Regulations commence on or after 1 October 2025 and before 1 January 2026, Airservices Australia must publish the required information for the period from 1 October to 31 December 2025, by no later than 21 business days after the end of December 2025. This is intended to capture any movement data that may otherwise not be reported, due to the repeal of the alternative section in the Act which requires the movement cap data to be tabled in both Houses of the Parliament.

#### Section 7 – Recovery period declarations

- 15. Division 2 of Part 2 of the Act provides for the making of recovery period declarations which provide for a temporary increase to the maximum movement limit through the declaration, by the Minister of a recovery period. The recovery period is designed to reduce delays and clear aircraft backlog sooner when there is severe weather or other major disruptions which impact air traffic at Sydney Airport. If a recovery period declaration is made, a small increase of an additional 5 movements per hour is permitted, allowing a total of up to 85 aircraft movements per regulated hour.
- 16. This section sets out the criteria that must be met for the Minister to make a recovery period declaration under section 9A(1)(b) of the Act.
- 17. A declaration may be made if the Minister is satisfied that either or both criteria specified in section 7 are met.
- 18. The criteria reflect the broad operational context in which disruptions may occur, whether due to direct impacts on air traffic at Sydney Airport or indirect effects arising elsewhere in the aviation network.
- 19. The first criterion provides that a recovery period may be declared if Australian airspace is unavailable or restricted and that unavailability or restriction adversely impacts aircraft movements at Sydney Airport. This criterion is intended to extend to circumstances where movements at Sydney Airport are adversely affected by airspace restrictions elsewhere in Australia, not just at Sydney airport. This recognises the connected nature of airspace in Australia and that restrictions elsewhere can have a negative impact on aircraft movements at Sydney Airport.

- 20. The second criterion provides that a recovery period may be declared if airport infrastructure in Australia is unavailable or its use is restricted and the relevant restriction or unavailability adversely affects aircraft movements at Sydney Airport. This criterion recognises the connected nature of airport operations and infrastructure across Australia and is intended to provide for circumstances where movements are disrupted due to the inability to operate services due to restrictions on airport infrastructure. This could include circumstances where a runway or airport terminal at Sydney Airport (or alternatively, another Australian airport) is unavailable or its use is restricted to the extent that it adversely affects operations at Sydney.
- 21. Section 9A(7) of the Act requires that the Minister must cause a recovery period declaration to be published on the department's website. Recovery period declarations will be published on the department's website as soon as practicable after a recovery period declaration is made.

#### Section 8 – Recovery periods and recovery hours

22. Subsection 9B(4) of the Act provides that a recovery period declaration must specify the start and end time of a recovery period. This section provides that a recovery period declaration must provide that the start time is either on the hour or 15, 30 or 45 minutes past the hour. The 15-minute staggering of the times allows for alignment with the regulated 15-minute time blocks used in slot allocation.

#### Part 3 – The Compliance Committee

# <u>Division 1 – The Compliance Committee</u>

## Section 9 – Independence of Chair of Compliance Committee

- 23. The Act establishes a new requirement for the Compliance Committee to have a Chair that is independent of entities specified in subsection 66(4) of the Act, specifically the airport-operator company, the Slot Manager, Airservices Australia and airlines.
- 24. The Regulations prescribe three additional classes of persons from whom the Chair must be independent, namely, peak industry bodies for airport-operator companies or airlines, and persons providing airside and airport services in connection with scheduled domestic and international air services.
- 25. The independence of the Chair of the Compliance Committee ensures a distinction and separation from the market operators within the slot management context. This is an important factor towards fulfilling the operative purpose of the Compliance Committee in assisting compliance with the slot management framework by removing and restricting interference or influence from external bodies.
- 26. The note in this section instructs that specification of persons in the Regulations is intended to act in complement and in addition to those set out in subsection 66(4) of the Act.

# <u>Division 2 – Members of the Compliance Committee</u>

## Section 10 – Application

27. This division is made for the purposes of section 67 of the Act. This division outlines matters relating to the members of the Compliance Committee.

#### Section 11 – Appointment of the Chair and appointed members

- 28. This section provides for the procedures relating to the appointment of the Chair and the appointed members on a part-time basis. Appointment on a part-time basis is intended to reflect the nature, obligations, and responsibilities of the relevant roles and recognises that neither role is a full-time position.
- 29. The Chair and appointed members may hold office for the period specified in the instrument of appointment, which cannot exceed 3 years.
- 30. The Chair and appointed members can only be reappointed for another 3-year period once.

