

Island and remote communities

- 5.1 Regional communities face a number of issues relating to the provision of regional air services in an equitable, accessible and financially viable manner.
- 5.2 Remote communities and island communities together form a subset of regional communities. Although remote and island communities experience problems similar to those experienced by other regional communities, they are subject to circumstances that are specific to their own circumstances.
- 5.3 Chapter 4 has considered air services to regional communities including some remote and island communities. Specific access and especially sea services issues for remote island communities are considered in this chapter.
- 5.4 Some remote communities, particularly in northern Australia, are isolated by seasonal weather conditions, meaning that air and sea services are heavily relied on. Some remote communities are vast distances from major regional centres or capital cities, making regular road transport for people and freight expensive and time consuming.
- 5.5 There are transport issues that are exclusive to island communities. The most obvious island-specific problem is the lack of roads, which means a reliance on air and sea services to maintain connections with the mainland. Community issues of equity and accessibility are then more specific to the provision of regional air, and in some situations, sea, services. The Commonwealth has a key role in ensuring that

appropriate transport services can be maintained to all regional, remote and island communities.

Commonwealth transport infrastructure policy and application to remote and island communities

- 5.6 The Commonwealth manages a strong suite of policy programs aimed at regional development and equity. While these address common regional issues, the particular situation of remote and island communities is not always fully addressed under these broad initiatives.
- 5.7 The Commonwealth currently manages several regional development funding programs, e.g. the Sustainable Regions Programme. The committee considered that these programs generally support regional development and do not necessarily favour any types of regional communities.
- 5.8 The Commonwealth also has in place several funding programs for transport infrastructure (e.g. National Highway, Roads to Recovery). However, there is no overarching policy concerning infrastructure and access to islands.
- 5.9 Island communities claim that the air and sea services are their 'roads' and that the level of infrastructure funding assistance provided to regions should also be provided to islands, despite the lack of roads.
- 5.10 The committee is of the opinion that island communities should have equity of access to services and standards enjoyed by mainland communities.
- 5.11 The National Highway which extends around the mainland also exists from Hobart to Devonport. The Bass Strait subsidy schemes recognise that there can be no link between Devonport and Melbourne. The Tasmanian Government recognises that it has a similar responsibility in providing roads to Flinders Island and King Island as a theoretical extension of the Tasmanian road system. The committee believes that equity of access should enable Flinders Island and King Island to engage on just terms with the mainland.

- 5.12 However, in the case of other island communities, such as Kangaroo Island, Tiwi Island and Torres Strait Islands, there is a level of state responsibility. The committee believes that the Commonwealth's role in this instance should be one of providing appropriate landing and port facilities.
- 5.13 There is some recognition of the specific air service needs of some remote communities. Remote northern communities currently receive subsidised services through the Commonwealth's RASS scheme. The RASS scheme presently subsidises five air operators to provide regular air services to approximately 200 remote ports located in Queensland, the Northern Territory, South Australia and Western Australia.
- 5.14 The committee is of the opinion that remote and island communities should not be disadvantaged in terms of access to Commonwealth infrastructure funding programs. These programs should be sufficiently flexible that they are able to assist with the provision of infrastructure for the most appropriate form of transport service for each community situation – whether that be air, road or sea travel.
- 5.15 Providing equity of service is necessary in order for the Commonwealth to fulfil its overarching policy objectives concerning regional Australia. Specific objectives concerning air and sea services need to be examined for each remote and island community.
- 5.16 This chapter sets out the issues facing remote communities across various states and territories, and provides specific recommendations to improve services for each of these areas. Island communities are considered separately. The committee suggests a number of possible solutions specific to these island communities and argues that states and territories consider these options and implement appropriate improvements.

Remote communities

- 5.17 The Northern Territory Government made the argument that sustainable air services are critical to the social and economic well being and development of northern Australia.¹ Western Australia and Queensland made similar arguments in relation to air services.

Northern Territory

- 5.18 The Northern Territory, due to its vast expanse and scattered population, arguably depends on air transport to a greater degree than other jurisdictions. Many remote communities are cut off for extended periods due to harsh weather conditions, with their air services providing the only link to the outside world.
- 5.19 Road transport is also an issue, with many local government roads having deteriorated over time, to the extent that all urgent travel must be undertaken by air. In many cases regional air services are actually an essential service. The Northern Territory Government stated that service delivery for the Northern Territory's remote and mainly Aboriginal population, and a degree of equity of access, is only made possible through regular air services.²
- 5.20 The Northern Territory Government contributes to regional transport services by maintaining a strategic network of 64 aerodromes, which service major communities and towns and their outlying areas. Similarly, assistance is also provided for the upkeep of 14 key barge landings.
- 5.21 There are two Commonwealth programs operating in the Northern Territory which directly support the provision of air services:
- The RASS scheme; and
 - The Aerodrome Safety Inspection and Technical Support program.
- 5.22 The RASS scheme enables important basic mail and freight services to almost a hundred pastoral and community destinations, using Northern Territory based operators.

1 Northern Territory Government, submission no. 101, p. 2; Western Australian Government, submission no. 150, p. 15.

2 Northern Territory Government, submission no. 101, p. 2.

- 5.23 The Northern Territory Government is of the view that RASS services should be able to carry paying passengers.
- 5.24 However, many remote aerodromes are not to the standard required to take passenger services. The major issue of how to raise the aerodrome standards has not yet been fully addressed.
- 5.25 The Safety Inspection Program provides assistance to 59 Aboriginal community aerodromes north of the 19th parallel, in Queensland, the Northern Territory (29 locations) and Western Australia. The Northern Territory Government considers this program a valuable initiative and recommends that it be extended to include other remote communities south of the 19th parallel.³
- 5.26 The committee is of the opinion that more communities in remote northern Australia should be allowed to access existing Commonwealth funding programs.
- 5.27 The committee, however, is not in the position to provide funding for all aerodrome upgrades. The committee is of the opinion that the funding program proposed in chapter 4 will be able to provide funding for some aerodrome upgrades.

Recommendation 9

- 5.28 **The committee recommends that the Commonwealth should extend its programs to assist additional remote northern Australian communities.**

Western Australia

- 5.29 Remote areas of Western Australia share similar characteristics with remote areas in the Northern Territory and Queensland. The Western Australian Government shares similar opinions as those expressed by the Northern Territory Government.

