

# AIRPORT AUTHORITIES BILL

## EXPLANATORY NOTE

THIS Bill is a consolidation of the Local Authorities Empowering (Aviation Encouragement) Act 1929 and its amendments.

It defines the powers of airport authorities in respect of the establishment, control, and management of airports and is intended as a complete code in that respect. At present there are various Acts conferring powers on separate local authorities in respect of their local airports.

An airport authority is a local authority or person or association of persons authorised by Order in Council to establish or operate an airport.

One of the purposes of this legislation is to remove the necessity of local authorities promoting their own legislation in respect of airports.

*Clause 2:* The definitions in this clause conform to terms used in contemporary legislation.

*Clause 3* authorises local authorities and other persons and associations of persons, with the consent of and subject to conditions prescribed by the Governor-General in Council, to establish and manage airports and businesses and undertakings ancillary to airports. When the consent is given, the body to which the consent relates will become an airport authority. No change is made in the effect of the existing legislation.

*Clause 4* confers additional powers on airport authorities. No material change is made in the existing legislation.

*Clause 5:* This clause is new although some of the provisions are applicable to local authorities under the Public Works Act 1928 and local legislation. It empowers airport authorities to combine or act in conjunction with the Minister of Civil Aviation, the Minister of Works, or other authorities, for the purpose of carrying out their powers and functions under the Act. The clause enables the airport authority to enter into all necessary agreements and arrangements for the purpose of carrying out any authorised airport undertaking. At present a local authority can exercise similar powers under the Public Works Act (but only if the work is of national importance) and under the Civil Aviation Act 1964 (but only in conjunction with the Minister of Civil Aviation). This clause does not limit the powers to works of national importance and permits all Ministers concerned and all authorities concerned to combine and make arrangements in respect of the same project.

*Clause 6* authorises airport authorities which have established airports to lease portions thereof. An amendment last year provided similar powers but this clause extends those provisions. New provisions provide for compensation for improvements in the event of premature determination of the lease.

*Clause 7:* This clause empowers local authorities to assist, by grants of money or leases, airport authorities. There is a similar provision in existing legislation.

*Clause 8* authorises local authorities to raise loans and levy rates for the purpose of providing funds for the exercise of their powers under the Act. At present the power is conferred on the local authorities of the four main centres and on certain other local authorities which have been given the powers by special legislation. This clause confers the powers on all local authorities.

*Clause 9* empowers local authorities to make bylaws for the management of airports which they control. The powers are more extensive than at present existing under the general law but are in existence in respect of airports operated under specific local legislation. No bylaws will be effective unless approved by the Minister.

*Clause 10* repeals existing legislation.

*Hon. Mr McAlpine*

## AIRPORT AUTHORITIES

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### ANALYSIS

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### A BILL INTITULED

**An Act to consolidate and amend the Local Authorities Empowering (Aviation Encouragement) Act 1929 and its amendments and to confer powers on certain local authorities and other persons in respect of airports**

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BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows.

1. **Short Title**—This Act may be cited as the Airport  
10 Authorities Act 1966.

2. **Interpretation**—In this Act, unless the context otherwise requires,—

“Airport” means any defined area of land or water intended or designed to be used either wholly or partly

for the landing, departure, movement, or servicing of aircraft; and includes any other area declared by the Minister to be part of the airport; and also includes any buildings, installations, and equipment on or adjacent to any such area used in connection with the airport or its administration: 5

“Airport authority” means a local authority for the time being authorised under section 3 of this Act to establish, maintain, operate, or manage an airport; and includes any person or association of persons authorised under subsection (3) of that section to exercise the powers of a local authority: 10

“Local authority” means any Borough Council, County Council, or Town Council of an independent town district; and includes any public body declared by any Act or by the Governor-General in Council to be a local authority for the purposes of this Act: 15

“Minister” means the Minister of Civil Aviation.

**3. Airport authorities may establish and carry on airports—**(1) Any local authority, with the prior consent of, and in accordance with any conditions prescribed by, the Governor-General by Order in Council, may establish, improve, maintain, operate, or manage airports (including the approaches, buildings, and other accommodation, and equipment and appurtenances for any such airports) and may acquire land for any such purpose either within or without its district. 25

(2) Any local authority empowered to carry out any undertaking under this section may carry on or cause to be carried on in connection therewith any subsidiary business or undertaking. 30

(3) The powers conferred on local authorities by this section may, with the prior consent of, and in accordance with conditions prescribed by the Governor-General by Order in Council, be exercised by any person or association of persons referred to in the Order in Council. 35

(4) Any Order in Council under this section may be at any time in like manner amended or revoked.

