

Secretary: *J. Lubner***RECEIVED**

20 AUG 2002

HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON
TRANSPORT AND
REGIONAL SERVICESCommittee Secretary
Standing Committee on Transport and Regional Services**Submission to the
Inquiry into Regional Aviation Services**

The District Council of Coober Pedy has in recent times commissioned two reports that have relevance to the above-mentioned Inquiry. Council is the owner of the Coober Pedy Airport and is endeavouring to utilise the facility for the betterment of the region. The current service, limited and expensive, is provided by Kendell Airlines but as this company is in the hands of an Administrator the continuation of the service and in what format is unknown. The service is somewhat curtailed at the moment and with all air services undergoing change the future of Coober Pedy Airport and the future of the service to the town is unknown. Advice has now been received that Regional Express has been successful in purchasing Kendell Airlines and it would appear that the services provided will change from 1 September 2002 to a service every day and but the fare structure appears to be the same.

The cost of travelling by air is expensive compared to other routes, albeit bigger planes, bigger patronage, package deals must be taken into consideration, but at \$765.81 return Coober Pedy to Adelaide this is a deterrent. There is a range of prices from \$479.81 up to the abovementioned price of \$765.81 depending on advanced booking etc. As a one operator service the likelihood of decrease in fares would be remote.

Whatever the outcomes the District Council of Coober Pedy has the commitment to ensure the continued operation of the Coober Pedy Airport is maintained and if possible expanded. The attached reports "Coober Pedy Airport Upgrade Feasibility Study" and "Scoping Study for a Direct Air Service between Ayers Rock and Coober Pedy" give an indication of the District Council of Coober Pedy's awareness of the situation and the opportunity to increase air services for the long-term sustainability of the town of Coober Pedy and surrounding area. The financial implications to upgrade the Coober Pedy Airport are far too great for the District Council alone but the avenue of equity partners has not been considered at this stage. Continued contact with the service providers will be maintained to ensure that they are aware of the District Council's thoughts and aspirations for Coober Pedy Airport.

Both reports were written before September 2001 and prior to the demise of Ansett Airlines. As a consequence some comments are no longer applicable in the "Scoping Study" but the "Upgrade Feasibility Study" is still current and any activity to upgrade the Coober Pedy Airport cannot occur too soon.

Trevor Peek
Economic Development Officer
District Council of Coober Pedy
Post Office
Box 425
COOBER PEDY SA 5723
tpeek@cpccouncil.sa.gov.au
Telephone (08) 8672 5298
Facsimile (08) 8672 5699

Scoping Study
for a Direct Air Service
between
Ayers Rock and Coober Pedy

prepared for

the District Council of Coober Pedy

in association with

the Northern Regional Development Board

and

the South Australian Tourism Commission

prepared by

Hudson Howells

▪ October 2001

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APPENDIX 1 - AYERS ROCK AIRPORT TRAFFIC STATISTICS

EXECUTIVE SUMMARY

Project Objective

In July 2001, Hudson Howells was engaged by the Northern Regional Development Board, in association with the District Council of Coober Pedy and the South Australian Tourism Commission to undertake a preliminary evaluation of the potential for a direct air service between Ayers Rock and Coober Pedy.

This report documents the findings of the evaluation. In particular, this report considers the market demand and ITO interest in an Ayers Rock/Coober Pedy direct air service. Please note that this report does not purport to contain the findings of a comprehensive business analysis, but rather focuses on testing the concept of a direct air service between Ayers Rock and Coober Pedy.

Conclusion

The market research study undertaken as part of this project found that; *"Following a brief description of Coober Pedy, 37% of the respondents who had not been to or did not plan to visit the town, stated that they would have been very likely (15%) or somewhat likely (22%) to visit Coober Pedy on this trip if a direct flight had been available between Ayers Rock and Coober Pedy (and Coober Pedy had been an option in the itinerary for those booking packaged holidays)."*

Three market demand scenarios have been developed:

- Scenario 1 – Best Case – 33% of the 37% (12%) as shown above take up the Coober Pedy 'offer'
- Scenario 2 – Expected Case – 17% of the 37% (6%) as shown above take up the Coober Pedy 'offer'
- Scenario 3 – Worst Case – 8% of the 37% (3%) as shown above take up the Coober Pedy 'offer'

Scoping Study for a Direct Air Service between Ayers Rock and Coober Pedy

The following table shows the number of passenger movements through Ayers Rock Airport over a three year period. Regional airline services are not included in this table.