# <u>Section 12 – Independence of appointed members</u>

- 31. Section 66 of the Act defines the membership of the committee as seven members (including the Chair). More specifically, three members represent relevant entities (the airport-operator company, the Slot Manager and Airservices Australia) (the representative members) while the Chair and the three other members are appointed by the Minister (the appointed members).
- 32. This section outlines the requirement for appointed members to be independent from certain specified entities. The list of specified entities aligns with the those for which the Chair is also required to be independent from as has been provided in subsection 66(4) of the Act and section 9 of this instrument.
- 33. This independence of appointed members serves to increase the accountability and transparency surrounding slot management at Sydney Airport, in contrast to the former Compliance Committee, whose membership included airline employees.
- 34. This is intended to enable the Compliance Committee to make unbiased decisions and to develop impartial advice in regard to the compliance of entities under the slot management framework. To achieve this outcome, the exclusion of persons representing entities who are required to comply with the slot management framework or are otherwise involved in related aviation matters, is essential to maintain the integrity of the Compliance Committee.

#### Section 13 – Acting Chair

- 35. This section outlines the procedures that must be followed in the event where there is a vacancy in the office of the Chair, or if the Chair is absent or unable to undertake their duties. The Minister may appoint an acting Chair in writing.
- 36. A person cannot be appointed as the acting Chair if they do not meet the independence requirements outlined in subsection 66(4) of the Act. This ensures that if the appointment of an acting Chair is required, the acting Chair and committee would continue to enjoy substantive independence from the market operators at Sydney Airport.
- 37. An acting chair allows for the continuity of Compliance Committee proceedings in the event that the appointed chair is unable to attend or the position is vacant. This means that the operation of the Compliance Committee in overseeing slot management compliance is able to continue to ensure consistent performance of the Compliance Committee's functions.

# <u>Section 14 – Acting appointed members</u>

- 38. This section outlines the procedures that must be followed in the event where there is a vacancy in the office of an appointed member or if an appointed member is absent or unable to undertake their duties. In this situation, the Minister may appoint an acting appointed member.
- 39. There are restrictions set on the period of time that a person can be appointed to act which is limited to 6 months, and an acting appointed member is subject to the same independence requirements outlined in section 12 of this instrument.
- 40. Similar to the provision of an acting chair, the utilisation of an acting appointed member ensures that the Compliance Committee can consistently undertake efforts towards improving compliance and ensuring accountability of regulated entities.

#### Section 15 – Leave for Chair and appointed members

- 41. This section allows the Minister to grant leave to the Chair, and for the Chair to grant leave to appointed members. The Chair must notify the Minister if they grant a leave of absence for a period greater than 3 months.
- 42. The opportunity for the Chair and appointed members to take leave from their position is to ensure that if a circumstance arises in which a member cannot attend a meeting or fulfil their duties, that they can utilise leave and subsequently return to their position. The requirement of the Chair to notify the Minister if leave is granted for a period of over three months is intended to ensure and encourage full engagement of members in their roles to promote continuing attendance at meetings and continuity in representation and decision making.

# <u>Section 16 – Restrictions on outside employment</u>

- 43. This section outlines the restrictions that exist upon other paid employment for the Chair and appointed members of the Compliance Committee. These provisions are intended to reduce conflicts of interest with the work of the Compliance Committee and help to maintain the independence of the Chair and the appointed members.
- 44. Subsections 16(1) and (2) provide that the Chair and appointed members must not engage in any paid employment that, in the Minister's opinion, conflicts or may conflict with their duties.

#### Section 17 – Resignation of Chair and appointed members

45. This section outlines the procedure that should be followed if the Chair or an appointment member wishes to resign from their appointed role. This resignation must be provided in writing and, upon the Minister's receipt of a notice to resign, may take effect on the date it is received or at a later specified time.

# Section 18 – Termination of appointments of Chair and appointed members

- 46. The Minister maintains the ability to terminate the appointment of the Chair or an appointed member if any of the listed preconditions of this section are met. This termination notice must be delivered to the Chair or appointed member in writing by the Minister.
- 47. The Minister has discretion in determining whether to terminate the Chair or an appointed member for a reason listed in subsection 18(1), including for misbehaviour, due to physical or mental incapacity, failure to disclose interests, engagement in

- employment that conflicts with their duties, is absent without leave for more than 3 consecutive meetings or otherwise, if the Minister is satisfied that the performance of the Chair or appointed member has been unsatisfactory for a significant period.
- 48. However, under subsection 18(2), the Minister is obliged to terminate the Chair or an appointed member if one of the preconditions in subsection 16(2) has been met.
- 49. The power to terminate the Chair or appointed member is intended to ensure that the Minister continues to have appropriate oversight regarding the integrity of membership to the Compliance Committee. This will mean that any members of the Compliance Committee who are unsuitable to continue in their roles can be terminated to maintain legitimacy and efficiency to the operations, decisions, and advice provided by the Compliance Committee.