3 Northern Territory Government, submission no. 101, p. 4

- 5.30 Since 1994, the Western Australian Government has provided support for regional airports through its RADS Scheme. Since its inception, RADS has invested \$14 million in over 60 airports and airstrips around the state. This has generated about \$35 million in leveraged funding from Commonwealth and local governments and the private sector.⁴
- 5.31 Western Australia has continued with RADS, as it views airport infrastructure as a vital component of air services development in the state. However, the state believes that there is more to be achieved but this is beyond the funding capability of RADS.
- 5.32 The Western Australian Government believes the Commonwealth should support the work undertaken by RADS by contributing funds to airport infrastructure.⁵
- 5.33 The Commonwealth's RASS scheme network, which is administered by DOTARS, is important in maintaining air links with the more remote locations in Western Australia.
- 5.34 Recently, DOTARS increased the RASS network across Australia including routes in Western Australia. The new scheme allowed the carriage of passengers, however this triggered a higher level of operator and airstrip standards required by CASA. This meant that many of the airstrips on RASS routes did not meet the new standards, although they had previously been receiving mail and plane services. The cost of upgrading the airstrips is significant.⁶
- 5.35 The Western Australian Government stated that there is a view within the Commonwealth that the state will upgrade the airstrips. The state government has provided some funding for this work through RADS and may provide additional funds in 2003-04. However, the scheme can only meet a small proportion of the cost and Commonwealth assistance is needed.⁷
- 5.36 The committee is not in the position to provide funding for all aerodrome upgrades. However, the committee is of the opinion that the funding program proposed in chapter 4 will be able to provide funding for some aerodrome upgrades.

4 Western Australian Government, submission no. 150, p. 14.

5 Western Australian Government, submission no. 150, p. 14.

6 Western Australian Government, submission no. 150, p. 15; transcript of evidence, Canberra, 10 September 2003, pp. 747-748.

7 Western Australian Government, submission no. 150, p. 15.

Queensland

- 5.37 The Queensland Government operates a regulated air service regime, which enables adequate air services to be delivered to remote areas of the state.
- 5.38 The Queensland Government's aviation policies are incorporated into an overarching Queensland Aviation Strategy, enabling a coordinated approach.⁸
- 5.39 Queensland Transport's Rural and Remote Airport Development Program provides grants to local governments to assist in the upgrade of airstrips throughout rural and remote Queensland. This program helps to ensure access to essential air services for Queensland's transport-disadvantaged communities.⁹
- 5.40 As with the Northern Territory and Western Australia, the committee is not in the position to provide funding for all aerodrome upgrades. However, the committee is of the opinion that the funding program proposed in chapter 4 will be able to provide funding for some aerodrome upgrades.

Major populated islands

- 5.41 The following sections outline each major island community, and discuss their existing services, their needs, and any alternatives and solutions.

Tasmania's passenger and freight schemes

- 5.42 This section examines the passenger and freight schemes that apply to Tasmania. The Flinders Island and King Island sections below refer to these schemes.

8 Queensland Government, submission no. 153, p. 3.

9 Queensland Government, submission no. 153, p. 15.

- 5.43 The committee received evidence regarding the equity of access for people and freight to and from Tasmania as provided for by the Tasmanian Freight Equalisation Scheme (TFES) and the Bass Strait Passenger Vehicle Equalisation Scheme (BSPVES). Mr Peter Brohier, in his submissions, argued that Tasmania needed to be connected to Australia by equal links for people and freight.¹⁰
- 5.44 Mr Brohier claimed that the TFES benefits products from Tasmania entering mainland markets and business inputs entering Tasmania, but not consumables entering Tasmania.¹¹ Public information available from the Commonwealth confirmed these statements.¹²
- 5.45 Mr Brohier argued that the TFES disadvantages people in Tasmania who rely on goods imported from the mainland. On the issue of the BSPVES, Mr Brohier claimed that it does not provide equality of access to people entering Tasmania on foot and in passenger motor vehicles. He also stated that the scheme was designed to encourage tourism rather than provide equality of access to all types of passengers travelling to and from Tasmania.
- 5.46 Based on the range of evidence considered during the inquiry, the committee concluded that the TFES and BSPVES encourage the movement of specific types of freight and people. However, this does not constitute the restriction of movement of other types of freight and people. On the contrary, transport links to and from Tasmania have been improved in terms of the quality of vessels and schedules.¹³
- 5.47 The committee noted that the schemes are supported by the Commonwealth. The Budget appropriation in 2002-03 for the TFES was \$71 million, and for the BSPVES it was \$31.8 million. BTRE monitors the effectiveness of the BSPVES annually in accordance with Ministerial directions. The TFES was reviewed in 1998.¹⁴

10 Peter Brohier, submissions no. 166 and 178; submission to Senate Poverty Inquiry; Peter Brohier, transcript of evidence to Senate Poverty Inquiry, Ballarat, 30 June 2003, pp. 775-785.

11 Peter Brohier, transcript of evidence to Senate Poverty Inquiry, Ballarat, 30 June 2003, pp. 776-777.

12 What Goods Qualify Under the Tasmanian Freight Equalisation Scheme?, <http://www.centrelink.gov.au>, last accessed 29 August 2003.

13 Tasmanian Government, submission no. 155, pp. 13-14; Tasmanian Government, transcript of evidence, Launceston, 24 February 2003, p. 61.

14 Department of Transport and Regional Services, Transport Programs - Bass Strait Passenger Vehicle Equalisation Scheme, <http://www.dotars.gov.au>, last accessed 29 August 2003; Department of Transport and Regional Services, Transport Programs - Tasmanian Freight Equalisation Scheme, <http://www.dotars.gov.au>, last accessed

Flinders Island

Background

- 5.48 The Flinders Municipality includes the Furneaux Group of Islands and other islands in eastern Bass Strait, located within an area which begins a short distance from the north east coast of Tasmania to 16 kilometres south of the Victorian coastline. Flinders Island, the principal island in the Furneaux Group, has an area of approximately 1600 square kilometres and is located some 160 kilometres from Launceston. The second largest island is Cape Barren Island with an area of 403 square kilometres.
- 5.49 The islands are almost totally reliant on regional air services for links to the rest of the world.¹⁵
- 5.50 Flinders Island has 864 residents.¹⁶ Cape Barren Island, just to the south of Flinders Island, has 58 residents.¹⁷

Current services, needs and expectations

Air services

- 5.51 The adequacy of air services to Flinders Island has been described in chapter 4.

