

08 8978 3983

SUBMISSION NO. 189



Tiwi Islands Local Government
 PO Box Nguiu
 Bathurst Island NT 0822
 Ph: 08 8978 3966
 Fax: 08 8978 3983
 ceotilg@octa4.net.au

Secretary: *[Signature]*

11 SEP 2003

FROM: *[Signature]*
 TO: *[Signature]*
 SUBJECT: *[Signature]*
 SERVICES

Anthony Overs
 House of Representatives
 Standing Committee on Transport and Regional Services
 Parliament House
 Canberra ACT 2600.

Dear Anthony,

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

I would like to make a submission to the abovementioned inquiry on behalf of Tiwi Islands Local Government.

The Tiwi Islands consists of two Islands, Melville and Bathurst, located approx 70km north of Darwin. There are 2,500 people living in four communities on the islands, the main population centre being at Nguiu on Bathurst Island with a population of 1,500 people. Wurankuwu is also located on Bathurst with a population of 50 people and on Melville Island there are two communities Pirlangimpi and Milikapiti each with populations of 300 to 350 people. The non indigenous population on the Tiwi Islands is approx 3%.

The Tiwi Islands are presently serviced by one Commercial Airline which provides RPT services to the communities of Nguiu, Milikapiti and Pirlangimpi. A second airline provided a competitive service until the service collapsed two months ago. Nguiu is serviced by three light aircraft flights a day and the other communities are serviced by a morning and afternoon service. Depending on available planes, between 3 and 19 passengers can be accommodated on each flight.

Since the collapse of the second airline, services have seriously declined to a position where many people are having difficulties in getting seats on scheduled flights. Local people have difficulty in paying and making bookings on the Islands as there is no booking office and no means for them to make the necessary payment in advance. Freight limits of 10kg per person causes hardship as in many cases freight cannot be carried until later flights. Many people on the islands use air services to transport food

08 8978 3983

and other essential goods as the limited range of food in the only community store is expensive.

New Freight rates announced this week have established a minimum charge of \$15.00 with accompanied freight rates of \$1.30 per kg in excess of 10Kg.(an increase of 30%) and a rate of \$1.30 per Kg for Bathurst Island and \$1.60 per kg for Melville Island for unaccompanied freight.

New fares also announced this week, Nguui Darwin return \$150.00 Pirlangimpi return \$230.00, Milikapiti return \$230.00

Nguui residents have seen airfares rise from a special discounted fare of \$100.00 return to today's non discounted fare of \$150.00 return.

As outlined air services are provided to the Tiwi Islands by small airline companies with little chance of a major operator providing services. The aircraft that provide the service are old and are regularly taken out of service for repairs and maintenance. There appears to be an increasing number of incidents involving aircraft ranging from lost windows to other minor failures of equipment.

The continual public reports of legal action and future viability of the existing service greatly undermines public confidence.

Tiwi Islands Local Government operates landing strips in each community and has a long history of unpaid landing fees due to the failure of a number of operators.

Policies and measures required to assist in the development of regional air services.

- Regional Hub services. It may be possible to establish a regional hub service to remote aboriginal communities however such a service would require the facilitation by a level of government.
- Small scale owner operated services. Services are presently being provided by small operators. Consideration of special taxation treatment for the purchase and upgrade of aircraft may be worth consideration. The issue of lack of competition and cost and adequacy of service particularly to remote aboriginal communities should be addressed.
- The deployment of most suitable aircraft types. Although the suitability of the aircraft is the responsibility of the operator, the age and condition of aircraft leave a lot of room for improvement. The writer is aware of some assistance available for remote communities and it may be time to review and increase this assistance.

The adequacy of commercial air services to major populated islands and the adequacy of alternate sea services.

The Tiwi Islands are also serviced by a regular shipping / freight service provided by Tiwi Barge which provides a weekly service to Nguui and a fortnightly service to the

08 8978 3983

communities on Melville Island. The service is provided by Tiwi Barge a company owned by a private company in partnership with the Tiwi Land Council. This commercial arrangement with the Tiwi Land Council has prevented other operators servicing the islands. Representation has been made by the store and housing association to the Tiwi Land Council concerning the rates charged and the cost to housing and the sale of goods in the communities with no result.

I have invited the store and the Housing association to outline their issues which I attach to the submission.

The shipping service provides a freight only service with no passenger service available at this time.

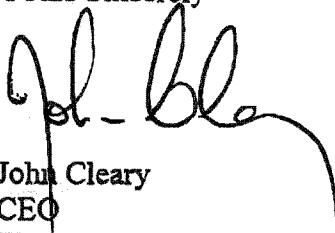
I attach the freight rates charged by Tiwi Barge.

The best example I can give as to the impact of the high freight rates is that the cost of Fuel both unleaded and diesel at Nguiu has been \$1-60 per litre for the last 18mths.