# Section 19 – Other terms and conditions of Chair and appointed members

- 50. Any terms and conditions that are not covered by the Act and this instrument, that the Chair and appointed members may wish to hold office on, may be determined by the Minister in writing.
- 51. This provision seeks to ensure that the Minister can maintain oversight regarding the integrity of membership to the Compliance Committee by asserting standards and obligations surrounding the appointment of a member. This will ensure that persons appointed to the Compliance Committee undertake their roles in a manner which aligns with the intention of the Committee to promote transparency and accountability.

## Section 20 – Disclosure of interests

- 52. This section requires members of the Compliance Committee to disclose any interests in the matters that are being considered by the Compliance Committee. These provisions are intended to promote transparency and accountability of the work of the Compliance Committee and ensure that any conflicts of interests that may arise are managed effectively by the Compliance Committee.
- 53. Specific instances of a conflict requiring disclosure are outlined in this section, but this list is not exhaustive and does not limit the section. Any disclosures must be recorded in the minutes of the Compliance Committee meeting.
- 54. Once a disclosure is made in the appropriate form, a decision is made by the Compliance Committee on whether the member may be present and take part in matters pertaining to the conflict and the relevant decision must be recorded in the minutes of the meeting.
- 55. This section is intended to provide for transparency and accountability through the imposition of relevant disclosure processes that provide for the appropriate management of conflicts of interests.

# Section 21 – Deputies of representative members

- 56. This section allows for a deputy to be appointed by the Minister for a representative member of the Compliance Committee. Deputies are only available for representatives of the airport operator company, the Slot Manager and Airservices Australia, as the acting members are available for appointed members (see section 14).
- 57. Subsection 21(2) provides that in the absence of a representative member at a meeting of the Compliance Committee, the deputy member will be entitled to attend the meeting, is taken to be a member of the Compliance Committee and will be entitled to vote at the

- meeting. A deputy will not be entitled to attend meetings or vote other than in the absence of the relevant representative member.
- 58. This section also outlines the processes for the resignation and termination of deputy members and provides that the Minister may determine the terms and conditions of appointment for a deputy member.

#### Division 3 – The operation and procedures of the Compliance Committee

## Section 22 – Application

59. This division is made for the purposes of section 67 of the Act. This division outlines matters relating to the operation and procedures of the Compliance Committee.

### <u>Section 23 – Procedures of the Compliance Committee generally</u>

- 60. This section allows the Compliance Committee to determine procedures for meetings, including minute keeping and who may be invited to attend. This is subject to the section 30 of this instrument which provides for attendance at Compliance Committee meetings by officers of the department or by other observers.
- 61. This section is intended to provide the Compliance Committee with flexibility to develop its own procedures which may adapt and evolve over time. The inclusion of the note to section 33B of the *Acts Interpretation Act 1901* enables members of the Compliance Committee to participate in meetings by telephone, closed circuit television or by other means of communication. This provides a framework to enable broader participation of members, by enabling virtual participation in meetings, and including virtual participants (if any) for the purposes of quorum.

#### Section 24 – Convening of meetings

- 62. This section outlines provisions relating to convening of Committee meetings.
- 63. The Chair is required to convene meetings which are necessary for the efficient conduct of the Compliance Committee. There is a requirement that a minimum of two meetings be conducted in a calendar year, with the Minister maintaining the power to direct the Chair to convene any further meetings.
- 64. This section aims to promote operational flexibility and effective governance of the Compliance Committee whilst maintaining its independence.

#### Section 25 – Quorum

- 65. This section provides that a quorum is formed when a majority of participating Compliance Committee members are present at a given meeting. A member may be physically present or digitally present where virtual meeting technology has been used.
- 66. Subsection 25(2) provides that, if as a result of a disclosure of interests as required by section 20, a member is absent from the discussion and voting on of particular matters, and this absence then impacts whether majority is met in the formation of a quorum, then the remaining members of the Compliance Committee can constitute a quorum for the purposes of consideration and voting on the particular matter.

#### Section 26 – Presiding at meetings

67. This section provides that the Chair, or acting Chair, must preside at any meeting of the Compliance Committee at which they are present. If neither is present, the members in attendance must elect one of their number to preside at the meeting.

#### Section 27 – Voting at meetings

68. This section provides that questions arising at a meeting of the Compliance Committee are to be determined by a majority of votes of the members present and voting. The member presiding has both a deliberative vote and, if the votes are equal, a casting vote.

#### Section 28 – Minutes

69. This section requires the Compliance Committee to keep minutes of its meetings. Minutes should include detail of any decisions made by the Compliance Committee at the meeting in relation to their functions or procedures.

# Section 29 – Decisions without meetings

- 70. This section provides that the Compliance Committee may make a decision in relation to a matter without holding a meeting if a majority of members entitled to vote indicate agreement with the proposed decision in the manner determined by the Compliance Committee. This is subject to the Compliance Committee having previously resolved to allow decision-making without meetings and to prescribe how agreement is to be indicated. This is intended to provide for flexibility and responsiveness over time, and to enable the Committee to develop procedures to streamline decision making, particularly between formal meetings.
- 71. All members must be informed of the proposed decision, or reasonable efforts must be made to inform them. A member is not entitled to vote on a proposal if they would not have been entitled to vote on it had the matter been considered at a meeting, for example in circumstances where the member has an interest that would give rise to a conflict in relation to the relevant matter.