Ferry and freight services

- 5.52 Flinders Councils, amongst other submissions, claimed that existing cargo ferry services to the island are acceptable, although they are inadequate as passenger services.
- 5.53 The Furneaux Group has a shipping service provided by Southern Shipping Company Pty Ltd. The operator provides 300 tonne capacity, stern loading vessels. The company is based at Bridport,

29 August 2003;

Department of Transport and Regional Services, Transport Programs - Bass Strait Passenger Vehicle Equalisation Scheme BTRE Monitoring Report No. 5, 2000-01, <http://www.dotars.gov.au>, last accessed 29 August 2003;

Media Release - Senator Ian Macdonald, Minister for Regional Services, Territories and Local Government, '*Increase in funding for Tasmanian Freight Equalisation Scheme*', <http://www.dotars.gov.au>, last accessed 29 August 2003.

15 Flinders Council, transcript of evidence, Flinders Island, 25 February 2003, p. 153.

16 Flinders Council, submission no. 110, p. 2.

17 Flinders Island Online, www.flindersislandonline.com.au, last accessed 1 September 2003.

- Tasmania, and under an agreement with the state government, provides at minimum a weekly service between the islands and Tasmania, with other services provided according to freight volumes.
- 5.54 The company provides an as-needed service to Port Welshpool in Victoria. The service to Victoria is also subject to cost recovery principles established by the agreement with the state government. The shipping service is the principal transport mode for the movement of bulk goods and non time sensitive freight.
- 5.55 In addition to the movement of freight, including livestock, the company's vessels are licensed to carry 12 passengers. Passengers share crew facilities, and access is available to tea and coffee facilities. No other services are provided.
- 5.56 The company's operations at Bridport are determined by tidal conditions in the Brid River. Accordingly, departure times are not scheduled and sailings coincide with high tide. Passengers are required to be at the terminals used by the ship at least one hour before the advised sailing time. Travel time directly between Tasmania and Flinders Island is eight to nine hours, depending on sea conditions.
- 5.57 In addition to the movement of general freight, vehicles and livestock, the company has the contract to deliver fuel to the Furneaux Group. For this purpose, the trading vessel operates via Bell Bay on the Tamar River to allow the fuel tank-tainers to be craned onto the vessel. One weekly sailing per month is via Bell Bay, with travel time becoming around 22 hours in good sea conditions. Most passenger traffic on the vessels are people accompanying vehicles.¹⁸
- 5.58 The Commonwealth subsidises the cost of crossing Bass Strait under the BSPVES. Flinders Council believes that governments ignore the transport needs of residents of the Bass Strait Islands, who must use air transport for daily commuter needs. The principle of the BSPVES is to equalise the cost of the interstate movement of people and vehicles. Flinders Council believes the principles of the scheme should be applied to the air services to Flinders Island because there is no adequate alternative transport mode other than the trading vessel service.¹⁹
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18 Flinders Council, submission no. 110, pp. 13-14.

19 Flinders Council, submission no. 110, p. 16.

- 5.59 Although the BSPVES subsidy is available to islanders for interstate travel, it is currently not available for intrastate travel.²⁰
- 5.60 Mrs Suzanne Napier, the Liberal Member for the Tasmanian state seat of Bass, told the committee that the biggest issue associated with Bass Strait is the size of the seas and the potential for seasickness on ferry journeys. Mrs Napier said that the interstate ferry services have opted for much larger, longer, monohull ferries in order to provide a better ride on rough seas. Mrs Napier believed that it would still be possible to use catamarans on the shorter runs.²¹

Possible solutions

- 5.61 The committee is of the view that current air services to Flinders Island are only just adequate, although they could be improved, particularly at peak seasonal times. Principles must be established that will deal with the problem of replacing piston-engine aircraft with turbo prop aircraft. Other solutions are discussed in chapter 6.
- 5.62 The committee recognises that the current trading vessel service is inadequate as a passenger service, largely due to the lack of passenger facilities and the lengthy travelling time.
- 5.63 The committee is of the opinion that a passenger ferry service may not be a viable option for the Bass Strait islands. This is largely due to the low volume of passengers, long distances, lengthy travelling times, rough seas and highly variable weather. There may be a possibility to include the Bass Strait islands in an island-hop route as part of the interstate service, which utilises the larger ferries.
- 5.64 The committee concluded that the cargo vessel service to the islands could be upgraded to improve load capabilities and efficiency. In particular, the committee noted that services from Flinders Island to mainland Australia were infrequent and unreliable.
- 5.65 The committee recommends that DOTARS work with the Tasmanian Government to bring about an improvement in cargo and passenger services to Flinders Island.

20 Dept. Infrastructure, Energy and Resources, Tasmania, transcript of evidence, Launceston, 24 February 2003, p. 73.

21 Suzanne Napier, State Liberal member for Bass, transcript of evidence, Launceston, 24 February 2003, p. 7.

Recommendation 10

- 5.66 The committee recommends that the Department of Transport and Regional Services work with the Tasmanian Government to bring about an improvement in cargo services to Flinders Island.**

King Island

Background

- 5.67 King Island is situated at the western entrance to Bass Strait, approximately 120 kilometres south of Victoria, and the same distance north of mainland Tasmania. The island, which is 64 kilometres long and 27 kilometres wide, enjoys a reputation for excellence in the production of fine beef and superior dairy products as well as magnificent seafood.
- 5.68 King Island has a population of approximately 1 800 permanent residents of which 800 reside in the township of Currie, situated on the west coast.

Current services, needs and expectations

Air services

- 5.69 All visitors to the island travel by air, with three RPT airlines servicing the island on a daily basis. There are also numerous private planes and air charter operators.²²
- 5.70 The adequacy of air services to King Island has been described in chapter 4.

Ferry and freight services

- 5.71 Apart from air services, the only other means by which goods arrive or leave the island is by ship. The only commercial shipping line that moves freight to King Island is Patricks' Searoad Mersey. This vessel operates from the Port of Melbourne once per week, weather permitting. The Searoad Mersey has a capacity of 4 000 tonnes and is

22 King Island Council, submission no. 132, p. 6.

capable of taking and delivering almost all of King Island's regular needs at one berthing. At 127 metres long, it is able to manoeuvre in the harbour facilities at King Island, which are unable to handle a larger vessel.

