

16th April 2003

Mr Ian Beckingham
 Inquiry Secretary
 House of Representatives
 Inquiry into Regional Air Services
 Parliament House
 Canberra ACT 2600

Dear Sir,

Re: Federal Inquiry into Regional Aviation Services

Council thanks the Committee for the opportunity to add to our original submission to this Inquiry.

On this occasion we would like to touch on the economics or costs incurred by local government in maintaining rural airstrips.

As we mentioned in our original submission the airstrip at Jamestown is strategically of regional significance in that it is the only licensed airstrip east of the Flinders Ranges up to Broken Hill (and between Gawler and Hawker) suitable for Royal Flying Doctor Service access and night landing.

The airstrip is managed by Council with some additional work being undertaken by the Jamestown Flying Group, a group of community volunteers committed to supporting the town's airstrip.

Council's income and expenditure for the airstrip over the past four years is set out in the following table:

Year	Income	Expenditure
1999/2000	\$1,630	\$12,137
2000/2001	\$930	\$19,415
2001/2002	\$1,295	\$9,418
02/03 (to date)	\$875	\$5,862

All income is derived from hire fees paid to use the terminal building for meetings, workshops and/or conferences and lease fees associated with on-site buildings. Council has no other source of income associated with the airstrip. It will be noted from the table that the basic cost of maintaining the airstrip comes at some cost to Council.

Expenditure represents direct costs paid by Council to maintain the facility and includes plant & equipment, insurance, cleaning and payment of utilities. The figure does not include capital upgrades which have been deferred until funding can be made available.

With respect to capital upgrades, Council will be required to spend a minimum of \$30,000 to upgrade lighting in accordance with Civil Aviation Safety Authority requirements and a further \$75,000 to re-sheet the runway to maintain a firm landing surface.

For a Council of the size of Northern Areas this represents a 5% shift in our rate revenue or is the equivalent of 13km of unsealed roads being upgraded. Upgrading our airstrip will be at significant cost to Council.

I am advised that the cost to re-seal our airstrip (to bituminise it) with associated construction works will be in the region of \$250,000.


It is Council's wish to draw this Inquiry's attention to another House of Representative's Inquiry – into Local Government and Cost Shifting where Committee members will find numerous case studies of both State and Federal Government's imposing increasing levels of regulatory requirement on local government without any compensatory financial support.

This is yet another case - where the Civil Aviation Safety Authority sets out minimum safety standards for the operation of regional airstrips and local government is left to "pick up the tab". The alternative for us, if we can not afford to meet the cost of the upgrade, is not to have a regional airstrip. You could almost call it a form of economic blackmail.

We recognise that the issues we have raised may be outside the Terms of Reference of your Inquiry but we believe that the upgrading of regional airports must be fundamental to improving regional air services.

The point we wish to make through our submissions is that Council recognises the strategic importance of our regional airstrip, and we will meet the upgrade requirements as demanded by the Civil Aviation Safety Authority, but we would ask through this Committee for consideration to be given to some Federal funding support to maintain the nation's regional airport network.

Yours faithfully


Keith Hope
**Community Projects
Development Manager**
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