(5) Any undertaking under the authority of this section shall be deemed to be a public work for the purposes of the Local Authorities Loans Act 1956. 40

**4. Additional powers of airport authorities**—In the exercise of its powers under section 3 of this Act, any airport authority may from time to time—

- 5 (a) Improve, maintain, operate, or manage an airport, whether or not the airport was established under this Act:
- 10 (b) Improve, maintain, operate, or manage an airport which has been added to, improved, or reconstructed by Her Majesty, or by some other authority, body, or person since the establishment of the airport:
- 15 (c) Establish, improve, maintain, operate, or manage an airport on any land, whether or not the land is wholly or partly owned by the airport authority:
- 20 (d) Improve, add to, alter, or reconstruct any airport or any part of an airport maintained or operated by the airport authority:
- 25 (e) Operate or manage any airport as a commercial undertaking and for that purpose establish, operate, or manage, or cause to be established, operated, or managed at airports refreshment rooms, bookstalls, booking offices, travel agencies, and such other facilities as may be considered necessary:
- (f) Enter into and carry out any agreement or arrangement necessary for the exercise of any power or function conferred on the airport authority by this Act.

**5. Airport authority may act in conjunction with Ministers of Crown and other authorities**—(1) Any airport authority, 30 in the exercise of its powers under this Act, may combine or act in conjunction with the Minister or the Minister of Works or with both of those Ministers or with any local authority or airport authority and for that purpose may from time to time enter into and carry out such agreements as may seem to it 35 most suited to the circumstances.

(2) Any agreement under subsection (1) of this section may provide—

- 40 (a) For any party to the agreement to undertake or be responsible for the carrying out of the undertaking to which the agreement relates, and to enter into contracts in connection therewith:

- (b) For the acquisition by any party to the agreement of any land required for the undertaking: 5
- (c) For any such land, or any part thereof, or any property acquired in connection with the undertaking to be vested in any party to the agreement: 5
- (d) For the management, control, or maintenance of the undertaking, or any part thereof, to be vested in any party to the agreement: 5
- (e) For the apportionment or allocation of the cost of any work in connection with the undertaking, or of any surplus or deficit arising from the operation and management of the undertaking, between the parties to the agreement: 10
- (f) For the payment by any party to the agreement of his share of the cost of the undertaking either in one sum or by instalments spread over any period or by yearly or other payments as and when the costs are ascertained: 15
- (g) For the payment by any party to the agreement in respect of money payable by that party under the agreement of interest at such rate as may be agreed upon between the parties or, in default of agreement, at such rate as the Minister of Finance approves in that behalf: 20
- (h) For the giving by any party to the agreement of security for the payment of any money payable by that party under the agreement: 25
- (i) For the setting aside out of the revenue of the undertaking, or for the payment by any party to the agreement, of such money as may be agreed upon to form a fund for the repair, renewal, replacement, or improvement of any property acquired in connection with the undertaking or for the purpose of purchasing additional property in connection with the undertaking: 30
- (j) For the setting up of a joint committee to control and manage the airport and providing for the constitution, functions, and powers of any such committee: 35
- (k) For such other terms and conditions as may be agreed upon for the purpose of giving effect to the carrying out and general management of the undertaking. 40

(3) Where in the opinion of the Minister of Finance and the Minister of Works any work or scheme of development or reconstruction to be executed or carried out at or in connection with any airport in accordance with an agreement entered into under this section is of both national and local importance, that agreement shall be deemed to be an agreement entered into under section 31 of the Finance Act (No. 3) 1944, and the provisions of that section, as far as they are applicable and with the necessary modifications, shall apply accordingly.

(4) If default is made by an airport authority for more than fourteen days in the payment of any amount due by it under an agreement entered into under this section, the amount in respect of which default has been made together with interest at such rate as may be prescribed in the agreement or, if no rate is prescribed, at such rate as the Minister of Finance approves shall be recoverable as a debt due by the airport authority to the party to whom the amount is payable under the agreement.

(5) A certificate under the hand of the Controller and Auditor-General shall, until the contrary is proved, be sufficient evidence of the amount in respect of which default has been made as aforesaid and of the date on which it was payable.

(6) Any money set aside or paid for any purpose referred to in paragraph (i) of subsection (2) of this section may be applied for any such purpose or for such other purposes as may be approved by the parties to the agreement and any such money may be invested and the proceeds of the investment applied in such manner as may be agreed upon by those parties.

**6. Leasing powers of airport authorities—**(1) Any airport authority may grant a lease of all or any part of any land, buildings, or installations vested in the airport authority for any purpose that will not interfere with the safe and efficient operation of the airport.

(2) Leases under subsection (1) of this section may be granted by private contract or otherwise to any person for such consideration and on such terms and conditions as the airport authority may determine:

Provided that no lessee shall erect or make structural alterations to any building or other installation without first obtaining the approval in writing of the airport authority and in no case shall that authority give its approval if the

erection or structural alteration of a building or installation will interfere with the use and enjoyment of the land as an airport.

5 (3) If at any time during the term of any such lease the property demised or any part thereof is required by the airport authority for the purposes of the airport, the airport authority may terminate the lease as to the whole of the demised property or as to so much thereof as is required as  
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(4) No action shall lie in any Court for the payment of damages or compensation in respect of the termination of any lease under subsection (3) of this section except an action for the payment of compensation provided for in the lease in accordance with this section.

15 (5) Any such lease may contain a provision requiring the airport authority to pay to the lessee on the termination of the lease under subsection (3) of this section compensation for improvements effected by the lessee during the term of the lease.