- 5.72 The Searoad Mersey is a custom built vessel somewhat shorter than its sister ship the Searoad Tamar which also operates on the Melbourne-Devonport route.
- 5.73 The service is currently cost effective for the operators because the ship sails on a Sunday, a lay-day when it would otherwise be in port.
- 5.74 Up until 1991 the Tasmanian Government operated the shipping service to King Island. At that time it let a contract to Holymans (now Patricks) to provide a shipping service to King Island and provided a subsidy of approximately \$230 000 a year to the company to guarantee that service. This meant that on the occasion when the vessel ran aground and was out of service for repairs, the shipping company was required to, and did provide, a replacement vessel.
- 5.75 This arrangement appeared to work satisfactorily until the contract expired in April last year. Since then the service has been operating without subsidy and without any guarantee as to continuity since then. Negotiations on a new contract have faltered and the service could be withdrawn at any time. Shipping agents on the island have only negotiated short-term freight forwarding contracts with some of the major exporters on the island, leaving the entire island exposed to the commercial desires of a major national shipping agency. The committee sees this as an unsatisfactory arrangement.
- 5.76 As the vessel providing the service is leased by Patricks, the council is keen to ensure that its replacement will meet the needs of the island. Given the lead time for construction of such a vessel, the council is also concerned that a replacement has not as yet been planned.
- 5.77 King Island Council has recently learned that another company, Southern Shipping, has recently acquired a new ship similar in size to its flagship, the Mathew Flinders (that serves Flinders Island), and that the state government may be considering the use of this ship as a replacement to meet King Island's needs. However, the ship that may replace Patricks ship is much smaller and the council is concerned that it will not meet the island's needs.

- 5.78 To put this issue in perspective, the Searoad Mersey is 127 metres long and carries 4 000 tonnes of cargo, while the Mathew Flinders is 35 metres long and carries 250 tonnes of cargo. The Searoad Mersey calls once a week and is able to offload and load all cargo in one day. Wharfage is therefore significantly lower than for a smaller ship that may be required to be loaded and unloaded a number of times each week. It would be much more efficient to use the larger vessel than have multiple journeys on the smaller vessel.²³

Possible solutions

- 5.79 The committee formed the view current air services to King Island are generally adequate, although there are issues with the smaller operators concerning small, ageing aircraft.
- 5.80 King Island Council requested that the committee provide incentives for airlines to recommence particular services to King Island. The committee is not in a position to provide such incentives, however, the committee believes that a particular service will exist if there is indeed a definite market for those services. The committee encourages the council to actively negotiate with the relevant airlines.
- 5.81 King Island currently has no passenger ferry service. The committee is of the opinion that a passenger ferry service may not be a viable option for the Bass Strait islands. This is due to the low volume of passengers, long distances, lengthy travelling times, rough seas and highly variable weather. However, as with Flinders Island, it may be possible to include King Island in a triangulated route as part of the interstate service, which utilises the larger ferries.
- 5.82 The committee was concerned about the lack of long term security for the shipping services to the island. The committee, however, recognises that the service is a commercial arrangement and encourages the council to pursue all avenues of inquiry concerning ongoing services.

23 King Island Council, submission no. 132, pp. 17-18.

Kangaroo Island

Background

- 5.83 Kangaroo Island, the third largest island off the coast of Australia is 4 350 square kilometres in area, and approximately 130 kilometres south-west of Adelaide. The island's population is 4 237.²⁴
- 5.84 Kangaroo Island has up to 138 000 visitors annually, with an average yearly growth rate in visitation of around 10 per cent.²⁵ The island relies on a healthy tourism industry to sustain adequate air services. The island also relies heavily on sea ferry services to get more residents, visitors and freight onto and off the island.²⁶

Current services, needs and expectations

Air services

- 5.85 Kangaroo Island has one airport located at Cygnet River, approximately 13 kilometres south of Kingscote. There are currently two airlines operating from the island. These airlines offer frequent services between Adelaide and Kingscote. The journey takes approximately 30 minutes.²⁷
- 5.86 The KIDB claimed that the cost of using Kingscote Airport is very high when compared to other regional airports. The airport currently collects a \$5 charge per passenger arriving on Kangaroo Island, which amounts to a total charge of \$90 per landing at Kingscote, for an 18-seat Metroliner. KIDB feels that this does not compare well with landing fees of \$40.81 at Port Augusta and \$25 at Port Lincoln. The cost of landing at Adelaide airport is also cheaper at \$30.²⁸

24 Kangaroo Island - island facts,
<http://www.kangaroo-island-au.com>, last accessed 6 August 2003.

25 Kangaroo Island Development Board, submission no. 164, p. 1.

26 Kangaroo Island Council, submission no. 83, p. 1; Kangaroo Island Development Board, submission no. 164, p. 1.

27 Kangaroo Island Development Board, submission no. 164, p. 2.

28 Kangaroo Island Development Board, submission no. 164, p. 6.

- 5.87 KIDB also believes government should investigate the possibility of providing financial incentives or subsidies that can assist with the costs of airport facilities and infrastructure, where there is a small population base. As there is a very small rate base, Kangaroo Island Council is not in a position to fund airport losses or heavy maintenance or upgrading costs.²⁹
- 5.88 The committee, in its survey of regional airports, found that the passenger head tax at Kingscote Airport was one of the lowest in the country. While acknowledging the need of an infrastructure subsidy for small councils, the committee is of the opinion that the passenger head tax could be raised to be in line with many other regional airports. This would provide additional income to the airport.

Ferry Services

- 5.89 Sealink provides the Kangaroo Island ferry service. Kangaroo Island Council stated that, unlike the ferry service between Tasmania and Melbourne, the 16 kilometre stretch of water between Penneshaw on Kangaroo Island and Cape Jervis on mainland South Australia has not been declared a sea road, making the cost of travelling on and off the island by car expensive.³⁰ The council explained that currently, there is a small freight subsidy which applies to the ferry service, however, this will cease in less than two years. There are no travel concessions for islanders or visitors using ferry or air services. The council claimed the lack of concessions financially disadvantages an already isolated community.³¹
- 5.90 KIDB provided statistics for passengers travelling to the island. In 2001, the total number of passengers by ferry service and airline to Kangaroo Island was approximately 143 500. Visitors accounted for 136 000 passengers, or about 95 per cent of the total. Ferry services transported 108 500 passengers (75 per cent), with the remaining passengers using air services.³²
- 5.91 The following table, provided by KIDB, presents a comparative cost analysis for vehicular travel from the mainland to three Australian island tourism destinations.