Year	Inbound	Outbound	Average Inbound/Outbound
1998/99	202,272	200,629	201,451
1999/00	212,845	216,658	214,752
2000/01	218,355	217,372	217,864
Average Over Three Years	211,157	211,553	211,355

The following table shows the derived market demand for each of the three scenarios.

Scenario	%	Air Passengers	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
			8%	9%	8%	10%	9%	8%	8%	8%	9%	9%	7%	7%
Best	12%	25,363	2,115	2,297	2,048	2,416	2,301	2,027	2,000	1,969	2,283	2,167	1,880	1,859
Expected	6%	12,681	1,058	1,148	1,024	1,208	1,151	1,013	1,000	984	1,141	1,084	940	930
Worst	3%	6,341	529	574	512	604	575	507	500	492	571	542	470	465
Flights Per Week		4												
Passengers Per Flight														
Best			122	132	118	139	133	117	115	114	132	125	108	107
Expected			61	66	59	70	66	58	58	57	66	63	54	54
Worst			31	33	30	35	33	29	29	28	33	31	27	27

The following key findings emerged from the research undertaken with the ITOs:

- 73% of respondents stated that outback South Australia is of great interest (9%) or of some interest (64%) to their clients.
- 73% of respondents stated that Coober Pedy would be a much more attractive destination (37%) or a more attractive destination (36%) if a direct air service was available.
- It's important that the Coober Pedy air service bookable through the domestic airline's air pass systems.
- The most preferred minimum flight frequency was nominated as four times per week.
- The first preference for aircraft seating capacity was 30 seats followed by 40 seats.

Based on the current infrastructure the airport can accommodate operations by Metro and SAAB aircraft in dry weather. If wet weather affects the gravel areas of the runway, operations are restricted to smaller aircraft.

It is therefore concluded that, based on the Expected Case scenario, Coober Pedy has the potential to attract an additional 12,681 visitors each year. This represents 6% of the number of inbound/outbound visitors passing through Ayers Rock Airport averaged over the period 1998 – 2001.

A four flights per week service would require an aircraft capable of seating 60 passengers, with a seven flights per week service requiring a 35 seat aircraft.

As stated at the commencement of this report (Section 1.2 – Hypothesis), the hypothesis for this evaluation is that, in terms of tourism, Coober Pedy is not realising anywhere near its full potential due to the lack of an air service connecting Coober Pedy to the popular international tourist destinations to its north.

This report confirms that a direct air service between Ayers Rock and Coober Pedy would provide a northern 'gateway' to Coober Pedy to supplement the existing Coober Pedy/Adelaide direct air service and would lead to a significant increase in tourism numbers.

1. INTRODUCTION

1.1 Project Objective

In July 2001, Hudson Howells was engaged by the Northern Regional Development Board, in association with the District Council of Coober Pedy and the South Australian Tourism Commission to undertake a preliminary evaluation of the potential for a direct air service between Ayers Rock and Coober Pedy.

This report documents the findings of the evaluation. In particular, this report considers the market demand and ITO interest in an Ayers Rock/Coober Pedy direct air service. Please note that this report does not purport to contain the findings of a comprehensive business analysis, but rather focuses on testing the concept of a direct air service between Ayers Rock and Coober Pedy.

1.2 Hypothesis

The hypothesis for this evaluation is that, in terms of tourism, Coober Pedy is not realising anywhere near its full potential due to the lack of an air service connecting Coober Pedy to the popular international tourist destinations to its north. In particular, it is suggested that a direct air service between Ayers Rock and Coober Pedy would provide a northern 'gateway' to Coober Pedy to supplement the existing Coober Pedy/Adelaide direct air service.

1.3 Coober Pedy Tourism Background

¹The Flinders Ranges and Outback SA region extends from Peterborough in the South Australia's north through the Flinders Ranges, incorporating Wilpena Pound, Arkaroola and beyond into towns such as Woomera, Andamooka and Roxby Downs into the outback areas of Lake Eyre and the Coongie Lakes, the Simpson Desert and the opal fields of Coober Pedy.

The region extends to the border with the Northern Territory. This area is identified in the 'Flinders Ranges and Outback – South Australia – 2001/2001 Draft Marketing Plan' produced by the South Australian Tourism Commission. The region as a whole attracts in excess of 650,000 visitors with more than 400,000 of these visiting the state's premier Flinders Ranges National Park.

¹ Regional Tourism Program 2000 – 2001, District Council of Coober Pedy, T King and P Victory, September 28 2000

The economic importance of tourism to Coober Pedy cannot be understated. Tourism is becoming the 'lifeblood' of Coober Pedy and is a significant employer of people within the town and region. The other main industry is opal mining. Either directly or indirectly, tourism provides income, employment and stability within the township and region of Coober Pedy.