There is presently a proposal to establish a trial passenger service next dry season by Mandorah Ferries however this service depends on the success of the present operator winning a continued contract on the existing Mandorah Ferry service.

I apologise for the lateness of this submission and hope these comments will provide some insight to the committee into transport issues facing the Tiwi Islands.

Yours Sincerely



John Cleary
CEO
Tiwi Islands Local Government.

9/09/03



Bathurst Island

Housing Association Inc.



005
Bathurst Island
Housing Association Inc.
Builders & Contractors
Nguiu, Bathurst Island
Via Darwin, N.T 0822
A.B.N: 60 055 358 496
Phone: 08 8978 3899
Fax: 08 8978 3877

Freight Cost on charters B.I.H.A Materials

Date 09/09/03

Tiwi Barge \$ 6,062.00 for 115 Tonnes

Perkins Barge \$ 12,000.00 for 300 Tonnes

Tiwi Barge = \$ 52.00 per Tonne

Perkins Barge = \$ 40.00 per Tonne

300 Tonnes premix = five house slabs @ 60 Tonnes per house a saving of \$ 3,600.00 on Perkins charter

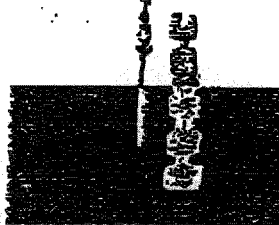
300 Tonnes off mill blocks & cement = five houses a saving of \$ 3,600.

Total saving over two Charters \$ 7,600.00

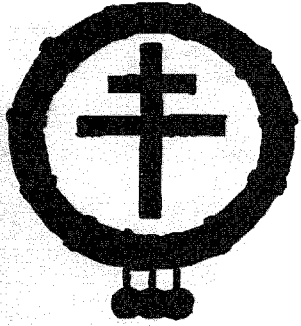
For Example the savings could pay for

- Roofing iron for one house
- OR-Pre wire one house
- OR-Hot & Cold Plumbing for one house

B.I.H.A Manager



08 8978 3983



Nguiu Ullintjinni Association Inc.

Telephone: (08) 8978 3981
Facsimile: (08) 8978 3971

P.O. NGUIU
Bathurst Island via Darwin
Northern Territory. 0822

House of Representatives
Standing Committee on Transport and Regional Services
Parliament House
Canberra ACT 2600

SUBMISSION on FREIGHT and PERSONAL TRANSPORT
Darwin to Nguiu, Bathurst Island - Nguiu, Bathurst Island to Darwin
Distance - approximately 80 kilometres.
SUMMARY of SERVICES

AIR SERVICE

At present Air Ngukurr is the only regional carrier servicing the Darwin to Nguiu route - as follows
- Monday to Saturday inclusive, 3 flights per day
 Sunday - 2 flights
 Cost is \$80 per person with 10kg personal luggage allowed.
 Additional freight \$1.30/kg

BARGE SERVICE

One service per week by Tiwi Barge Services-Darwin to Nguiu and return - freight only
 Freezer/Chiller rate .45c/kg
 Square metre rate \$65 per m³
The above barge costs put into perspective, ie Fuel 11c per litre
 30-40c per loaf bread
 10c per 375g can
 45c per kg meat

I estimate \$25.00 is directly attributed to the cost of a family shopping basket of \$200, to cover freight costs and handling from Darwin to Nguiu for this community of 1500 persons, 90% of whom their sole income is some form of Government payment.
Despite the high cost of freight, the much larger problem is the lack of caring and understanding from the only 2 companies who hold a monopoly for services to this Community.
In conclusion, it is felt that this cartel is limiting the aspirations and standard of living of the Tiwi people, and the most appropriate course of action would be to encourage more participants to deliver a fair and reasonable service to the Tiwi Islands.

Yours sincerely,

Chris Hill
CEO
Nguiu Ullintjinni Association
Bathurst Island NT 10/9/03

cc John Cleary

08 8978 3983

Lot 3245 Murrumbidgee rd
Derrinton NT 0828
Australia
Phone: 0889471118
Fax: 0889470263

Tiwi Barge Services Pty Ltd

28/8/03

NGUTU ULLINTJINNI STORE
Bathurst Island

At: Chris

Re: Freight Rates

Regarding our telephone conversation today on our current freight rates. If you go back through the store records you will find that there has been no increase in our rates for over 10 years. Due to current and unforeseen price increases on our side we reluctantly have to increase our price to suit these rises and we regret any inconvenience this may cause.

Current Rates are as follows

Freezer and Chiller rates .40c per kilo.

New rates for Chiller and Freezer as of the 1st September 2003 .45c per kilo

Square metre rate \$60.00 per m3

New square metre rate will be \$65.00 per m3

Any queries do not hesitate to contact me on the above number.

Regards

Cynthia Sandford
Director