29 Kangaroo Island Development Board, submission no. 164, p. 6.

30 Kangaroo Island Council, submission no. 83, p. 2.

31 Kangaroo Island Council, submission no. 83, p. 2.

32 Kangaroo Island Development Board, submission no. 164, p. 2.

Table 1: Comparative cost analysis for vehicular travel from mainland to three Australian island tourism destinations.³³

	Kangaroo Island (SA)	Fraser Island (QLD)	Tasmania
Distance	15km	15km	400km
One way fare (adult & car)	\$101	\$30	\$158
Cost per km	\$6.73	\$2.00	\$0.39

- 5.92 Travel between the mainland and Tasmania is greatly influenced by the Commonwealth's BSPVES. The cost of traveling one way on the ferry from the mainland to Kangaroo Island is 336 per cent more expensive than to Fraser Island and 1 725 per cent more expensive than to Tasmania.³⁴
- 5.93 KIDB believes air and sea services should be treated by government as an essential service, and that government should allow a reasonable subsidy, similar to that available for the Tasmanian ferry service, for the Kangaroo island ferry service. KIDB believes the ferry service should be seen by government as an arterial road.³⁵
- 5.94 With regard to subsidies for vehicles coming to the island, KIDB suggested that an evaluation would have to be completed, examining the advantages and disadvantages of subsidies, versus investment in infrastructure and allowing competitively operated services.³⁶
- 5.95 KIDB stated that the state government currently receives \$500 000 in revenue, collected as port charges. KIDB claimed that this goes into general revenue at a state level rather than back into port maintenance or into revenue for the Kangaroo Island Council. KIDB added that there has been very limited investment in infrastructure in the last three years.³⁷

33 Kangaroo Island Development Board, submission no. 164, p. 2.

34 Kangaroo Island Development Board, submission no. 164, p. 2.

35 Kangaroo Island Development Board, submission no. 164, p. 2.

36 Kangaroo Island Development Board, transcript of evidence, Kangaroo Island, 15 April 2003, p. 335.

37 Kangaroo Island Development Board, transcript of evidence, Kangaroo Island, 15 April 2003, p. 335.

5.96 The Kangaroo Island community has been lobbying state and Commonwealth governments to recognise the crossing from Cape Jervis to Penneshaw as being a continuation of the road network. It is the council's opinion that the situation is no different to crossing the River Murray on a bridge or punt, which is free of charge to users. Costs flow on to the passengers and the movement of freight.³⁸

5.97 Mrs Janice Kelly, the Mayor of Kangaroo Island Council, discussed the sense of arrival at Kangaroo Island, and the need for upgraded facilities:

Infrastructure funds are needed to improve all entrance ports—air and sea. Passenger facilities at Penneshaw are appalling, with no shelter and only basic toilet facilities. This is how we introduce overseas visitors to a destination promoted as a nature based experience with an environmentally friendly rural aspect which includes niche products that are peculiar to Kangaroo Island. The emphasis is that tourism is important to the economy nationally, and our limited resources cannot provide the funds necessary to provide those facilities that would make us proud to bring people to Kangaroo Island.³⁹

5.98 Concerning wharfage charges, Mrs Kelly added:

Wharfage charges ... (around \$500 000 per annum) ... are directed into Treasury funds and become part of general revenue. This in fact is an additional tax that is imposed on the users of the Sealink service and one which does not apply to any other roads, bridges or punts. I believe that everybody who uses that service, wherever they come from, is paying an additional tax that does not apply to anyone else in Australia.⁴⁰

5.99 Mr Prakash Dhupelia, the Managing Director of Kangaroo Island Ferry Services, described his company's planned operations, and the services he will be in competition with:

SeaLink has a virtual monopoly over the ports of Cape Jervis and Penneshaw and ... the construction of the infrastructure to service their [custom built] vessel, actually prevents access to the public jetty. For that reason, it is virtually impossible

38 Kangaroo Island Council, transcript of evidence, Kangaroo Island, 15 April 2003, p. 346.

39 Kangaroo Island Council, transcript of evidence, Kangaroo Island, 15 April 2003, p. 346.

40 Kangaroo Island Council, transcript of evidence, Kangaroo Island, 15 April 2003, p. 346.

for any other operator to consider operating out of Cape Jervis or Penneshaw ... We have chosen alternative ports that are more serviceable in providing passengers with what they want, which is a direct route to the key attraction areas ... Despite this virtual monopoly over the ports, SeaLink repeatedly seeks government assistance in the form of subsidies.⁴¹

5.100 Mr Dhupelia added some details regarding demand for services and his proposed fare structure:

Demand is outstripping capacity, hence the introduction of a new service by Kangaroo Island Ferry Services. We could have commenced earlier but it was a four-year process to gain approvals, for which we are still awaiting formalisation ... We have offered cheaper fares ... There have been several submissions over a period of time and in every one I have been consistent as far as that is concerned ... We will offer discounted fares without subsidies. We have not requested any assistance from the government to date, and despite this we shall be able to position ourselves to provide a range of fares, including student, hardship and pensioner fares at appropriate levels.⁴²

5.101 Mr Dhupelia discussed the viability of his business:

Despite that [cheaper fares] we will still be viable. While our model is predicated on an average of 50 per cent capacity over a three- or four-year period in our business plan, we would still be extremely profitable despite the additional burden of travelling a longer distance and despite the fact that we have received no government assistance to date. Built into our model is an offer to build our infrastructure at American River.⁴³

41 Kangaroo Island Ferry Services, transcript of evidence, Kangaroo Island, 15 April 2003, p. 360.

42 Kangaroo Island Ferry Services, transcript of evidence, Kangaroo Island, 15 April 2003, pp. 360-361.

43 Kangaroo Island Ferry Services, transcript of evidence, Kangaroo Island, 15 April 2003, p. 361.

- 5.102 Mr Dhupelia also expressed the view that no subsidy should be provided to any operators until the full impact of competition is felt. Mr Dhupelia explained:

If subsidies are warranted for any single party, they should be provided equitably on a per route basis—whether for competitive sea routes or airlines—as a policy issue, as opposed to servicing the needs of a single operator or complying with the request of a single operator.⁴⁴

Possible solutions

- 5.103 The committee is of the view that current air services to Kangaroo Island are adequate, however the issue of smaller, ageing aircraft still needs to be addressed.
- 5.104 The committee is of the opinion that the current ferry service is adequate in terms of service level, although it is expensive when compared to other services.
- 5.105 The committee formed the view that ferry services will benefit from competition, which will in turn see improved passenger services at a reduced cost. The committee encourages and supports any operators attempting to compete in this market.
- 5.106 The committee actively encourages the South Australian Government to ensure that it facilitates fair competition in the provision of ferry services to Kangaroo Island.
- 5.107 The committee also formed the view that the South Australian Government should contribute to the maintenance and upgrade of the port and wharf facilities, which should be paid for from the \$500 000 it collects annually.

⁴⁴ Kangaroo Island Ferry Services, transcript of evidence, Kangaroo Island, 15 April 2003, p. 361.

