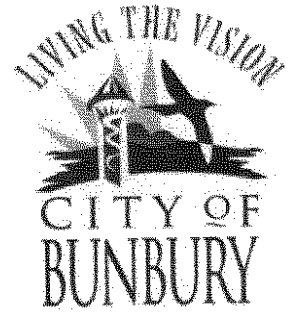
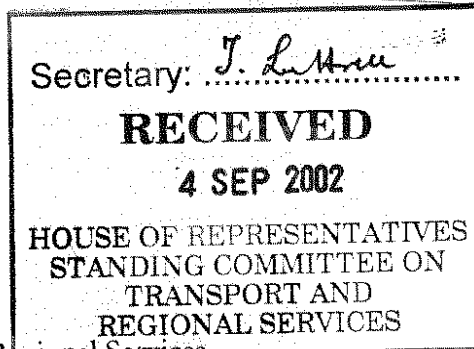


SUBMISSION NO 124

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Tuesday 3<sup>rd</sup> September 2002

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

By Email [Trs.Reps@aph.gov.au](mailto:Trs.Reps@aph.gov.au)

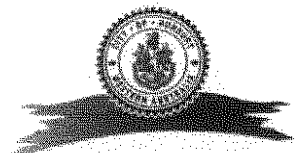
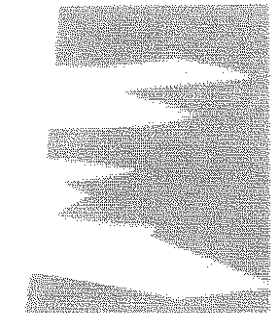
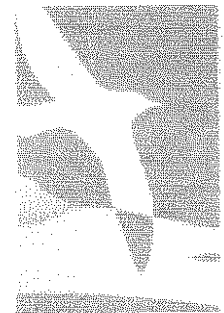
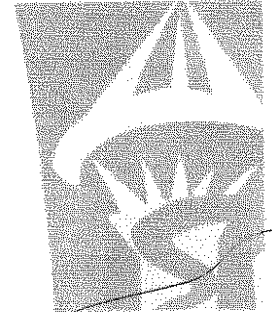
**INQUIRY INTO COMMERCIAL REGIONAL AVIATION SERVICES  
IN AUSTRALIA AND TRANSPORT LINKS TO MAJOR POPULATED  
AREAS**

Thank you for the opportunity to make a submission on the above.

Any queries may be directed to the undersigned.

Yours faithfully

*Tony Brun*  
**EXECUTIVE MANAGER CITY DEVELOPMENT**



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**OUR VISION:** Bunbury will be the most progressive and innovative regional city in Australia, enhancing the quality of life of its community and promoting its nautical heritage.

## ***Background***

At present, the City of Bunbury as Western Australia's largest regional City and the commercial and government hub for South Western Australia is not serviced by regular passenger transport (RPT) services. The Greater Bunbury urban area represents a population of approximately 55,000 located some 180km from Perth and forms part of the larger regional population of 125,000. This urban population is forecast to grow to 120,000 by 2020.

The City of Bunbury, in partnership with the Western Australian State Government through the Department for Planning and Infrastructure, has recently appointed the consultants, Connell Wagner, to undertake a demand analysis study and technical analysis of redeveloping the existing airport or possible options for relocation.

The current study, which is set to commence in mid September 2002, also focuses on options to integrate any future developments with major roading (highway) and rail infrastructure to ensure seamless integration of both passenger and freight task needs for the Greater Bunbury urban area and the South West Region of Western Australia.

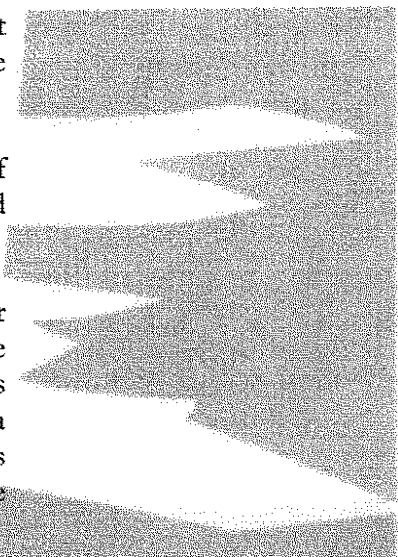
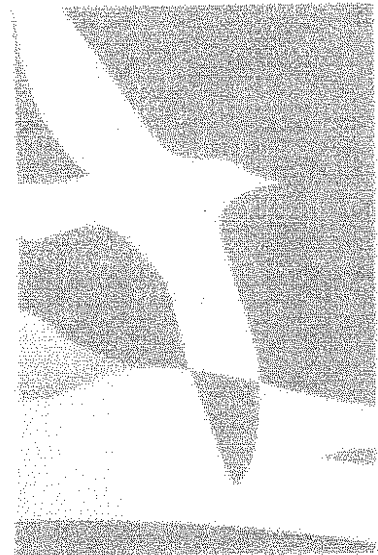
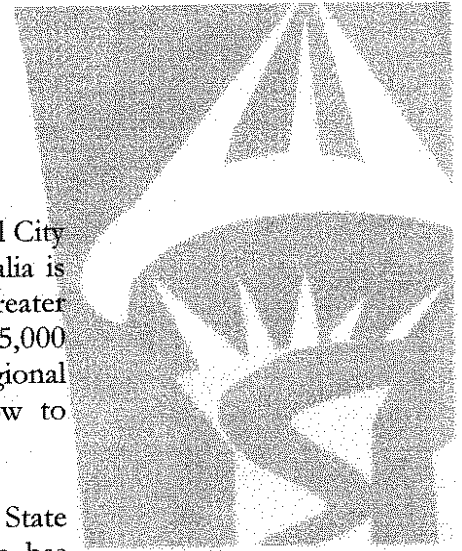
- ***The adequacy of commercial air services in regional and rural Australia***

