

Secretary: *A. Beckingham*

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16 JUN 2003

HOUSE OF REPRESENTATIVES  
STANDING COMMITTEE ON  
TRANSPORT AND  
REGIONAL SERVICES

Chairman of Committee of Inquiry,

My name is Neil Jameson Clark and I am a retired ~~university academic~~, a private pilot and a community activist who, for some time has been urging the Victorian Government to fund an enquiry into the feasibility of building a new regional jet airport in north-central Victoria. I have been assisted in this matter by Cr Greg Williams of the City of Greater Bendigo, Dr. Ian MacBean, Director of the Centre for Sustainable Communities at La Trobe University, Bendigo and by Mr. Trevor Budge, a well-known planner in Bendigo. In recent times I have also been supported by 5 regional councils in the area who would be involved in the new airport and by a number of regional business groups. Finally, the Victorian Local Governance Association has indicated that it is prepared to help in preparing a consultation and communication strategy for the proposed feasibility study.

In developing this proposal it was clear to me from the outset that the airport's role in assisting regional development would be important and to that end I proposed, as part of the feasibility study, to consider the effect on existing regional businesses and also to associate a new business park with the airport.

Additionally, in considering world trends in the financing of aviation, I recognised that ways needed to be found of, as far as possible, privately funding the airport and associated facilities. I have identified one possible way of involving private developers in the project in an innovative public-private arrangement.

As part of my advocacy role I have issued to an ever-growing list of institutions and people interested in this project, 14 emails which I have called Email Updates. In these documents I have detailed progress with local councils and with the State Government. I have also sought to find, and give information about, airports and business parks elsewhere in the world. The 2 most recent Updates have been issued in newsletter (html) format and I will send copies of them to you separately. Because of limitations in copying this format the internal links from and to the Index won't work but this should be no serious issue in you reading them.

In Update No. 13 you will find a draft of the proposed feasibility study which I have prepared to help in the development of the project.

I am also in the process of preparing Update No. 15 and, if you wish, I can send that email and later Updates on to anyone for whom you care to give me names and email addresses.

In my negotiations with the Victorian Government I have also stressed the need for a strategic study to be undertaken of regional airports in Victoria and

for the proposed new airport and business park to be treated as a Pathfinder Project, i.e. as an exemplary project which actually draws on world's best practice and from which other regional areas elsewhere in Australia, and elsewhere in the world, can learn something.

So far the Victorian State Government officials have been almost completely uninterested in the project and quite unwilling to assist. The Government has also shown itself to be backward in moves to strengthen local government, particularly in regional areas, and in developing more adequate approaches to regional economic development.

I would be particularly interested to know if the Victorian Government has itself made a submission to your Enquiry or to the Federal Government about regional airports in Victoria.

From the standpoint of the Commonwealth Government there is evidently a need to develop some better methods of assisting with the financing of regional airports and of ensuring that airports are properly designed and contribute to regional economies, including tourism. One does not need to look very hard at the USA to see the extent to which these matters are treated very differently and that local regional development bodies in USA have a much better grasp than in Australia of the link between airports and economic development in a globalised environment.

It would, of course, also be extremely helpful were the Federal Government to assist with the funding of the Study referred to above.

Yours sincerely,

Neil J Clark  
8 Anderson Walk, Kensington, Vic., 3031  
Telephone 03 9376 5252 or 0408 509 737

# A REGIONAL AIRPORT AND BUSINESS PARK FOR NORTH CENTRAL VICTORIA

Email Update No. 13

5<sup>th</sup> May, 2003



**Breaking news- 5 councils support airport feasibility study**

Purposes of Updates

Progress with State  
Government

Progress with Local  
Councils

Change of focus

Draft outline for  
feasibility study

Regional development  
examples

- Corpus Christi  
Regional  
Economic  
Development  
Corporation

Business Park  
examples

Victorian Strategic  
plan for airports

Airport examples

## Purposes of Updates

Email Updates are sent to politicians, councillors, council officers, public servants and individuals who have expressed interest in the task of trying to secure a regional jet airport and associated business park in north-central Victoria. Previous Updates may be obtained by emailing Neil Clark at [neiljclark@ozemail.com.au](mailto:neiljclark@ozemail.com.au)

Regular readers of Updates will note that the current Update has been presented as an on-line newsletter, somewhat similar in format to a web page. Please let me know if you prefer this format or not.