The cooperative marketing partnership in international markets, particularly in Central Europe, by the Northern Territory Tourism Commission and the South Australian Tourism Commission has seen an increase in visitor numbers exploring the Darwin - Adelaide Explorer Highway. Coober Pedy has been able to attract in the vicinity of 130,000 visits per annum. Coober Pedy is the opal capital of the world and produces 60% of the world's opal. With some 1200 beds in the town, it has the capacity to position itself as a hub for Outback experiences. Coober Pedy has demonstrated a capacity to develop tourism markets as seen by inroads into the 'backpacker' 'road traveller' and 'coach' markets. There is an opportunity to increase yield through improved referral and forward selling strategies. An unrealised opportunity exists in the 'air traveller' segment, which is seen as a strategic element within Coober Pedy's regional marketing plan.

At present there is limited tourism 'leverage' between Coober Pedy, Ayers Rock and/or Alice Springs. The ability to travel directly to or from these destinations by air is extremely limited and hence a large portion of the travelling market is not able to readily access the attractions of Outback SA without a significant cost and time disadvantage.

The tourism opportunity awaiting Coober Pedy and the region can be summarised by the following statistics:

- *In 1999 there were 264,000 visitors to Alice Springs (the township). Of these, 89% were from interstate and overseas (ie excludes Territorians travelling within the Territory). Of the interstate and international visitors, 62% entered the Territory by air (source: Northern Territory Tourist Commission, NT Travel Monitor).*

- *In 1999 there were 372,000 visitors to the Uluru-Kata Tjuta National Park. This park includes Ayers Rock (Uluru) and the Olgas (Kata Tjuta). (Source: Parks Australia).*

Importantly, each tourism destination is unique in its own right and this alliance will strengthen and increase visitor numbers upon the formation of a regional alliance.

1.4 Acknowledgements

Hudson Howells greatly appreciates the support received from the following organisations in undertaking this scoping study:

- Transport SA – Transport Policy and Strategy Group (Aviation)
- Commonwealth Department of Transport and Regional Services – AvStats
- South Australian Tourism Commission
- Northern Territory Tourist Commission
- Ayers Rock Airport
- Abercrombie & Kent (Aust)
- Around Australia Tour Service
- ATS Pacific - Sydney
- Austral To Pty Ltd
- Bob Wood South Pacific Tours
- Finesse South Pacific Travel
- Goway Travel
- JTB Australia Pty Ltd
- Pacific Spirit Travel
- The Australian Outback Travel Company
- Tour Contractors Pacific (Aust)

2. RESEARCH FINDINGS

2.1 Introduction

Two surveys were undertaken in order to test the hypothesis that a direct air service between Coober Pedy and Ayers Rock would generate greater tourism in Coober Pedy. The two groups surveyed were:

- Travellers passing through the Ayers Rock airport
- Australian based ITOs

This section of the report provides an overview of the findings of the two surveys.

Finally, other information relevant to this evaluation has been reported on in 'Section 2.4 – Secondary Research Summary'.

2.2 Market Research Findings Summary

A survey of travellers was conducted at the Ayers Rock airport by McGregor Tan Research in order to develop an understanding of the potential demand for an air link between Ayers Rock and Coober Pedy.

A total of 237 face to face interviews were completed at the airport during August 2001.

A summary of the findings follows:

- The great majority of respondents (80%) were overseas residents.
- 38% were aged between 18 and 34 years, 45% were aged between 35 and 54 years and 18% were aged 55 years or more.
- 11% of respondents were travelling on their own, 65% with one other adult and 23% were travelling with 2 or more adults.
- One quarter (25%) of the respondents were travelling with one or more child under 18 years of age.

- Holiday benefits rated as 'very important' by the respondents were: 'nature & the natural environment' (65%), 'opportunity to explore and learn more about the country' (57%), 'outback experiences' (38%) and 'history & heritage' (35%).
- The average length of stay in Australia on this trip was 34.7 nights - visitors from the UK were staying more than 60 days in the country compared to around 30 days or less for visitors from all other countries.
- The reason for their trip to Ayers Rock in almost all instances (97%) was for holiday purposes.
- 48% of the respondents were attracted to Ayers Rock because of its profile as a 'must see' Australian icon while 43% had some awareness but had never been.
- Over half (52%) of the respondents were independent travellers, 36% had purchased a package of travel, accommodation and possibly other components but were travelling independently, while 11% were travelling with a tour group.
- 79% of the overseas visitors arranged to visit Ayers Rock prior to their arrival in Australia.
- Other places in Australia the respondents were more likely to visit as part of their trip were Sydney (73%), Cairns (61%), Darwin (33%), Melbourne (32%) and Kakadu (21%).
- 3% of the sample had visited or intended to visit Coober Pedy.
- Including those who had visited, or planned to visit Coober Pedy, almost half (46%) had heard of Coober Pedy.
- Those respondents with some awareness of Coober Pedy were most likely to associate the town with opals (73%), followed by underground houses and hotels (28%).
- *Following a brief description of Coober Pedy, 37% of the respondents who had not been to or did not plan to visit the town, stated that they would have been very likely or somewhat likely to visit Coober Pedy on this trip if a direct flight had been available between Ayers Rock and Coober Pedy (and Coober Pedy had been an option in the itinerary for those booking packaged holidays).*