## Section 30 – Attendance by Department and observers at meetings

- 72. This section provides for a representative from the department or an observer to attend meetings of the Compliance Committee. Permission must be granted by the Chair for an observer to attend. To maintain independence, any departmental officers or observers who attend a Committee meeting are not entitled to vote on any decisions made during that meeting.
- 73. Attendance by a department representative is necessary to provide secretariat support and to enable the department to effectively perform its regulatory role and provide related advice where appropriate to the Compliance Committee. Other observers may also be invited to attend meetings for reasons such as to provide briefings or to participate in a discussion. For example, the Compliance Committee may invite an airline to attend a meeting to participate in discussions regarding slot management, allocation and compliance.

#### **Part 4 – Information management**

#### **Division 1 – Preliminary**

#### Section 31 – Application

74. Divisions 2 to 6 of Part 4 are made for the purposes of subsections 70D(2) and (3) of the Act. This division outlines the obligations of the Slot Manager, Airservices Australia, airlines, the airport-operator company and the Compliance Committee regarding records.

#### Division 2 – Obligations etc. of Slot Manager regarding records

#### Section 32 – Slot Manager must keep records

- 75. This section establishes the record-keeping obligations of the Slot Manager. The Slot Manager must keep records relevant to the allocation and use of slots at Sydney Airport, gate movements at the airport, operator compliance with the requirements of the Act in relation to slots and gate movements, and the performance of any function or exercise of power under or for the purposes of the Act. Accurate records, and timely provision of information as appropriate is designed to support effective compliance of the regulatory framework.
- 76. The records must be retained for at least 7 years, may be kept in written or electronic form and when the Slot Manager's appointment ends, the records must be transferred to the department in accordance with section 38 of this instrument.

#### Section 33 – Slot Manager must provide access to Compliance Committee

- 77. This section requires the Slot Manager to give the Compliance Committee access to records relevant to slot allocation and use, gate movements, compliance with the Act, and performance of functions of powers under the Act. Access is provided by supplying relevant information from the Slot Manager's records.
- 78. The Slot Manager must provide the records information to the Compliance Committee at least 7 days before each Compliance Committee meeting. In addition, the Slot Manager must comply with any request by the Compliance Committee to provide specified records information, provide records information for a specified period, or, provide records information in a particular form or format.
- 79. The section does not limit other ways the Slot Manager may give the Compliance Committee access to relevant records.
- 80. This section is intended to provide a formal mechanism for information to be provided by the Slot Manager in advance of Compliance Committee meetings. This includes providing for the Compliance Committee to request specific information or information relating to a specific period to ensure that the Compliance Committee has to access to all information required to perform its role with respect to the relevant meeting. More regular and informal transfers of information may be managed administratively or through the request mechanism provided in section 34.

## Section 34 – Compliance Committee may request Slot Manager to provide access to records

- 81. This section provides that the Compliance Committee may, at any time, make a written request to the Slot Manager for information from the records which are required to be kept under section 32. The request must specify the information being sought and must relate to slot allocation and use, gate movements, compliance with the Act, or the performance of statutory functions or powers.
- 82. The Slot Manager must provide the requested information within 14 days, or a later timeframe as otherwise agreed in writing. The information is to be provided in the form or format as requested by the Compliance Committee.
- 83. This section is not tied to meetings of the Compliance Committee and provides a formal mechanism for the Compliance Committee to request access to information relevant to their role of ensuring compliance with the Act. More regular and informal transfers of information may also be managed administratively.

#### Section 35 – Secretary may request Slot Manager to provide access to records

- 84. This section provides that the Secretary of the department may make a written request to the Slot Manager for access to information from the Slot Manager's records. The request must specify the information being sought and may relate to the same matters covered in section 34.
- 85. The Slot Manager must provide the requested information within 14 days, or a later timeframe as otherwise agreed in writing. The information is to be provided in the form or format as requested by the Secretary.
- 86. This section is intended to provide a formal mechanism for the Secretary to request access to information which is relevant to department's compliance and regulatory role. More regular and informal transfers of information may also be managed administratively by the Slot Manager and the department as appropriate.

#### Section 36 - Slot Manager may provide operators with access to records

- 87. This section provides that the Slot Manager may, either on their own initiative or in response to a written request from an operator, give that operator access to information from records held by the Slot Manager. The information must relate to the operator's own slot allocation and use, gate movements, or compliance with the Act.
- 88. In circumstances where the Slot Manager has received a request from an operator, the Slot Manager must provide the requested information within 14 days, or a later timeframe as otherwise agreed in writing.
- 89. This section provides a formal mechanism to request information held by the Slot Manager that relates specifically to the operator's own slot allocation and use, gate movements, or compliance with the Act. Such information should reasonably be available to the operator and may for example be relevant to demonstrating the operator's compliance with the Act or assist in establishing that an exception applies in relation to an alleged civil penalty for slot misuse.