## Progress with State Government

The group which has been driving this project have asked the State Government to provide \$100,000 to enable a feasibility study of the proposed airport to be undertaken. A draft (see below) has been

- Moruya Airport prepared indicating how this study might be undertaken. Two
- Melbourne Airport meetings have been held with groups of State officials but so far the
- Brisbane International Airport money has not been obtained.
- Mt Hotham Airport Officials have asked for an indication of greater regional support for
- Corpus Christi International Airport the proposed study and that support has now been obtained.

On broader fronts the State Government appears to have made little progress in-

- Strengthening local councils
- Tackling regional development issues
- Preparing a strategy for regional airports

Neil's rant

Feedback invited

The next steps

These factors are important in any efforts to ensure that regional centres get a fair go (See article by Tim Colebatch, Age April 26, 2003 indicating that not one full-time job has been created in rural Victoria in 13 years.) and in countering city-centric state bureaucracy.

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## Progress with Local councils

The Bendigo Council, and its CEO, Mr. Andrew Paul, have made good progress in securing the support of regional councils for the feasibility study. Five councils in north-central Victoria have now indicated their support for the proposed feasibility study. No doubt other councils will come on board once the study is approved and started and its ramifications start to be understood.

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## Change of Focus

In previous Email Updates major focus has been on examples of airports with some emphasis on the relationship between airports and economic development. These emphases will continue but, in addition, I will be looking at examples of regional economic development and business and industrial parks.

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## Draft outline for Feasibility Study

**SUBMISSION ON PROPOSED  
FEASIBILITY STUDY OF AIRPORT**

## **AND ASSOCIATED DEVELOPMENTS IN NORTH-CENTRAL VICTORIA: N. J. CLARK, 28th JANUARY 2003**

### **Note on Terminology**

The term Feasibility Study is used in the sense of preparing a plan to make the airport happen. The term might be replaced with that of Master Plan. The plan would include locational and constructional details, financial details relating to the building and operation of the airport, managerial arrangements etc.

### **Important Comment**

This project should be viewed as a Pathfinder, both in methodology and content, for other places in Victoria and Australia. Broader policy issues about support for airports, including regional airports, remain to be explored by both State and Federal Governments.

### **Preliminary Steps**

1. Approval by State Government of full cost (\$100,000) of proposed feasibility study.
2. Establishment by State Government of an Airport Working Party and appointment of Chairman, Members and Executive Officer.
3. Approval by State Government of Initial remit to Working Party.
4. Appointment by State Government of an Auspicing Body to receive and disburse project money.
5. Appointment of appropriate State Government Liaison Officers for the Project.
6. Preparation of a draft project brief by Airport Working Party.
7. Finalisation of project brief by government.
8. Meeting of regional councils to be arranged by State Government to brief them on project followed by letter to regional councils indicating the nature and scope of the project and requesting letters indicating local support.
9. Announcement by Premier of project funding and its aim.

### **Suggested Initial Remit to the Working Party**

1. Locate and list all relevant reports and references in relation to economic development of the region, public private partnerships, municipal bonds, airports, master plans for other airports, economic modeling studies for other airports.
2. Determine, together with VLGA, the composition of a Regional Advisory Group and various Project Teams for the


project.

3. Determine the population catchment area for the airport.
4. Determine the region within which the airport is to be located.
5. Outline possible major aspects of the project, including uses to be made of airport, possible associated industrial and commercial developments, planning for regional economic development, possible funding options etc.
6. Draft Project Brief for approval by government.
7. Indicate the types of consulting assistance required for the project and preferred methods of appointment.
8. Prepare sketch plans and PR releases about the project.