- 15% would have been very likely to visit and 22% would have been somewhat likely to visit.
- Those would who expressed an interest in visiting Coober Pedy would expect to stay for 1.9 nights in the town, on average.
- The type of accommodation they were most likely to prefer to use in Coober Pedy was 4/5 star hotel (33%), budget hotel/motel (25%), 2/3 star hotel/motel (24%) and backpacker hostel (22%).
- The most favoured activities in Coober Pedy were: 'to visit an underground mine' (86%), 'to see opals/opal jewellery being made' (54%), 'to dig for opals' (37%), 'to purchase opals/opal jewellery' (36%), 'to stay in an underground hotel' (30%) and 'to see opals & opal jewellery in a museum' (23%).
- The respondents with an interest in visiting Coober Pedy were less likely to be interested in looking at aboriginal art (20%) or experiencing aboriginal culture (5%).

2.3 Industry Consultation Findings Summary

A survey of ITOs was conducted from Adelaide by telephone and e-mail by Hudson Howells in order to develop an industry perspective of the potential demand for an air link between Ayers Rock and Coober Pedy.

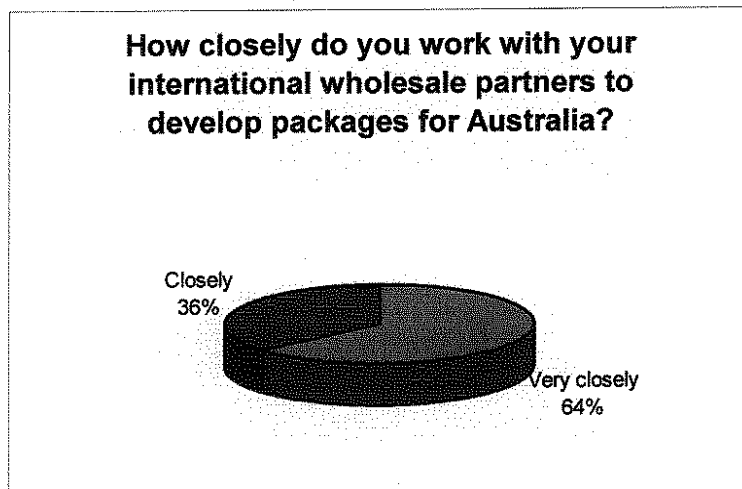
A total of 11 questionnaires were completed during August 2001 by the following organisations:

- Abercrombie & Kent (Aust)
- Around Australia Tour Service
- ATS Pacific - Sydney
- Austral To Pty Ltd
- Bob Wood South Pacific Tours
- Finesse South Pacific Travel
- Goway Travel
- JTB Australia Pty Ltd
- Pacific Spirit Travel
- The Australian Outback Travel Company
- Tour Contractors Pacific (Aust)