Recommendation 11

5.108 **The committee recommends that the Department of Transport and Regional Services works with the South Australian Government to examine the possible solutions suggested by the committee to improve ferry services and port and wharf facilities for Kangaroo Island, including:**

- **Introduction of fair competition; and**
- **State Government contribution to maintenance and upgrade of port and wharf facilities.**

Norfolk Island

Background

5.109 Norfolk Island is an external territory under the authority of the Commonwealth (*Norfolk Island Act 1979*). The island has a large degree of self-government, more so than that of the mainland states and territories. The Commonwealth is responsible for the island's foreign affairs and defence requirements. Norfolk Island is located 1 676 kilometres east/north-east of Sydney and has an area of 3 455 hectares.⁴⁵ The island has a population of about 1 800.⁴⁶ Norfolk Island limits potential visitor numbers by imposing a cap on the amount of licensed tourist accommodation.⁴⁷

Current services, needs and expectations

Air services

5.110 Scheduled air services operate from Brisbane, Sydney and Auckland. Norfolk Jet Express operates a Boeing 737-400 aircraft twice a week from Brisbane and four times a week from Sydney. Norfolk Jet code-shares with Qantas. One of the Sydney services originates in

45 The Administration of Norfolk Island, submission no. 143, p. 1.

46 Norfolk Island - things you need to know, <http://www.norfolkisland.com.au>, last accessed 5 August 2003.

47 The Administration of Norfolk Island, submission no. 143, p. 1.

Melbourne.⁴⁸ Alliance Airlines has commenced flights between Brisbane, Norfolk Island and Sydney, using Fokker F100 aircraft, with services increasing in frequency in September 2003.⁴⁹ Air New Zealand operate two services a week from Auckland using a Boeing 737-300 aircraft.⁵⁰

- 5.111 The main runway at Norfolk Island airport is 1 950 metres long, and is the only runway suitable for Boeing 737 operations. Tyre pressure and weight restrictions on Boeing 737 aircraft operating to the Norfolk Island airport requires reductions in passenger numbers. The Fokker F100 is also subject to payload restrictions. Few aircraft have the ability to operate from Australia to Norfolk Island, due to the need to have sufficient range to reach Norfolk Island, and any necessary alternate airport, while operating within the weight, tyre pressure and runway strength and length restrictions of the airport.⁵¹
- 5.112 The airport is regularly used by the Australian and New Zealand Air Forces, and by ferry flights crossing the Pacific. The island is strategically important to Australia.⁵²
- 5.113 Norfolk Island Airport is operated to an international standard, which is expensive, with regard to the comparatively small number of passengers each year. Although a substantial airport movement charge is imposed (\$18.30 per paying passenger inwards and \$18.30 per paying passenger outwards) it is difficult to fund the runway resealing which must be carried out each ten to fifteen years.⁵³
- 5.114 The Norfolk Island Government expressed the desire to have control over the number of airlines operating to the island, so as to maintain appropriate levels of service, and to manage visitor numbers.
- 5.115 There are difficulties in terms of medical evacuations from the island. Most medical evacuations are carried out on scheduled air services, but from time to time there is a need to charter aircraft from Australia or New Zealand, which can be very expensive (more than \$20 000). The Royal Australian Air Force provided assistance in the past. The submission suggested that the Royal Australian Air Force, on a cost

48 The Administration of Norfolk Island, submission no. 143, p. 1.

49 Alliance Airlines - scheduled flight to Norfolk Island, <http://www.allianceairlines.com.au>, last accessed 5 August 2003.

50 The Administration of Norfolk Island, submission no. 143, p. 1.

51 The Administration of Norfolk Island, submission no. 143, p. 1.

52 The Administration of Norfolk Island, submission no. 143, p. 2.

53 The Administration of Norfolk Island, submission no. 143, p. 2.

recovery basis, provide a quotation to the Norfolk Island Government for the provision of such services in the future.

- 5.116 There were only two submissions to the inquiry from the Norfolk Island community. The Norfolk Island Government submission commented on the ability to evacuate medical emergencies, and briefly commented on the control over the number of airlines operating to the island. The submission from Mr Peter Woodward entirely concerned the lack of an adequate harbour for shipping services. The committee assumes that services currently provided by several operators, using large jets, are adequate, although the airport infrastructure may need periodic Commonwealth subsidies.

Ferry and freight services

- 5.117 Norfolk Island is serviced by two shipping companies, each operating monthly break-bulk shipping services from the Australian mainland. One service per month operates from New Zealand. Sea freight is expensive, due to the low volumes of freight, the minimal amount of return freight, and the lack of a harbour on the island. Ships can only unload in suitable weather conditions.⁵⁴ There was no mention of sea passenger services in the submissions from Norfolk Island, and the committee believes, in the absence of adequate wharfage, these are unlikely to develop.
- 5.118 Norfolk Island relies on sea transport for the importation of most foodstuffs and all gas, fuel and general cargo. A number of shipping companies currently service the island. The lighterage⁵⁵ service is a business enterprise of the Norfolk Island Government. Because of outlying reefs and the lack of harbour facilities, all general cargo ships (and any visiting passenger liners) anchor up to one kilometre off the Island. Lighters are then used to transport the goods (or people) from the ships to one of two small jetties at Kingston and Cascade Bay, weather and sea conditions determining which is used. It was estimated that 16 ship working days were lost in 1993 due to unfavourable weather.⁵⁶

54 The Administration of Norfolk Island, submission no. 143, p. 1.

55 Lighter: a large flatbottom barge, especially one used to deliver or unload goods to or from a cargo ship or transport goods over short distances.

56 Commonwealth Grants Commission, *Report on Norfolk Island*, 1997, pp. 122-123.

- 5.119 Because of the inability to get standard shipping containers onto the island, the current sea freight arrangements entail added costs through delays and handling inefficiencies. In particular, a ship's cargo has to be unloaded in pieces weighing a maximum of seven tonnes, the most that the crane can lift when transferring freight from the lighters to the piers. Large pieces of equipment are 'broken down' so that individual components weigh no more than the seven tonne limit.⁵⁷
- 5.120 According to the submission from Mr Peter Woodward, the construction of a new landing jetty at Ball Bay, Norfolk Island has the potential to improve the reliability of sea services to the island. The existing two jetties are considered inadequate, with some shipping services delayed due to the inability to access the jetties when sea conditions are unsuitable. The existing jetties are ageing and becoming unsafe.⁵⁸
- 5.121 The capital cost of the new jetty is beyond the Norfolk Island Government. Mr Woodward claimed that assistance is required from the Commonwealth.⁵⁹ Mr Woodward also stated that the Commonwealth acknowledged in the 1997 Grants Commission Report that, at the time of obtaining self government, the harbour infrastructure for the island was inadequate for its needs, and that there is some justification for the Commonwealth to make a contribution to overcome safety and infrastructure problems.⁶⁰ The committee strongly supports this view.
- 5.122 In the 1995 report *Delivering the Goods*, the Joint Standing Committee on the National Capital and External Territories was:
- of the view that the existing lighterage service is inadequate for Norfolk Island's future freight handling requirements ...⁶¹

57 Commonwealth Grants Commission, *Report on Norfolk Island*, 1997, p. 123.

58 Peter W. Woodward, submission no. 45, p. 1.

59 Peter W. Woodward, submission no. 45, p. 1.

60 Peter W. Woodward, submission no. 45, p. 1; Commonwealth Grants Commission, *Report on Norfolk Island*, 1997, p. 179.

61 Report of the Joint Standing Committee on the National Capital and External Territories, *Delivering the Goods*, AGPS, 1995, p. 168.

