

Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
Canberra ACT 2600
Phone: +61 2 6277 3511
Fax: +61 2 6277 5811
rrat.sen@aph.gov.au

Submission: The operation, regulation and funding of air route service delivery to rural, regional and remote communities.

I am a resident of Cloncurry in NW Queensland, the destination of the very first Qantas Flight and birth place of the Royal Flying Dr Service.

I have been very vocal in Social and Main Stream Media for some time and I have been applying pressure to the two main commercial airlines that operate in and out of Cloncurry ie Qantas and Virgin Australia.

This pressure extends from a time perhaps a year ago when I wanted to take my family to Townsville for a few days.

Return flights to Townsville on a Thursday and back Saturday would have cost \$1598 each for my wife and I and our 4 year old son, a total of just under \$4800.

I was shocked and decided to look at comparisons and was shocked further at what I found.

On the same days and dates I could have purchased the following from Qantas...

- **Return flights from Sydney would cost \$1889 to Los Angeles, \$1569 to London, and \$480 to Auckland.**
- **Return Flights from Brisbane to Sydney \$288, Brisbane to Melbourne \$ 344, Brisbane to Perth \$734**

How on earth can it cost less to fly from Sydney to LA return than Cloncurry to Townsville, 800kms away?

I posted on the Qantas Facebook page asking them to convince me that this is not profiteering and taking advantage of people living in the bush.

A Qantas spokeswoman responded to my post that same afternoon.

“All of our fares are released 353 days in advance. Our cheapest fares will always sell out first. The fare will then jump to the next available fare/price and will continue to do so until the flight is sold out,” she said.

“We do fully understand your frustrations and we’ll be sure to take your comments on-board.”

This was simply a cut and pasted vanilla response that I have since has several times over, each time I complain to them about prices.

Even now as I type, I have just checked the cost of flights for Cloncurry to Townsville on Thursday 22nd November and back Saturday 25th November and the fares are \$799 each way, there is only the Flexi option available, there are no Red E deals, or saver deals or sale prices so the story about the cheaper fares selling out first is a lie because they are not even offered.

I once looked at flying from Mount Isa to Alice Springs with my wife and son and it was going to cost over \$8000 and take 2 days travelling each way.

We had a two week long holiday in Manila in a five star hotel with flights included for under 6k. There is no way it should cost more to fly return from Cloncurry to Townsville than Sydney to LA return.

Fatigue is one of the biggest killers on regional roads. I put my family's live at risk driving to Townsville for a weekend. I work long hours and only have a weekend away, so it's pointless taking two days to drive each way.

Viable flights would eliminate having to do those long drives after working all week or two weeks in my case. If the flights were less expensive you wouldn't have to drive.

Sales from time to time are fine, but show me a sale price that coincides with a Cowboys home game or school holidays.

It would be great to be able to plan so far ahead to take advantage of the sales, but generally we would be traveling to Townsville because we need to, not just because we want to.

CLONCURRENCY residents would pay \$1 a kilometre if they wanted to buy an airfare to Townsville at short notice.

Yet Townsville residents would pay 10 cents a km if they wanted to fly to Brisbane the day they bought a ticket.

Other expensive Townsville airline routes cost 94 cents per km from Mackay, 71 cents per km from Mount Isa, and 53 cents from Cairns.

These figures were based on a search on app Skyscanner on Tuesday for the cheapest short-term return economy airfares on offer from Townsville.

These flights were direct, meaning there would be more expensive routes in the North West and Gulf regions not considered in these figures.

The airfares from Cloncurry, Mackay and Mount Isa were offered by Qantas, while the Townsville-Cairns route was offered by Rex.

Six other Townsville routes were checked, including Darwin, Perth, and Adelaide. The cheapest per km was the Brisbane route offered by Jetstar.

The second cheapest was Townsville to Melbourne's Tullamarine airport at a cost around 12 cents a km.

A visit to Sydney and back would cost 14 cents a km. This airfare was offered by Jetstar.

It cost 15 cents a km to travel to Perth. This was offered by Virgin Australia.

The airfare price to Adelaide bought on the day of travel would cost 21 cents a km, which was another Virgin Australia flight.

It would cost 27 cents a km to travel from Darwin to Townsville. Qantas offered this flight.

On November 25th Virgin Airlines offered a "Special Airfare Price" with their latest sales offering in time for the upcoming school holidays that was \$100 more expensive than usual.

\$585 One way from Cloncurry to Brisbane with Complimentary baggage, food and entertainment. Complimentary baggage? That's a given anyway, but the Virgin flights are sub contracted to Alliance and the food is half a sandwich, an old dilapidated aircraft with no entertainment, so this was false advertising.

I said to Virgin via Facebook... "Stop treating the people of Cloncurry like we are just dumb fools, we will not be taken for idiots and I will take action,"

Virgin responded to me on Facebook but did not answer my questions regarding the special fares directly. I also asked them to justify a next day one way fare from Brisbane to Cloncurry that I had to pay for a staff member of \$1002

Virgin told me the price of seats on a flight fluctuated due to many factors, including demand, seasonality and availability.

"Virgin Australia is committed to providing competitive airfares on flights within Queensland and regularly runs sales on regional Queensland fares," the company said.

“We encourage guests to book as early as possible to secure the cheapest fares available, as well as subscribe to our sales alerts.”

I also took aim at Qantas.

“How can (CEO Alan) Joyce justify charging a family of three \$4500 for return flights from Cloncurry to Townsville when we could fly return from Sydney to LA, London or Auckland four times for the same money,” he said. “How can he explain that every school holidays the cost of flights more than double.”

In March I suggested that proposed charter flights from Cloncurry could undercut the two major carriers.

CHARTER plane tickets at half the cost of a Qantas flight could be possible from Cloncurry to Townsville.

I received quotes from a charter company which indicated that if all seats were filled in a 100 seat plane it could be half the cost of a typical airfare. I intend to form a committee to organise this and I have local community leaders interested in discussing this further.

Issues would still need to be resolved before the idea is feasible. There would be things like the ground handling. Also security and the legalities of operating a charter and things like the amount charter airlines pay for airport fees compared to commercial airlines, so that’s something to talk to with council.

The Cloncurry Shire Council owns the airport.

I have discussed the subject informally with State MP Rob Katter and I have publically endorsed the State Member’s stance in parliament pushing for inquiries into airfares and I do not believe the State Government was doing enough to help.

The Parliamentary work Mr Katter has done is motivating me to keep going, I genuinely believe that Sir Hudson Fysh (Qantas founder) would be turning in his grave if he knew what Qantas was doing to people of the north west.

I have also had informal conversations with Cloncurry mayor Greg Campbell who has said...

“While we have got to maintain the support for the services we currently have I am happy to look at any options, especially to make Cloncurry more accessible and more affordable for that accessibility to other parts of the country.”

The difference in landing fees between commercial airlines and charters fares was mainly to prevent Fly In, Fly Out workers, Cr Campbell said.

Yet he saw a difference between flights for FIFO workers and for local residents.

“If it is a charter flight for FIFO workers, that would be viewed potentially one way and if a flight to drive affordability for community members is there for a different reason,” Cr Campbell said.

Federal Member for Kennedy Bob Katter has said he was “most anxious” to speak with me about my ongoing push back against the major airlines and my charter proposal.

Finally, I have grave concerns about an organization known as A4ANZ
<http://www.a4anz.com/>

The web page states that they are an industry group established as a voice to represent airlines in Australia and NZ Including Qantas and Virgin who are supposed to be in direct competition with each other but I will not accept that they are not colluding with each other over airfares.

Hamish Griffin

Cloncurry