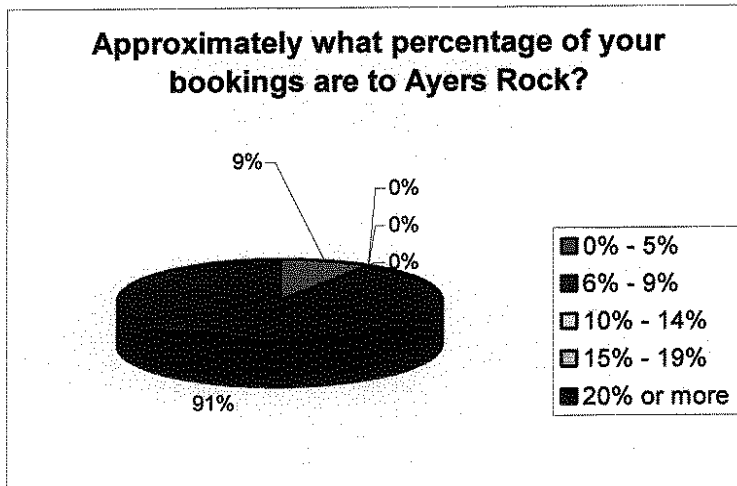
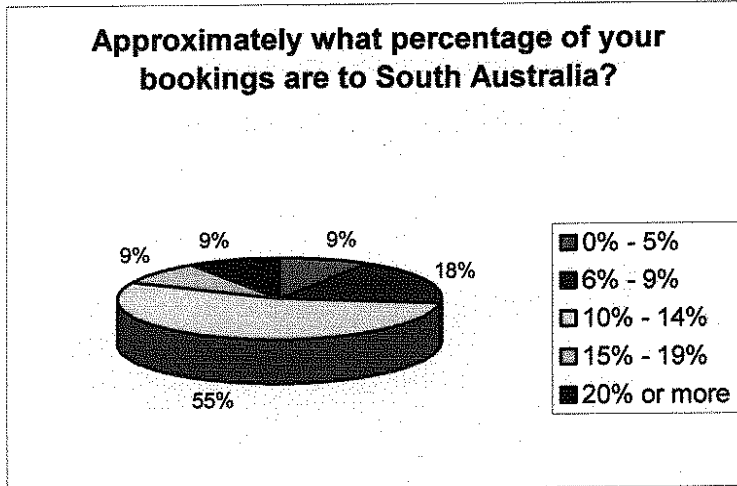
The following summary of the consultation findings is presented graphically for ease of interpretation. Comments have been added where appropriate.



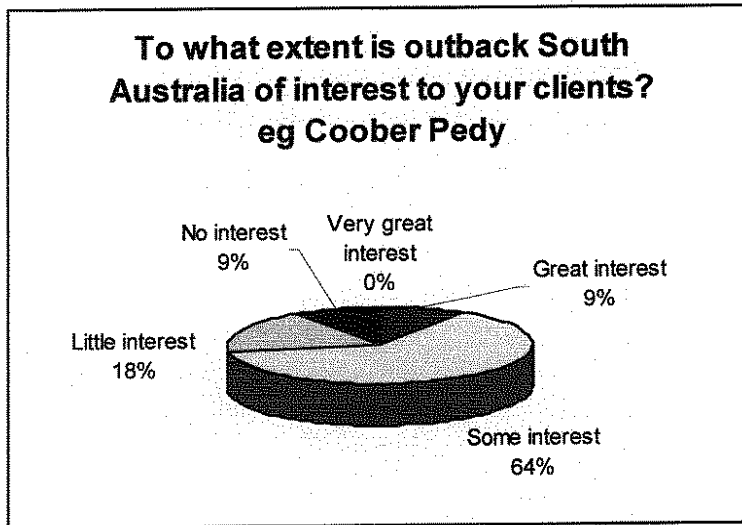
The most frequently nominated market was Europe (35%) followed by the UK and North America (both 24%).



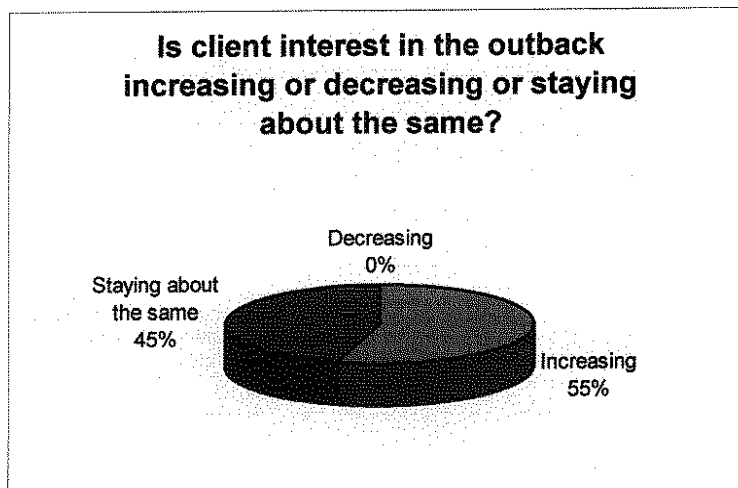
The majority of ITOs work either very closely (64%) or closely (36%) with their international wholesale partners.