## **Suggested Project Brief**

1. Appoint consultants for the project.
2. Systematically consult with and inform the region about the project. Specifically consult with the Airport Regional Advisory Group, relevant State and Federal departments, local councils, development groups, industry groups, tourism bodies, environmental bodies and groups and with trade unions. Included among these methods should be arrangements to include details of the project references, progress with project, response opportunities on all web sites of councils in the region. An email list of interested parties should also be established for personal updates on the project.
3. Establish a small group of high level regional business leaders to help drive the project.
4. Determine the preferred location of the airport and details of proposed site, including sites of industrial and commercial developments proposed to be associated with the airport. Consider all suggested siting options.
5. Indicate details and costs of providing water, electricity, gas, sewers and high speed communication to the proposed site.
6. Investigate and report on methods to ensure energy and water conservation at the airport and associated business parks. Indicate the types and levels of airport facilities required both initially and to meet projected growth.
7. Indicate financial requirements for purchase of land, and development of the airport in desirable stages.
8. Specifically address all relevant environmental and safety considerations.
9. Recommend policy for land use on the airport including the desirability of freehold land as well as leasehold land and through-the-fence operations.
10. Investigate possible military use of the airport.
11. Develop registers of possible airline companies interested in using the airport, of airport businesses and of businesses in the associated industrial and commercial parks.
12. Estimate and project air traffic in and out of the airport in various classes of traffic.
13. Determine the economic impact of the airport on the region. In this regard both existing and possible future businesses

- should be included. Economic models may be considered.
14. Outline recommendations for economic development planning by councils in relation to the airport, associated industrial and commercial developments and regional towns and cities.
  15. Indicate industry types to be targeted for the proposed industrial and commercial parks.
  16. Recommend any desirable changes to the structure and operation of economic development bodies in the region.
  17. Outline changes needed to conduct a skills audit of local workforce and to provide appropriate levels of training to overcome any deficiencies. Ensure that all participants in the investigation are offered skills training to enable them to perform their roles.
  18. Examine possibility of a freight interchange and trade development zone for the airport precinct.
  19. Report on a range of ways of involving private industry in the development of the airport via public/private/partnerships, municipal bonds or alternative arrangements including the sale of unused community assets.
  20. Recommend the preferred location for the airport and associated industrial and commercial parks. The desired area of land should also be indicated. Indicate the present owners of the land and the method, and cost of its purchase
  21. Outline any legislative or regulatory changes required to enable the project to proceed.
  22. Recommend desirable types and levels of State and Federal Government assistance for the project.
  23. Report on possible opportunities for liaison between the new airport and other regional airports both within and outside of Australia in the development of direct passenger and freight links.
  24. Indicate the desired ownership of the airport and associated industrial and commercial land and recommend a management structure for the airport and associated industrial and commercial land.
  25. Prepare sketch plans for project and ensure that they and accompanying written material is widely distributed.
  26. Prepare and present Final Report to Government.

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## **Regional Development**

### **Examples**

## **Corpus Christi Regional Economic Development**

# Corporation

The CCRDC's web site [www.ccredc.com/](http://www.ccredc.com/) is in both English and Spanish and has been recognized by the International Economic Development Council as the best web site of the year. Among many excellent features the web site lists job opportunities and a work plan for 2002-2003.

The City of Corpus Christi, Nueces County and The Port of Corpus Christi are developmental partners of CCRDC along with many companies, other business and economic development organizations as well as educational and Chambers of Commerce and Tourism organizations.

See [www.ccredc.com](http://www.ccredc.com)

The Corporation's Chairman is the Vice President of Texas A&M University at Corpus Christi and there are 15 Directors, most senior business people but also including the Mayor of Corpus Christi. There are 6 staff members. No details are given of financing.

