



## **Submission to the Select Committee on Commonwealth Bilateral Air Service Agreements**

### **Terms of Reference**

*Federal Government decisions relating to any proposals since 2016 for additional services to Australia's airports, with particular reference to:*

- a. the impacts of any such decisions on competition in the Australian aviation sector and the cost of living pressures on families and business;*
- b. the impacts experienced in other countries associated with such decisions;*
- c. the impact on the Australian economy, including on Australian travellers, the tourism and hospitality sectors and movement of freight;*
- d. the rights of airlines or other bodies to appeal decisions regarding bilateral air services agreements made by the responsible minister; and*
- e. any other related matters.*

### **Broome International Airport**

Broome International Airport (BIA), one of the most important regional airports in Australia, is the gateway to Broome and the Kimberley for arriving domestic and international passengers. The airport serves a mixture of scheduled jet and turboprop passenger services (RPT), extensive general aviation and charter services.

In addition to serving over 400,000 RPT passengers per annum, BIA is a home base for three critical services in North West Australia – the major Royal Flying Doctor Service Base, the southern hemisphere's largest heliport (used to service offshore oil exploration and development in the Browse Basin) and the north-west Australian Border Force (ABF), Coastwatch operation.

The BIA Group directly employs approximately 80 staff and is one of Australia's privately-owned commercial airports.

### **Regular International Connection**

Broome is the gateway to the Kimberley Region offering some of the world's most unique wilderness experiences. Broome itself is a town with a strong tourism focus and has a range of experiences unique to this destination. The Broome International Airport (BIA) operators, and the local tourism industry are taking bold steps to revitalise the community and economy as demand for domestic and international tourism recovers following border restrictions being relaxed in early 2022.

International visitors are looking to a regional destination such as Broome and the Kimberley Region as they seek open spaces, diverse natural landscapes and local indigenous experiences.



Building on the strengths of the existing tourism platform, we are seeking to establish direct flights from South East Asia, adding a new dimension to the regional economy and positively impacting the tourism industry. These flights will make a substantial difference to the local community in terms of economic wellbeing. A direct link between Singapore and Broome has already been tested by successful trial services in 2018 and 2019.

Whilst currently designated a restricted international airport, BIA has made application to the Australian Government, under its National Interest Assessment process, for consideration of providing Australian Border Force (ABF) and Department of Agriculture, Fisheries and Forestry, to facilitate final design approval of the international elements of the terminal, and service future international flights to depart and arrive from BIA on a regular basis.

This initiative has the support of Tourism Western Australia, Tourism Australia, Australia's Northwest Tourism and the Shire of Broome. BIA and the consortium of local agencies have helped to fund an extensive research and market-testing program to determine the viability of these connections. This culminated in the trial flights conducted in 2018 and 2019.

The next phase of this initiative is to establish a regular international connection being ideally a weekly return service, preferably between Singapore, or some other near SE Asian city, and Broome. This service is assumed to be operated by an international airline; however an Australian airline may wish to pursue this opportunity.

#### **Kimberley Economic Development – Accelerated Through Connectivity**

Apart from delivering significant benefits to the Broome tourism industry and Kimberley communities, the development will also provide convenient lower cost air travel for residents in the wider Kimberly and Pilbara catchments wanting to visit South East Asia and beyond.

Whilst the Federal and State Governments supported the trial flights operated in 2018 and 2019, BIA and the North West WA community is seeking ongoing support to establish regular international services connecting the region to the world. This support would ideally come in the form of approval of the National Interest Assessment as submitted, amongst other contributions. This Assessment is currently under consideration and we await a favourable response.

As we continue our dialogue with international and domestic airlines to support regular international services, we have considered many options for the connection to Broome. Beyond the normal point to point services, as an airport that is overflown by a significant portion of the international traffic arriving into the country, we wonder what prospect there is for connectivity should an airline have the appetite and approval to stop in Broome as part of its journey.

We appreciate that Bilateral Air Service Agreements and their associated rights allow for opportunities to expand trade between countries and that these rights should be carefully determined. As an airport based in a remote regional location, we believe there should be some consideration as to how these agreements can assist in creating opportunity for improved connectivity and economic development of remote Northern Australia.



### Historical Commitments on International Connectivity

The 2008 Aviation White Paper executive summary indicated “The Government will also move to encourage international airlines to increase services to Australia’s secondary international gateways. Australia’s regions have further potential to grow their inbound tourism markets. By providing airlines who serve regional airports with greater access to the major gateway destinations of Sydney, Melbourne, Brisbane and Perth, the Government will provide further incentives to airlines to better service destinations such as Cairns, Darwin and Broome.” Despite these commitments, there is no real evidence of shift in airline capacity, and little has been done to incentivise this outcome.

In the 2015 White Paper titled, ‘Our North, Our Future: White paper on Developing Northern Australia,’ Broome was again identified as a key international gateway for Australia into international markets. The drivers for this were connecting the Northern Australia for trade and tourism benefits, amongst others.

As part of this report an infrastructure priority included the West Kimberley Water Resource Assessment. The Fitzroy River basin and La Grange groundwater area have extensive areas of soil that are suitable for agriculture, up to 60,000 ha, that could be potentially developed for medium scale mosaic irrigated agriculture.

On the tourism front, the Government identified aspirations for the development of a range of hotels and resorts across northern Australia, lifting overseas tourist horizons beyond the wonders of the Great Barrier Reef and the Daintree Rainforest, to an expanded appreciation for Kakadu National Park, the Kimberley, and Broome.

With its strategic location in terms of proximity to key trading partners like Singapore, opening up the North-western region of Australia can deliver a range of benefits both economically and politically in support of our bi-lateral relationships with key South Eastern Asian partners.

Some specific key areas of focus related to the proposed international services include:

1. enhanced private sector collaboration and exploration of investment opportunities in sectors such as food, agribusiness and infrastructure and in new growth areas including Northern Australia,
2. increased flow of skilled labour and visitors; and
3. enhanced aviation and maritime connectivity.

### Submission Brief

Broome International Airport, as a currently designated restricted international airport, is strategically placed in close proximity to Southeast Asia. It is an obvious gateway from this region to Australia. Connectivity to this remote, Kimberley Region is critical to its prosperity and growth of its communities.



The plan for international services connecting Broome and South East Asia has been in development over several years. Trial services have enabled a proof of concept to ensure that there is strong demand for both inbound and outbound connection. Permanent, regular border services are required in Broome to facilitate this demand.

Previous Government commitments have largely had no effect in shifting international capacity to secondary airports in Australia and particularly Broome. Greater incentives and some changes to policy settings, are likely required to facilitate this shift in capacity.

The support of these international services to Broome and the wider Kimberley region will deliver a significant economic contribution to the Region. This generation of wealth for the region will bring immense financial and social wellbeing for the tourism operators, those businesses supported by tourism, along with the wider community.

Beyond tourism, there is also economic and political benefits in working in conjunction with our nearby trading partners like Singapore, to strengthen ties and look to the opportunity of development of the largely untapped Northern Australia region.

We look forward to the support of the Federal Government to build prosperity and wellbeing for the remote and regional Western Australia communities through enhanced connectivity.

Please address all queries to:

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