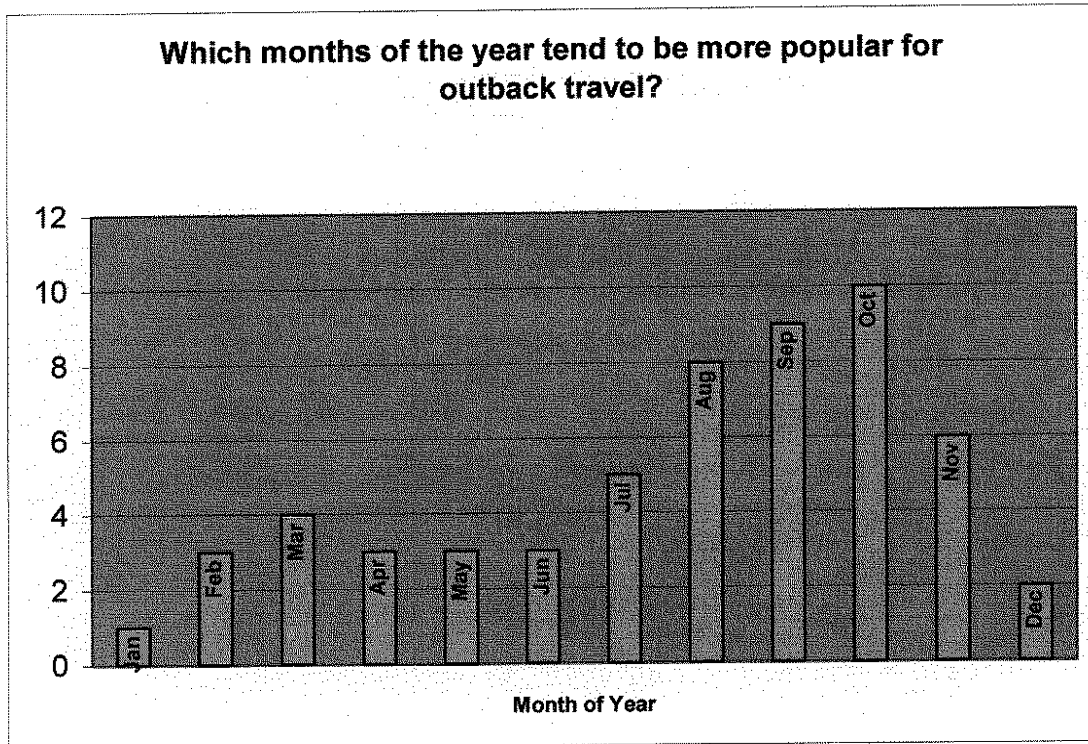
91% of respondents stated that 20% or more of their bookings include Ayers Rock compared to 55% of respondents who stated that 10% to 14% of their bookings include South Australia.



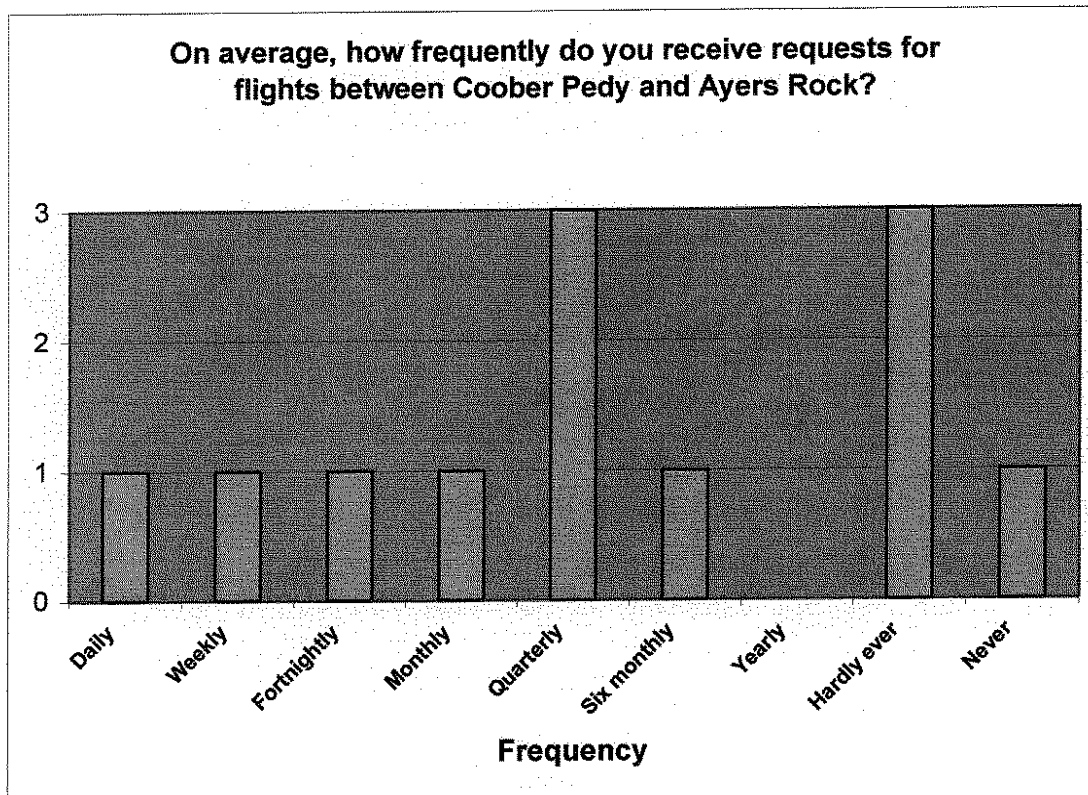
73% of respondents stated that outback South Australia is of great interest (9%) or of some interest (64%) to their clients.