- 5.123 The Joint Standing Committee on the National Capital and External Territories found that the need for action on Norfolk Island's freight handling facilities was urgent. Five ways of improving the freight handling infrastructure were suggested to the committee, and were examined in detail in the committee's report. These were:
- Upgrading the existing jetties and lighterage system;
 - Installation of a land based derrick;
 - Use of motorised barges for ship to shore transport of containers;
 - Construction of a deep water harbour; and
 - Use of a stern loading vessel requiring minimal infrastructure.⁶²
- 5.124 The Joint Standing Committee on the National Capital and External Territories recommended that the Commonwealth provide a grant, equivalent to the Ships Capital Grant, for the purchase of an Australian built vessel (smaller than otherwise would qualify for the Ships Capital Grant), on condition that any proposed vessel would be used principally on the Norfolk Island trade for at least the first two years following commissioning.⁶³
- 5.125 The Commonwealth Grants Commission stated that the infrastructure available to the Norfolk Island Government to provide shipping services is less than satisfactory. It added that if the infrastructure at Cascade Bay or Kingston were upgraded, then more efficient landing of goods should result, which would lead to reductions in handling costs for the benefit of all people on the island.⁶⁴
- 5.126 The Commonwealth Grants Commission concluded that there is some justification for the Commonwealth making a contribution to overcome safety problems or to improve items of infrastructure that were known to be inadequate before self government, such as the harbour.⁶⁵

62 Report of the Joint Standing Committee on the National Capital and External Territories, *Delivering the Goods*, AGPS, 1995, pp. 183-189.

63 Report of the Joint Standing Committee on the National Capital and External Territories, *Delivering the Goods*, AGPS, 1995, p. 218.

64 Commonwealth Grants Commission, *Report on Norfolk Island*, 1997, p. 124.

65 Commonwealth Grants Commission, *Report on Norfolk Island*, 1997, p. 179.

Recommendation 12

- 5.127 **The Committee recommends that, as per the findings of the Commonwealth Grants Commission, Norfolk Island receive Commonwealth assistance in upgrading or renewing its shipping infrastructure facilities.**

Recommendation 13

The Committee recommends that the Commonwealth Government accept the recommendations outlined in the *Delivering the Goods* report by the Joint Standing Committee on the National Capital and External Territories, especially in respect of an appropriate subsidised vessel for heavy freight.

Tiwi Islands

Background

- 5.128 The Tiwi Islands consist of Bathurst and Melville Islands. The islands are located off the Northern Territory coast, approximately 70 kilometres north of Darwin. Melville Island is Australia's largest island after Tasmania. Together, the islands cover an area of approximately 3 200 square kilometres with a total population of less than 2 500 people. Nguiu, on Bathurst Island, is the main town centre of the two islands, with a population of 1 500.⁶⁶
- 5.129 There are also more than 5 000 people living on another seven islands off mainland Northern Territory.⁶⁷

Current services, needs and expectations

- 5.130 Movement of people and goods is very dependant on air services for transport to and from the mainland. Barge services also operate to the islands, but are totally dedicated to freight, and vary between weekly and monthly services.⁶⁸

66 Tiwi Islands Local Government, submission no. 189, p. 1.

67 Local Government Association of the Northern Territory, submission no. 87, p. 6.

68 Local Government Association of the Northern Territory, submission no. 87, p. 6.

Air services

- 5.131 The Tiwi Islands are currently serviced by one RPT operator, providing daily services to three communities on the islands. A second airline provided a competitive service until July 2003. Nguiu receives three flights a day, with two flights a day to two other centres.⁶⁹
- 5.132 Since the second airline collapse, it has been difficult to obtain seats on scheduled flights. There is also no booking office on the island, limiting the ability to pay for flights in advance. The ability to carry freight is very limited. Freight rates have recently risen by 30 per cent.
- 5.133 Aircraft currently used for air services to the islands are very old and require a high level of maintenance. There is a perception that old and dilapidated aircraft are less safe.

Ferry and freight services

- 5.134 The Tiwi Islands are also serviced by regular freight shipping services, with a weekly service to Nguiu on Bathurst Island, and fortnightly services to the communities on Melville Island. The services are operated by a private company called Tiwi Barge, in partnership with the Tiwi Land Council. This commercial arrangement has prevented other operators servicing the islands.
- 5.135 The shipping service is freight only, with no passenger services available.
- 5.136 There is currently a proposal to establish a passenger ferry service during the dry season.

Possible solutions

- 5.137 The committee is of the opinion that current freight operations are sufficient for the needs of the Tiwi Islands, however, services should be open to competition.
- 5.138 The committee fully supports the proposal to begin passenger ferry services to the Tiwi Islands.

⁶⁹ Tiwi Islands Local Government, submission no. 189, p. 1.

Recommendation 14

- 5.139 **The committee recommends that the Department of Transport and Regional Services works with the Northern Territory Government to conduct, on a subsidised trial basis, a passenger ferry service to the Tiwi Islands.**

Cocos (Keeling) Islands

Background

- 5.140 The Cocos (Keeling) Islands are an Australian Territory located in the Indian Ocean, and lie 2 768 kilometres north-west of Perth, 3 685 kilometres west of Darwin, around 900 kilometres south-south west of Christmas Island and around 1 000 kilometres south-west of Java and Sumatra. The highest point above sea level is nine metres which is located on South Island. The islands in the southern atoll comprises an area totalling 14 square kilometres.
- 5.141 The two inhabited islands are:
- Home Island, the home of the Cocos Malay community and the Shire office. The population is around 450; and
 - West Island, on which is located the airport, quarantine station, government offices, and the homes of government and contracted employees. The population is about 200.⁷⁰

Current services, needs and expectations

- 5.142 The only passenger transport connection with the rest of the world consists of twice weekly flights to Christmas Island and Perth. The Cocos (Keeling) Islands Shire Council is keen to maintain the link to Perth as many island residents have family in Western Australia. The council recognises the subsidy paid by the Commonwealth in maintaining flights, and also recognises efforts in arranging a second service per week.