The web site lists 6 international business connections in France, U.K., Venezuela and Japan and sister cities in Mexico (2), Taiwan, Spain, Japan and France. Sister Ports include Vera Cruz, Mexico, Keelung, Taiwan and Puerto Rico in Honduras.

The web site also lists newsletters, demographic reports and studies. See [www.ccredc.com/publications.asp](http://www.ccredc.com/publications.asp)

In 2001 the Corporation decided to review its operations and as part of that exercise undertook a best-practices study which involved direct comparisons of regional economic performance with comparable areas in USA. Visits were made by Corporation Board members and community leaders to other areas which were seen as superior performers. In each case critical success factors and lessons for Corpus Christi were identified.

The visits were to Colorado Springs, Fort Collins both in Colorado, Lafayette, LA, Boise ID and Wilmington, NC.

See <http://www.ccredc.com/publications/Best%20Practices%20Rpt%20October%202001.pdf>

## COMMENT

It is evident that the CCRDC is a very professional organization. The Best Practices visits referred to above provide a model for others to follow, providing not only valuable information but also educating the visitors in their later development decisions for Corpus Christi. It is also clear that the International connections and Sister Cities and Ports are used to benefit all parties.

Corpus Christi already has a good airport which is being significantly improved and integrated with both commercial and industrial parks on airport land.

The population of Corpus Christi is over twice that of Bendigo but is



less than that of the north-central region of Victoria. The problem facing the Victorian State Government, regional councils and development bodies in north-central Victoria is to try to match the level of performance demonstrated by the CCRDC. The first step in that process is to grasp the size of the performance gap and to recognize that in a globalised competitive environment sitting back or meandering on are not good options.

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## **Business park examples**

I have asked the State Government to provide me with details of good and bad business parks in Victoria. So far an officer has been instructed to provide the information requested but no details have been provided so far.

When I get the information requested I will try to visit at least some of the Parks and prepare reports on them for later Email Updates.

I will also undertake some web searches for other examples.

Late News: The State Government has now advised that it does not have a list of business parks but has instead provided me with a list of vacant industrial land in Victoria. Give me a break!

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## **Victorian Strategic plan for regional airports.**

Some time ago a strategic document on Transportation in Victoria looked at Melbourne Airport in some detail. Only mentions were made of other Melbourne airports and of Avalon. Regional airports were ignored.

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## **Airport Examples**

### **Moruya Airport**

The Eurobodalla Shire Council (population 33,000) is calling for expressions of interest in the future development or management of the Moruya Airport. (see

[www.eurocoast.nsw.gov.au/Publications/Tenders/Airport/index.html](http://www.eurocoast.nsw.gov.au/Publications/Tenders/Airport/index.html))

The airport lost approximately \$150,000 in 2001/2002 and council wants to see if it can reduce this loss. The airport generates about \$60,000 per annum from landing fees, fuel sales and hanger space rentals.

Council is not prepared to pay for any airport studies.

There are presently two sealed runways, a north/south runway of 1523 metres 30 metres wide and an east/west runway of 822 metres and 18 metres wide. There is scope for extending the N/S runway but there may be environmental objections in this regard. The extension capacity is not known.

(See

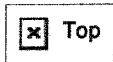
[www.eurocoast.nsw.gov.au/Publications/Tenders/Airport/Airport%20information%20package.pdf](http://www.eurocoast.nsw.gov.au/Publications/Tenders/Airport/Airport%20information%20package.pdf))

This airport is located right next to the coastline and serves Moruya, Batemans Bay to the north and Narooma to the south. Population increase to 50,000 is estimated over the next 15 years.

Council has received several enquiries from large developers.

#### **COMMENT**

It is surprising that council has taken such a passive role in determining the future of this airport. The location is superb and there is evident scope for some kind of public/private development. Council is clearly not aware of the close connection between an airport and economic development.