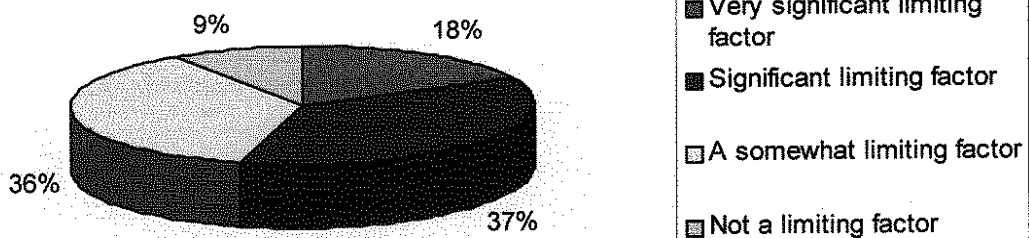
55% of respondents stated that client interest in the outback is increasing whereas 45% stated that it's about the same.



The more popular months for outback travel were nominated as July through to November.

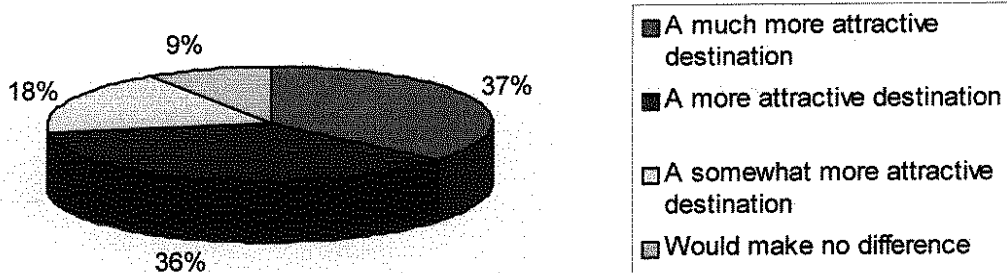


To what extent is the lack of direct air access between Ayers Rock and Coober Pedy a limiting factor in selling Coober Pedy?



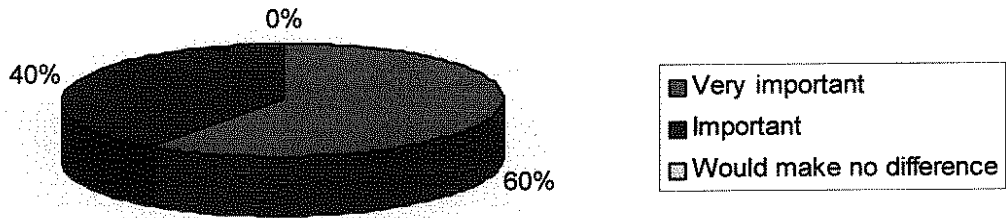
55% of respondents stated that the lack of direct air access between Ayers Rock and Coober Pedy is either a very significant limiting factor (18%) or a significant limiting factor (37%).

If there was a direct service between Coober Pedy and Ayers Rock, to what extent do you think Coober Pedy would be a more 'attractive' destination?



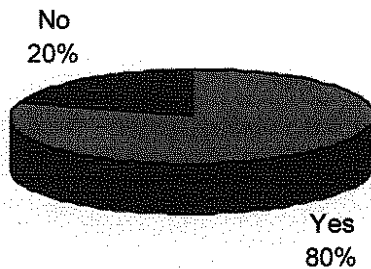
73% of respondents stated that Coober Pedy would be a much more attractive destination (37%) or a more attractive destination (36%).

If there was a direct air link between Coober Pedy and Ayers Rock, in your opinion how important is it that it's bookable through one of the domestic airline's air pass systems.