It is acknowledged that the issue of addressing air services within regional Australia will always be difficult in economic terms given the vast distances, dispersed population centres and relatively low population levels of regional cities and towns. However, these difficulties must be counterbalanced by the community services obligation of governments at all levels; but specifically, Federal and State who have the greater revenue raising capacity to provide adequate and accessible services to regional communities.

The current situation in terms of air travel would appear to show that there is insufficient support and assistance provided to both airport operators (generally local governments in regional areas) and air service operators to sustain regular and viable air services.

It is the provision of services, beyond the generally accepted level of economic return, that ensures the maintenance of choice, lifestyle and essential accessibility to regional communities.

As a comparison to Bunbury which does not have a RPT Service, the near capital city coastal regional centres of Maroochy, Coolangatta, Newcastle and Wollongong to name a few, do have RPT services. It is the City's belief that these services in comparable locations have occurred through a historical development and support for the infrastructure and services (predominantly through Federal and State funding) which has created the market and framework for the current air services.



- ***Policies and measures required to assist in the development of regional services including:***
  - ***Regional hub services***
  - ***Small scale owner-operator services; and***
  - ***The deployment of most suitable aircraft types.***

As identified above, the City believes that new policies and incentives must be provided for regional communities to develop infrastructure and to sustain operations in order to develop a base and sustainable market. This ongoing support may be required to be continued over significant periods for smaller communities; however, in the case of Bunbury, a significant regional centre for the State of Western Australia, an initial infrastructure investment support and short-term operational support may be sufficient to ensure the development of a viable air service.

The City also sees the development of regional hub services as an effective method to strong regional centres as alternate choices for accessing medical, commercial, leisure and governance services for regional rural communities, rather than directing these to a capital city. A further benefit of the creation of regional hubs would be to create environments which attract fly in/fly out operators to base in the regions rather than capital cities.

- ***The adequacy of commercial air services to major populated islands and adequacy of alternate sea services***

No impact to the City of Bunbury

- ***Interconnectivity between regional air transport systems, major national air services and international services (including on-carriage, through ticketing, freight handling, timetabling and airport slotting).***

As mentioned in the background, the City is currently in the process of undertaking an extensive study in partnership with the Department for Planning and Infrastructure, which will look in detail at the issues of integration with other modes of transport to form an effective multi-modal hub.

The need to ensure interconnectivity between air services is critical to ensure smooth transition for passenger needs so as to provide an effective service for regional communities and also so as to not provide barriers or inconveniences to tourist traffic. The interconnectivity is also essential in the transport of agricultural and aquatic products for export to ensure these are transported as efficiently and effectively as possible to their end export destination.

- ***The role of all three levels of Government in supporting and assisting the development of regional air services and island transport systems.***

The City believes a nationally coordinated approach to air services should be implemented which applies a consistent and equitable funding mechanism for both new infrastructure and ongoing airport and air service providers' operational subsidies.

Any future system for new infrastructure and maintenance/operational support for regional communities should be based on a joint funding formula sourcing Federal, State and Local funds. It is recognised that the major capitals and some other significant regional self sustaining airports would have to be classified and funded separately and under a differently rated mechanism in recognition of these types of airports and air service routes being self-sustaining economically.

There is a need for any funding mechanism to seek to integrate transport modes to ensure effective and efficient modal transfer. The City has not yet seen details and therefore cannot comment in support or otherwise on the Federal Government's proposed Auslink. The land-based funding initiative in the Auslink proposal may provide a positive model to ensure participation by all levels of government in air services and further, ensuring the essential integration of transport modes.

- *The role of major air transport carriers in providing regional services.*

The City believes a concerted joint effort by both Federal and State governments should be undertaken to identify national strategic air service routes and create a hierarchy route plan. This plan would place the routes into a hierarchical structure (not dissimilar to a standard road/transport hierarchy); which attributes the significance, viability, accessibility requirements and level of government support required. Such a nationally coordinated plan would ensure a consistent and structured framework to sustain air services throughout the nation for all communities.