70 Shire of Cocos (Keeling) Islands, <http://www.shire.cc>, last accessed 9 September 2003.

- 5.143 The council is of the view that plane capacity is restrictive in terms of freight, and contributes to the high cost of perishable items. The cost of airfares from Perth to Cocos is very high, at around \$1 600 return, and is a disincentive to tourism and business travel.⁷¹
- 5.144 Some state government agencies believe the services to Christmas and Cocos Islands need reviewing in terms of more business friendly schedules and the prohibitive cost of airfares.⁷²
- 5.145 The committee formed the view that existing services to Cocos (Keeling) Islands are adequate in terms of a basic service, although they are not likely to encourage business or tourism development.

Torres Strait Islands

- 5.146 Although no formal submission was received from Torres Strait Island communities, the Queensland Government's submission briefly discussed the islands.

Background

- 5.147 The Torres Strait islands lie between Cape York Peninsula, Queensland and Papua New Guinea. There are approximately 100 islands, and the overall population of 8 000 is dispersed throughout 19 small island communities. Each community has a population between 80 and 1 200 people.⁷³
- 5.148 Approximately half of the people live on or near Thursday Island, which is the main commercial and government centre. The nearest major city is Cairns, over 900 kilometres to the south-east.⁷⁴

Current services, needs and expectations

Air services

- 5.149 Air and sea transport options are available between the islands in the Torres Strait. Each community has access to other islands and the mainland via the air and sea transport options, from Thursday Island to either Bamaga or Cairns.

71 Cocos (Keeling) Islands Shire Council, submission no. 98, p. 1.

72 Western Australian Government, submission no. 150, p. 11.

73 Queensland Government, submission no. 183, p. 14.

74 Travelmate - Australian Travel Guide, <http://www.travelmate.com.au>, last accessed 5 August 2003.

- 5.150 A twice daily air service between Cairns and Horn Island (Thursday Island) operates as part of the Queensland Government's regulated air service regime. The flight takes two hours and a one way full economy fare costs \$374.
- 5.151 A ferry service connects passengers landing on Horn Island to Thursday Island, as there is no airstrip on Thursday Island.
- 5.152 Regional Pacific Airlines and Aerotropics Air Services provide commercial RPT services to the outer islands of the Torres Strait.⁷⁵
- 5.153 Although the regulated air service network extends to the Torres Strait, RPT airfares and air charter costs are still too high for many Aboriginal and Torres Strait Islander people who are generally not well off financially. For example, bringing a family to Thursday Island from Mer Island (outer Torres Strait) would cost approximately \$350 to charter a plane for six people, or \$750 per person return.⁷⁶
- 5.154 Additionally, many Torres Strait people are afraid to fly due to:
- The number of small aircraft accidents in the past few years;
 - The poor condition of small charter aircraft;
 - Extremely cramped conditions of smaller aircraft; and
 - The state of island airstrips (which is currently being evaluated).⁷⁷

Ferry and freight services

- 5.155 Peddells Ferry provides a sea service between Thursday Island and Siesia, twice daily from June to September, with three services per week provided from October to May. A one-way trip for an adult costs \$40.
- 5.156 Peddells Ferry provides a sea service between Thursday Island and Punsand Bay daily, from June to September only. A one-way trip for an adult costs \$40.
- 5.157 Seaswift provides a weekly barge service between Cairns and Thursday Island. This service takes 48 hours and costs approximately \$300 one-way.⁷⁸

75 Queensland Government, submission no. 183, p. 15.

76 Queensland Government, submission no. 183, p. 15.

77 Queensland Government, submission no. 183, p. 15.

78 Queensland Government, submission no. 183, p. 15.

- 5.158 Alternative boat services are very time consuming which provides little advantage to island councils and government workers.⁷⁹

Possible solutions

- 5.159 The committee is of the view that, with the subsidies already available from Commonwealth and state governments, current air and sea services to the Torres Strait Islands are satisfactory, but are not likely to lead to greater community engagement. The matter of the ageing of small aircraft is a serious issue to be faced by state and Commonwealth governments in the short to medium term.

Lord Howe Island

- 5.160 The committee did not receive a submission concerning Lord Howe Island.

Background

- 5.161 Lord Howe Island, part of New South Wales, is approximately 550 kilometres east of Port Macquarie, and is only a two hour flight from Sydney. The island has a population of 350, with a limit of 400 visitors at any one time.⁸⁰

Current services, needs and expectations

- 5.162 There are regular direct flights from Sydney to Lord Howe Island on most days. There are Sunday services from Brisbane all year round with a second service on Saturdays from September to February. There are also direct flights from Coffs Harbour, from September to December.⁸¹
- 5.163 The island depends on ships to transport cargo, with two vessels currently operating - one maintaining a service from Sydney and another providing a fortnightly service from Yamba, New South Wales.⁸²

79 Queensland Government, submission no. 183, p. 15.

80 Lord Howe Island information, <http://www.lordhoweisland.info>, last accessed 9 September 2003.

81 Lord Howe Island - media release '*More Brisbane Flights to Lord Howe*', <http://www.lordhoweisland.info>, last accessed 9 September 2003.

82 Lord Howe Island - Transportation and communication, <http://www.lordhoweisland.info>, last accessed 9 September 2003.

- 5.164 On the evidence received, the committee was not able to form a view regarding adequacy of services to the island. However, the committee noted that current air services appear adequate.

Christmas Island

- 5.165 The committee did not receive a submission concerning Christmas Island, although undoubtedly there are analogies to be drawn with the Cocos (Keeling) Islands.

Background

- 5.166 The Australian Territory of Christmas Island lies in the Indian Ocean, approximately 2 600 kilometres north-west of Perth, and only 360 kilometres south of Java. The island is 135 square kilometres in area, and has a population of around 1 500.⁸³

Current services, needs and expectations

- 5.167 There are two flights a week to the island from mainland Australia, incorporating stops at Cocos (Keeling) Islands, operated by National Jet Systems. There are also weekly flights to the island from Jakarta, Indonesia.⁸⁴
- 5.168 On the evidence received, the committee was not able to form a view regarding adequacy of services to the island. However, the committee noted that current air services appear adequate.

83 Christmas Island Tourism Association, <http://www.christmas.net.au>, last accessed 9 September 2003.

84 Christmas Island - flight services, <http://www.christmas.net.au>, last accessed 9 September 2003.