## **Melbourne Airport**

In a report ( Age April 16, 2003) details were given of a recently released report on the airport prepared by Sinclair, Knight, Metz and commissioned by the Airport and the State Government. The report indicated that Melbourne Airport recorded the fastest growth of international passenger movements of any Australian airport since 1998.

The Report also said that the Airport has been an important contributor to the state's growth, contributing over \$500M in gross state product and creating over 2,000 new jobs. Over 10,000 people are employed at the Airport.

#### **COMMENT**

It is not surprising that the Airport is such a good contributor to the State's economy but it needs to be grasped that a new airport in north-central Victoria would also contribute to the region it would serve and also contribute as a feeder airport to Melbourne. I note that

no local councils were asked to contribute to the Report.  
I will try to get a copy of this report and will give some further details in the next Email Update.

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## Brisbane International Airport

In an article ( Australian April 24, 2003) the Brisbane Airport Commission is accused of sidestepping planning laws in a massive new retail shopping centre to be built at the Airport. The BAC is planning to build an Airport Drive Park over 15 years with an international motel, golf course and commercial office area as well as a 70,000 square metre retail shopping centre. The total cost of the project is estimated at \$100M. BAC is accused of evading the provisions of the Airports Act, in that it has not met public consultation requirements.

Since BAC purchased the airport in 1996 there has been aggressive property development including the building of a large industrial estate with direct access to the Airport's runway.

### COMMENT

Readers who have read my earlier Email Updates will be fully aware of the proposal for industrial development in association with the proposed airport in north-central Victoria. The only new elements in the Brisbane proposal compared with our own plan are for a motel, golf course and shopping centre. Any master plan for Victoria's new airport might well make provision for these other facilities down the track.

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## Mt Hotham Airport, Victoria

When this airport was opened several years ago I telephoned the developer to ask whether the airport was expected to make any money. His response was a clear No. However he added that the airport costs were justified because a lot of money would be made out of real-estate development in the area with the airport adding to the attraction of buyers to that real estate. In a report (Age, 8th April, 2003) Hugh Martin, Commercial Property Reporter, indicates that a \$2.5M purchase by a Sunshine Coast developer of freehold land at Mt Hotham for added ski resort facilities saw the airport as a key factor.

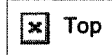
The land will take an 800 bed complex to complement the 4,000 beds already available.

The plan is to attract Queensland skiers who would, no doubt fly out

of Brisbane Airport or from airports in both the Gold Coast and the Sunshine Coast.

#### COMMENT

This example provides yet another illustration of the power of airports to attract development. In the proposed Feasibility Study of the North-Central Victorian Airport this aspect will be explored with regional tourism bodies and with private developers.



## Corpus Christi International Airport TX. USA.

Corpus Christi has a population of 232,000.

The Corpus Christi International Airport, which is owned by the Corpus Christi Council, is located west of the Seaport city of Corpus Christi in Texas USA. The airport is on 2,415 acres and has a N/S runway 6,080 x 150ft and a N/W by S/E runway 7,508 x 150ft. A new runway parallel with the second cited above will be 10,000 x 150ft.

See ([www.cctexas.com/?fuseaction=main.view&page=876](http://www.cctexas.com/?fuseaction=main.view&page=876) and [www.cctexas.com/?fuseaction=main.view&page=874](http://www.cctexas.com/?fuseaction=main.view&page=874))

The existing runways form an open bottom vee shape rather than crossing. The new runway will be parallel with the left runway.

In recent years a new terminal building has been completed and other work is underway on other buildings and roads.

Three development zones have been designated between the runways near the terminal buildings and to the left of the left runway. These areas are seen as suitable for business parks and industrial parks.

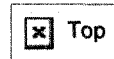
Airport facts and statistics can be found on [www.cctexas.com/?fuseaction=main.view&page=881](http://www.cctexas.com/?fuseaction=main.view&page=881)

#### COMMENT

Here is another example of an airport being associated with business and industrial parks. The relatively unusual relation of the two runways allows for placement of terminals and other buildings between the runways.