#### Section 37 - Disposal of records by Slot Manager

- 90. This section provides that, subject to the minimum 7-year retention period under subsection 32(2), the Slot Manager must not dispose of any records unless copies have been provided to the Secretary or the Secretary has given prior written approval.
- 91. The Slot Manager may request approval to dispose of records in writing. The Secretary must respond within 14 days of receiving the request, by written notice to the Slot Manager. If the Secretary refuses the request, reasons for the refusal must be included in the notice.
- 92. This section, in combination with subsection 32(2), which creates a general requirement that the Slot Manager retains the records that are required to be kept for at least 7 years, is intended to ensure that records relevant to the department's compliance and regulatory role are not unreasonably disposed of.

#### Section 38 – Transfer of records

- 93. This section applies when a body corporate ceases to be the Slot Manager and another body corporate is appointed to replace it from a specified changeover day.
- 94. During the transition period, the previous Slot Manager must transfer to both the Secretary and the new Slot Manager all records relevant to the allocation and

- management of slots under the *Sydney Airport Slot Management Scheme 2013* and the *Sydney Airport Slot Management Scheme 2025*.
- 95. The obligation applies to records created before and during the transition period. No later than 2 days after the end of the transition period, the previous Slot Manager must certify in writing to the Secretary that the transfer has occurred in accordance with subsection 38(2).
- 96. The term *transition period* is defined to mean the 30-day period ending immediately before the changeover day.
- 97. Section 45 of this instrument provides that both the incoming or new Slot Manager and the outgoing or previous Slot Manager will be considered to be regulated entities for relevant periods in the lead up to and immediately following the transitional period as appropriate.
- 98. This section is intended to provide for a smooth and seamless transition to ensure that the department and the new Slot Manager are provided with all relevant records by the previous Slot Manager.

# <u>Division 3 – Obligations of Airservices Australia regarding records</u>

#### Section 39 – Records to kept by Airservices Australia

- 99. This section sets out the record-keeping obligations of Airservices Australia. It requires records to be kept in relation to the allocation and use of slots and gate movements at Sydney Airport.
- 100. This is intended to ensure records containing accurate gate movement information is kept to support slot management and compliance monitoring.
- 101. Additional requirements apply if the Minister makes a recovery period declaration under subsection 9A(1) of the Act. In that case, Airservices Australia must record the cause and circumstances of the significant disruption, the duration of the disruption, the decrease in aircraft movements during the disruption, and whether aircraft movements during the recovery period complied with the declaration.
- 102. Copies of those records must be provided within one business day after the making of the recovery period declaration to the airport operator, the Slot Manager and the department. This requirement ensures that relevant stakeholders are provided with further information relevant to a recovery period declaration in a timely manner. Records must be retained for at least 7 years and may be kept in written or electronic form.

## Section 40 – Airservices Australia to provide access to Slot Manager

- 103. This section allows the Slot Manager access to records kept by Airservices Australia in relation to the allocation and use of slots as well as gate movements at Sydney Airport. The Slot Manager's request must be in writing and specify which information is being requested. Airservices Australia must provide this information to the Slot Manager within 14 days of the request being made, or a later timeframe as otherwise agreed in writing.
- 104. This section is intended to provide a formal mechanism for the Slot Manager to request access to information from Airservices Australia which may support the Slot Manager to develop comprehensive datasets to monitor operator performance. More regular and informal transfers of information may also be managed administratively by Airservices Australia and the Slot Manager as appropriate.

#### Division 4 – Obligations of airlines regarding records

## <u>Section 41 – Requirements relating to records kept by airlines</u>

- 105. This section sets out the record-keeping obligations that apply to airlines that hold, or have held, slots under the *Sydney Airport Slot Management Scheme 2025*. Airlines are required to keep records relevant to their slot allocations, gate movements and compliance with related legislative requirements at Sydney Airport.
- 106. Records must include reasons for any failure to use any allocated slot, as well as reasons for any off-slot movements. The provision of reasons for these specific matters correlate with the civil penalty provisions in sections 15 and 17 of the Act. The provision of such information ensures transparency in slot usage and supports compliance monitoring and enforcement activity under the Act and associated instruments. Such information may be requested by the Secretary or Slot Manager and may be used to demonstrate patterns of behaviour which give rise to civil penalties under the Act.
- 107. Records must be retained for at least 7 years and may be kept in written or electronic form