20 (6) Compensation for improvements effected by the lessee shall be such amount as may be agreed upon between the parties or, failing agreement, be such amount as may be determined by arbitration under the Arbitration Act 1908 and this subsection shall be deemed to be a submission within  
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(7) In the exercise of any of the powers conferred by this section, any airport authority shall ensure that the granting of any lease, or the erection, alteration, or removal of any building, equipment, or apparatus under any lease, or the construction of any road or access-way, or the subdivision of any land for the purposes of this section, shall not affect the safe operation of aircraft on or over the airport and, in this respect, shall consult with and have regard to the directions of the Department of Civil Aviation.

35 (8) The provisions of Part VI of the Public Works Act 1928, Parts XV and XXV of the Municipal Corporations Act 1954, Part II of the Counties Amendment Act 1961 or any other enactment controlling the subdivision of land for sale or affecting the construction of roads or streets shall not apply to the subdivision of any airport under the provisions of  
40 of this section or to the laying out of any access roads or streets to the land so subdivided.

(9) For the purposes of this section the term "lease" includes any form of tenancy and a licence to occupy or use any premises or appliance.

5 **7. Local authorities may assist airport authorities**—Subject to the provisions of this section, any local authority may, for the purpose of assisting airport authorities in the exercise of their powers and functions as such,—

10 (a) Make grants of money, loans, or grant leases of land at such rental, for such term, and on such terms and conditions as it thinks fit, to any airport authority which is a local authority:

15 (b) With the prior approval of the Minister of Internal Affairs, make grants of money, loans, or grant leases of land at such rental, for such term, and on such terms and conditions as it thinks fit, to any airport authority which is not a local authority.

**8. Financial provisions**—For the purpose of providing money to be paid or expended in the exercise of its powers under this Act, any local authority, in addition to its powers  
20 under this Act or otherwise, may from time to time—

(a) By special order borrow money by way of special loan under the Local Authorities Loans Act 1956:

25 (b) In addition to its other rating powers, make, levy, and collect a rate over the whole of its district, or over any specified part or parts thereof which, in its opinion, are particularly benefited by the works or undertaking in respect of which the rate is made.

**9. Bylaws**—(1) Any local authority or airport authority may, in respect of the airport which it operates, make such  
30 bylaws as it thinks fit for all or any of the following purposes:

(a) The good rule and management of the airport:

(b) The more effectual carrying out of the functions and powers of the airport authority in respect of the airport:

35 (c) Protecting any property used in connection with the airport from damage or injury:

(d) Prescribing precautions to be taken for the protection of persons or property from accident or damage:

- (e) Regulating traffic, whether pedestrian or vehicular, and the provision and use of parking places for vehicles at the airport:
- (f) Prescribing the times, terms, and conditions upon which the public may enter or be in or upon the airport:
- (g) Prescribing charges for the use of parking spaces for vehicles or for the admission of members of the public to the airport or to any land adjacent to the airport owned or controlled by the airport authority:
- (h) Prescribing charges for the use of the airport or any part thereof for air pagagants, sports meetings, and such other matters in respect of which no charge is prescribed by regulations under the Civil Aviation Act 1964:
- (i) Prescribing charges in respect of the commercial use of any part of the airport, including the delivery of goods to or from the airport and the provision of services at the airport, in respect of which no charge is prescribed under the Civil Aviation Act 1964:
- (j) Generally for the administration of the airport, or for the control of trading activities thereon or for the management of any business ancillary thereto that may be carried on pursuant to this Act.
- (2) The power conferred by this section to prescribe charges for admission to any premises shall not be limited by the provisions of the Reserves and Domains Act 1953 restricting the number of days in any year on which charges may be made for admission to recreation reserves; nor shall any day in respect of which charges are made under bylaws made under this section be taken into account for the purpose of determining the days or which charges may be made under that Act.
- (3) All bylaws made by a local authority under this section shall be made in accordance with the Act under which the local authority is constituted and, except as otherwise provided by this section, the provisions of that Act shall apply accordingly in respect of any such bylaws.
- (4) The provisions of subsection (3) of this section, as far as they are applicable and with the necessary modifications, shall apply to an airport authority which is not a local authority.
- (5) No bylaws under this section shall have any force or effect unless and until they are approved by the Minister.

**10. Repeals and savings—**(1) The enactments specified in the Schedule hereto are hereby repealed.

(2) All references to an aviation authority or to a recognised aviation authority in any Act, regulation, rule, bylaw, 5 order, other enactment, agreement, deed, instrument, application, notice, or other document whatsoever in force at the commencement of this Act shall, unless the context otherwise requires, be read as references to an airport authority.

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**SCHEDULE**

Section 10

ENACTMENTS REPEALED

- 1929, No. 9—The Local Authorities Empowering (Aviation Encouragement) Act 1929. (1957 Reprint, Vol. 8, p. 435.)  
1936, No. 58—The Statutes Amendment Act 1936: Sections 45 and 46. (1957 Reprint, Vol. 8, p. 441.)  
1960, No. 35—The Local Authorities Empowering (Aviation Encouragement) Amendment Act 1960.  
1965, No. 93—The Local Authorities Empowering (Aviation Encouragement) Amendment Act 1965.