**Note:** The Corpus Christi Council's web site provides live videos of council meetings.

See [www.cctexas.com/?fuseaction=main.view&page=17](http://www.cctexas.com/?fuseaction=main.view&page=17) Council has a publicly elected Mayor and 8 councillors, 5 representing districts and 3 at large.



## Neil's Rant

The Victorian State Government has clearly recognized the importance of innovation in this State.

The creation of a Department of Innovation and appointment of a high level innovation advisory committee are two indications of this recognition.

But it is also equally clear that that in many areas of bureaucracy there is little grasp of one of the most commonly used methods of identifying areas in which innovations are needed. I refer to the identification and study of examples of first class practices and of learning from these examples. Two common, not mutually exclusive, methods of undertaking this learning are actual visits and virtual visits by locating information on web pages. Reading and use of subscription search engines such as Lexis Nexis are other methods.

The location of first-class examples is necessary if local efforts are to be properly benchmarked and if phrases such as world's best practice are to be meaningful.

An allied problem with local bureaucrats is a failure to see that individuals engaged in making decisions, wherever those individuals are located, must be brought up to speed on bench mark examples, and on methods of staying current in that regard, if sensible decisions are to be made.

Far too often groups of individuals engage in discussions which, because of the lack of appropriate best practice knowledge, are little better than exchanges of ignorances.

In this Email Update I referred in some detail to the benchmarking study used by the Corpus Christi Regional Development Corporation in visiting other centres in USA and in learning from those visits. In an earlier Update I mentioned the same approach being used by the group planning the new regional airport in West Virginia. In both cases the visits provided needed information and educated the participants.

Of course visits are expensive and few planning budgets in Australia provide money for them. This means that less satisfactory alternatives such as web and literature searches must be used as I have tried to do with this airport project. But while web searches rarely provide the detailed information and the personal involvement of visits, they are far from being useless. Web searches require competence with search engines and general IT competence and in many cases skill development in these areas may be a pre-requisite.

Let me give some examples of what happens when no effort is made

to check out best practice examples. The worst example known to me in recent times was the review of the Victorian Local Government Act, still to be considered by Parliament. Readily available to Government on the Web was an extensive UK literature involving discussion papers, white papers, draft acts and participant input to two major reforms of local government. Similar reforms to improve local consultation processes, greater devolution of functions, improved funding, community planning and greater council competencies are just as needed here as in the UK but they were ignored.

A recent review of transportation in Victoria also lacked any consideration of international examples. It is possible, just possible, that any such international considerations might have picked up the need to consider regional airports and to see the role they might play in regional economic development.

A third example is an on-going Bendigo Region Action Plan being undertaken by the Department of Sustainability and Environment, formerly Department of Infrastructure. Several participants in this Study have raised the issue of a regional airport without arousing any bureaucratic enthusiasm and the study made no effort to look at other studies world wide. Indeed the only other study mentioned in the Project Brief was one undertaken on the Great Ocean Road in Victoria. It is quite clear that the main problem lies not with any consultants involved in this work but with Departmental staff who wrote a particularly narrow minded brief.

I conclude with a final point which should be of interest both to the Minister of Innovation and to the Treasurer in Victoria, both the same person, Mr John Brumby.

If the investigation processes are defective so will be the strategy, plan, project etc. The public will get far less than it should and money will be wasted.

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## Feedback Invited

In future Email Updates I will publish any comments by readers.

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## The Next Steps With This Project

The first step should be an announcement from the government that it will fully fund the proposed feasibility study and the establishment of a team to carry out the study. There is clear evidence of local municipal and business support for the study.

Additionally, more than ample evidence has been provided of the economic advantages of other regional airports and we now need to fully explore this and other components of the proposed study. A draft study plan has been prepared and possible consultants identified.

In association with the airport study there is equally a need for the State Government to address the strengthening of local government and to properly consider how regional economic development might be handled in much better ways than at present.

The time for shilly shallying is now over. It is now time for decision.