#### Section 42 – Airlines to provide access to records

- 108. This section establishes the circumstances in which the Slot Manager or the Secretary may request access to records held by an airline that holds, or has held, slots under the *Sydney Airport Slot Management Scheme 2025*.
- 109. Subsections 42(2) and 43(3) provide that either the Slot Manager or the Secretary may make a written request for information from the airline's records. The information requested must related to matters including slot allocation and usage, gate movements, failures to use allocated slots, off-slot movements or no-slot movements and failures to comply with conditions or requirements of a slot or any other failure to comply with the Act. The types of information specified in subsection 42(2) and 42(3) is essential to inform decisions of the Slot Manager, Compliance Committee and Minister in improving slot utilisation at Sydney Airport. Further, the information is necessary to enable the regulator to ensure compliance with Act, including in respect of enforcement of civil penalties for slot misuse.
- 110. Subsection 42(4) requires that such requests must specify both the information sought and the period to which the request relates. Subsection 42(5) requires the airline to respond in writing within 14 days, or a later timeframe as otherwise agreed in writing. These provisions support regulatory oversight and compliance by ensuring access to key operational and compliance data held by airlines.

#### Division 5 – Obligations of airport-operator company regarding records

#### Section 43 – Records to be kept by airport-operator company

- 111. This section sets out record-keeping obligations for the airport-operator company for Sydney Airport, and the circumstances in which those records must be made available to the Slot Manager or the Secretary.
- 112. Subsections 43(1) to (3) require the airport-operator company to keep and retain records relevant to slot allocation and usage, and gate movements at Sydney Airport, for a period of at least 7 years. Records may be maintained in either written or electronic form.

113. Subsections 43(4) to (7) allow the Slot Manager or the Secretary to request, in writing, access to information from the airport-operator company's records. Any such request must specify the information sought. The airport-operator company must provide the information in writing within 14 days, unless another written later timeframe has been agreed. These provisions ensure that the Slot Manager and the Secretary have timely access to operational data necessary for oversight and may request access to information to support the development of comprehensive datasets to monitor compliance. More regular and informal transfers of information may also be managed administratively by the airport-operator company and the Slot Manager or department as appropriate.

# <u>Division 6 – Obligations of Compliance Committee regarding records</u>

#### Section 44 – Records to be kept by Compliance Committee

- 114. This section imposes record-keeping requirements on the Compliance Committee and regulates how those records may be disposed of.
- 115. Subsections 44(1) to (3) require the Compliance Committee to keep records relevant to slot allocation and use, gate movements, compliance with the Act, and the performance of functions or powers by the Compliance Committee for the purposes of the Act. It is noted that a reference to "the Act" extends to this instrument, other instruments made under the Act, and the Regulatory Powers Act as it applies to the Act. Records must be retained for at least 7 years and may be kept in written or electronic form.
- 116. Subsections 44(4) to (7) relate to the disposal of records held by the Compliance Committee and provide that the Compliance Committee must not dispose of any records unless copies have been provided to the Secretary or the Secretary has given prior written approval.
- 117. The Compliance Committee may request approval to dispose of records in writing. The Secretary must respond within 14 days of receiving the request, by written notice to the Compliance Committee and if the Secretary refuses the request, reasons for the refusal must be included in the notice.
- 118. This section is intended to establish good record-keeping practices by the Compliance Committee and ensure that records relevant to the role of the department's compliance and regulatory role are not unreasonably disposed of.

#### **Division 7 – Regulated entities**

## <u>Section 45 – Regulated entities</u>

- 119. This section prescribes additional persons as regulated entities for the purposes of paragraph 70D(1)(f) of the Act, which enables the imposition of record-keeping and information access obligations under the Act.
- 120. Paragraph 45(a) prescribes a body corporate that has been appointed to the office of Slot Manager during the period between the signing of the instrument of appointment and the commencement of the appointment. This ensures that any preparatory activities undertaken during the transitional period are subject to appropriate regulatory oversight.
- 121. Paragraph 45(b) prescribes a body corporate that has ceased to hold the office of Slot Manager for a period of 90 days after the appointment ends. This allows enforcement

bodies to access relevant records and information created during the term of appointment, even after the appointment has ended.

