



REGIONAL CHAMBER OF COMMERCE

ABN 85 218 146 172

Secretary: *J. Lu Arce***RECEIVED**

29 AUG 2002

HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON
TRANSPORT AND
REGIONAL SERVICES20th August, 2002

The Secretary,
Standing Committee on Transport and Regional Services,
Parliament House,
CANBERRA. ACT 2600

Dear Sir,

Inquiry into Commercial Regional Aviation Services in Australia and Transport Links to Major Populated Islands

We appreciate that the terms of reference of the Parliamentary Inquiry are to examine the adequacy of commercial air services. We also appreciate that this submission may be considered to be totally out of order but we would ask that fast ferries be seriously considered by the inquiry as a very viable alternative to travel to coastal regional centres by air.

Fast ferries of the type described in our submission are, of course, even more valuable as an alternative to road travel to coastal centres within 200 nautical miles of Australia's capital cities.

The Australia's Holiday Coast Regional Chamber of Commerce is an umbrella organisation which assists the 22 Chambers of Commerce located throughout the NSW Mid-North Coast from Forster-Tuncurry to Woolgoolga, north of Coffs Harbour. One of its roles is to identify opportunities to develop economic opportunities for the region.

We recently closely examined the feasibility of introducing a 300 passenger 48 metre high speed ferry on a twelve month test run between Sydney and Port Macquarie, a distance of 174 nautical miles. For the Inquiry's information, we enclose a copy of a proposal prepared by Consult Maritime Pty Ltd of Gosford, in mid 2000.

We understand that the NSW Government has already made a substantial financial contribution towards the establishment of ferry infrastructure (wharf facilities), to enable a similar service to commence between the NSW Central Coast and Sydney. A similar service between Newcastle and Sydney is also being planned.

At the time of our research in the year 2000, a serious attempt was made to secure private investors in Port Macquarie willing to introduce seed capital of up to \$1.5 million. This attempt was accompanied by extensive media coverage which excited the imagination of local residents and copies of local media reports are enclosed.

The proposal was to secure the lease of a vessel based at Hong Kong for a twelve month trial and ship it as deck cargo to Sydney. Needless to say, largely because of the radical nature of the proposal, we were unsuccessful in securing sufficient backers and the ferry which we had identified for lease was subsequently assigned elsewhere and so we let the matter drop at the time.

However, as a consequence of the downturn in international tourism because of the September 11th terrorist attacks, there are now at least three similar vessels under-utilised and presently available for lease in South East Asia. We would be able to re-enter into negotiations to lease one of those vessels for a trial, if we can obtain financial assistance.

By raising the concept again at this point, we are hopeful of capturing the imagination of the Federal and NSW Governments, especially as the regional airline industry goes through a major shakeout. A Government seeding grant or similar trigger would, undoubtedly, attract private subscription and encourage a trial to proceed.

As can be seen from the Consult Maritime proposal, Port Macquarie is an ideal location to establish a fast ferry service. It is one of the fastest growing centres in Australia and has been identified by both the Federal and NSW Governments as being a major regional growth centre. It is also a major tourist centre and, given facilities to transport large groups of international visitors, would present an exciting alternative to the Blue Mountains, Hunter Valley, etc.

Port Macquarie has had a chequered air service since deregulation, although QantasLink have maintained an excellent, albeit expensive, service of four or five return services daily to Sydney.

Impulse Airlines maintained a reliable service to Sydney and also serviced northern ports and Brisbane from Port Macquarie. However, air travel "service" as a concept has largely vanished since deregulation and costs have significantly risen.

The Australia's Holiday Coast Regional Chamber is willing to enter into face to face discussions to expand on the proposal, as required.

We have forwarded a copy of this letter and the Consult Maritime Pty Ltd proposal to the NSW Premier, for the information of the NSW Government.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'David Meidling', written over a large, loopy flourish.

DAVID MEIDLING
Secretary