#### Part 5 – Publication and sharing of information and documents

## **Division 1 – Publication of information and documents**

# Section 46 – Application

122. This Division is made for the purposes of subsections 70E(2) and (3) of the Act.

## Section 47 – Publication of information by Slot Manager

- 123. This section sets out the publication obligations for the Slot Manager to support transparency in slot allocation and usage at Sydney Airport.
- 124. Subsection 47(1) requires the Slot Manager to publish specific categories of information for each publication period, as defined in subsection (3). This information is intended to provide stakeholders with visibility of slot utilisation and compliance, thereby supporting confidence in the integrity of the slot management system. It is expected that information may be published in different forms, such as by operator, by route or at the aggregate level.
- 125. Paragraph 47(1)(a) enables information to be published on the extent to which allocated slots were used during the publication period. Information to be published might include average utilisation rates by route, protected regional service slot series utilisation, compliance with the 'use it or lose it' and condition tests and corresponding losses of historic precedence.
- 126. Paragraph 47(1)(b) enables information to be published in relation to gate movements at Sydney Airport during the period. Information to be published might include the number of gate movements by day or scheduling season, distribution across peak and off-peak periods, and associated patterns and trends of gate movement volumes.
- 127. Paragraph 47(1)(c) enables information provided to the Slot Manager by operators in relation to off-slot movements (delays) and failures to use slots (cancellations) to be published. Information to be published may include the total number of failures to use and off-slot movements during the period, and the reasons given by operators to the Slot Manager for these occurrences.
- 128. Paragraph 47(1)(d) enables information about operators' compliance with the requirements of the Act (which include separate obligations in the Regulations and Slot Management Scheme).
- 129. Transparency in slot use and regulatory oversight is critical for industry and public confidence. Regular publication of key information is intended to provide stakeholders with a clear view of slot utilisation and compliance, while ensuring that reporting obligations remain practical and proportionate.
- 130. Subsection 47(2) requires the Slot Manager to publish the information no later than 40 business days after the end of each publication period. The Slot Manager may also publish information at any other time considered appropriate, to allow additional reporting where circumstances warrant it. The timeframe between the end of the publication period and the requirement for the Slot Manager to publish is designed to enable the Slot Manager to undertake data matching and verification with operators, to ensure accuracy of the information prior to publication. This also ensures operators are

- aware of their obligations in relation to information transparency, and enables operators to work with the Slot Manager.
- 131. Subsection 47(3) defines the publication periods, which align with northern summer and northern winter scheduling seasons and their mid-season points. Publication must therefore occur a minimum of 4 times each year, covering the periods aligning from late March to mid-July, mid-July to late October, late October to early January, and early January to late March.

#### Section 48 – Publication of information provided by information holder

- 132. This section enables the Secretary to publish information or documents provided to the Minister under subsection 70C(2) of the Act which allows the Minister to direct an information holder to provide information or produce documents relating to slot management at Sydney Airport.
- 133. If a person complies with such a direction, subsection 48(2) authorises the Secretary to publish the information or documents on the department's website. This supports transparency and accountability in the administration of the slot management framework and may enable the publication of information that falls outside of the remit of matters provided for in section 47.

## <u>Division 2 – Sharing information and documents</u>

# Section 49 – Application

134. This Division is made for the purposes of section 70F of the Act, which enables the Minister to share protected information and documents with prescribed receiving entities, subject to specified conditions.

# Section 50 - Conditions for sharing of information and documents obtained or received by the Minister

- 135. This section prescribes the conditions that must be met before the Minister may share information or documents under section 70F of the Act. These conditions are designed to ensure that the information is handled appropriately and used only for authorised purposes.
- 136. Subsection 50(2) provides that the Minister must not share information or documents unless the receiving entity first agrees, in writing, to use the information only for the purposes specified by the Minister, and to manage the material in accordance with any requirements the Minister specifies. Subsection 50(3) clarifies that such requirements may include custodial and security arrangements, and requirements for the return of information.

#### Section 51 – Receiving entities

137. This section prescribes the Australian Competition and Consumer Commission and the Productivity Commission as receiving entities for the purposes of paragraph 70F(5)(e) of the Act, where they are exercising powers or functions relevant to the operations of Sydney Airport. This allows the Minister to share information with these bodies under section 70F of the Act subject to the conditions in section 50 of this instrument.

#### Part 6 – Transitional, application and saving provisions

# <u>Section 52 – Definitions</u>

- 138. This section defines two expressions for the purposes of the Part.
- 139. Commencement day refers to the day this instrument commences.
- 140. *Old regulations* refers to the *Sydney Airport Demand Management Regulations* 1998.

## Section 53 - Instruments made and other things done under the old regulations

- 141. This section is a transitional provision that ensures continuity between the old regulations and this instrument. Subsection 53(1) provides that if a thing was done under the old regulations for a particular purpose and that thing could also have been done for that purpose under this instrument, it is taken to have effect as if it had been done under this instrument.
- 142. Subsection 53(2) clarifies that the reference to "a thing being done" includes, without limitation, the giving of notices and the undertaking of investigations under the old regulations. This preserves the effect of past regulatory actions and avoids duplication or legal uncertainty arising from the repeal of the old regulations.

#### Schedule 1 – Repeals

143. The whole of the *Sydney Airport Demand Management Regulations 1998* is to be repealed and replaced by this instrument.

#### **Statement of Compatibility with Human Rights**

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Sydney Airport Demand Management Regulations 2025

#### **Overview**

The purpose of the *Sydney Airport Demand Management Regulations 2025* (the Regulations) is to repeal and replace the *Sydney Airport Demand Management Regulations 1998* to support the reforms made through the *Sydney Airport Demand Management Amendment Act 2024* (the Amendment Act) which aim to improve the operation and efficiency of Sydney Airport, whilst maintaining community protections.

The Regulations support the introduction of a recovery period following a significant disruption at Sydney Airport. The recovery period allows for up to 85 aircraft movements per hour for up to two hours to assist in clearing the backlog of delayed flights. This does not change the existing curfew arrangements or aircraft movement cap at Sydney Airport, and instead aims to improve the Airport's efficiency following a significant disruption.

The Regulations support the enhanced transparency and information sharing requirements introduced by the Amendment Act. This includes powers for the Minister relating to the production and publication of information, as well as requirements for regulated entities about information management. Civil penalties for failure to comply with these requirements are prescribed in the Amendment Act.

The Regulations detail the functions and requirements of the Compliance Committee in addition to those in the Amendment Act. The Compliance Committee will oversee compliance with the Slot Management Scheme. The provisions aim to clarify the membership, procedures and information management requirements of the Compliance Committee.

#### **Human rights implications**

The Regulations engage the following rights:

- Right to health (airplane noise and emissions)
- Right of privacy and reputation (information management)
- Right to freedom of opinion and expression (information management)

#### Right to health

Article 12 of the International Covenant on Economic, Social, and Cultural Rights (ICESCR) sets out an obligation for the Australian government to ensure the highest standard of physical and mental health of the Australian people. The ICESCR has stated that the right to health extends to the underlying determinants of health including the promotion of a healthy environment.

Consultation has found that some community groups held concerns on the wellbeing of their residents due to the noise from flights entering and exiting Sydney Airport. The Regulations have been made to support the introduction of a recovery period which provides for a

temporary increase to the maximum movement limit to 85 movements per hour during designated recovery hours.

The intent of this mechanism is to provide for more efficient allocation of slots to reduce delays and clear aircraft backlog sooner when there is severe weather or other major disruptions, while maintaining the existing curfew arrangements. As the Regulations do not inherently increase the number of, nor frequency of aircraft movements through Sydney Airport, an increase to air pollution is unlikely. Therefore, the Bill promotes the right to health, specifically in relation to aircraft noise.

#### Right to privacy (information management)

Article 17 of the International Covenant on Civil and Political Rights (ICCPR) prohibits unlawful or arbitrary interferences with a person's privacy, family, home and correspondence, and unlawful attacks on a person's reputation. The right to privacy includes respect for informational privacy, including in respect of storing, using and sharing personal information, and the right to control the dissemination of this information. It also provides that persons have the right to protection of the law against such interference or attacks. The rights contained in Article 17 of the ICCPR may be subject to permissible limitations where limitations are authorised by law and are non-arbitrary. For limitations to be non-arbitrary they must be reasonable, necessary and proportionate to a legitimate objective.

Parts 4 and 5 of the Regulations deal with information management including the records that must be kept, transferred, made accessible or disposed of by regulated entities, and the sharing and publication of information and documents.

These provisions are intended to increase the transparency of the management and allocation of Sydney Airport slots. The nature of the information provided, published, or shared, through these provisions may include some limited personal information or that is commercial in nature. However, information will typically refer to the allocation of slots to an operator, and information about the use of slots by that operator. Such information is intended to be utilised to determine patterns in the use of slots, and to identify recurring patterns of slot misuse. Disclosure of personal information will be limited to only information that is relevant to the administrative or decision-making capacity of the individual with regard to slots.

In addition, section 50 provides for conditions for sharing information and documents to provide appropriate safeguards to the right to privacy including in relation to ensuring that information and documents will be used only for the purposes specified by the Minister. This can protect personal information from being shared and possible reputational damage, in line with Article 17 of ICCPR.

#### Right to freedom of opinion and expression (information management)

Article 19 of the ICCPR outlines the right to hold opinions without interference and protects the freedom of expression which includes the freedom to seek, receive and impart information and ideas of all kinds, regardless of frontiers, either orally, in writing or in print, in the form of art, or through any other media of their choice.

Section 50 of the Regulations enables the Minister to impose conditions on the use of information or documents given to a receiving entity and prohibit the further sharing of the information or documents. The purpose of this provision is to limit the distribution of

information to those with a need-to-know by limiting and prevent forward sharing of information regardless of the classification or sensitivity. This is not clearly linked to one of the legitimate purposes in Article 19(3) of the ICCPR, but may have tangential connections to respect of the rights or reputations of others and protection of national security in relation to certain aircraft movement information.

#### Conclusion

The Regulations are compatible with human rights given the Regulations promote the protection of human rights and to the extent that they may limit human rights, those limitations are reasonable, necessary and proportionate.

# The Hon Catherine King MP

Minister for Infrastructure, Transport, Regional Development and Local Government