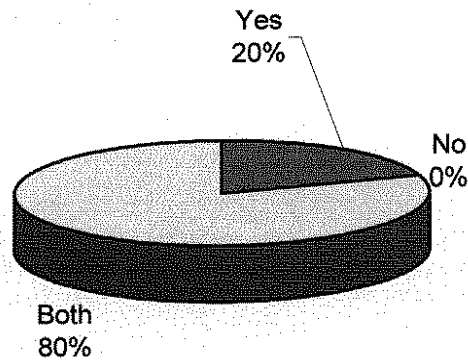


Clearly it's important that it's bookable through the domestic airline's air pass systems.

If there was a direct air link, would you include it in your packages?

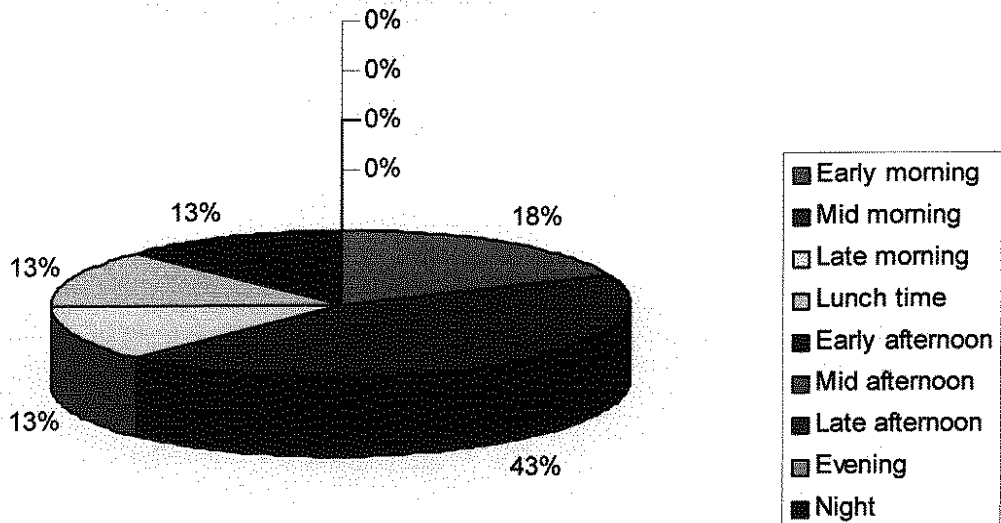


Should the link be between Alice Springs and Coober Pedy rather than Ayers Rock and Coober Pedy?

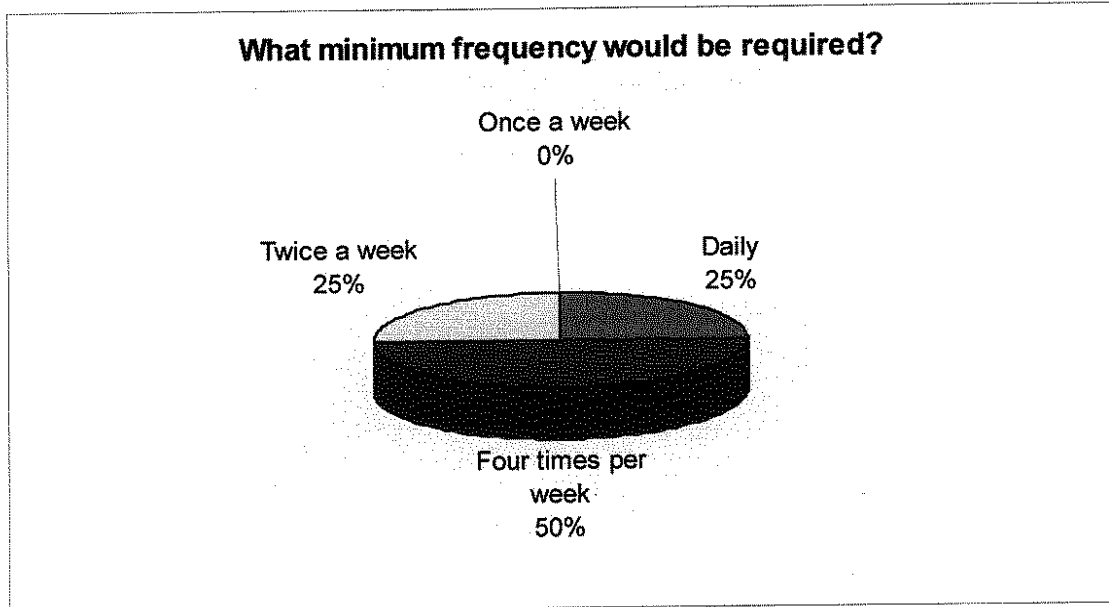


A strong preference was stated for the air link to Coober Pedy to include both Ayers Rock and Alice Springs.

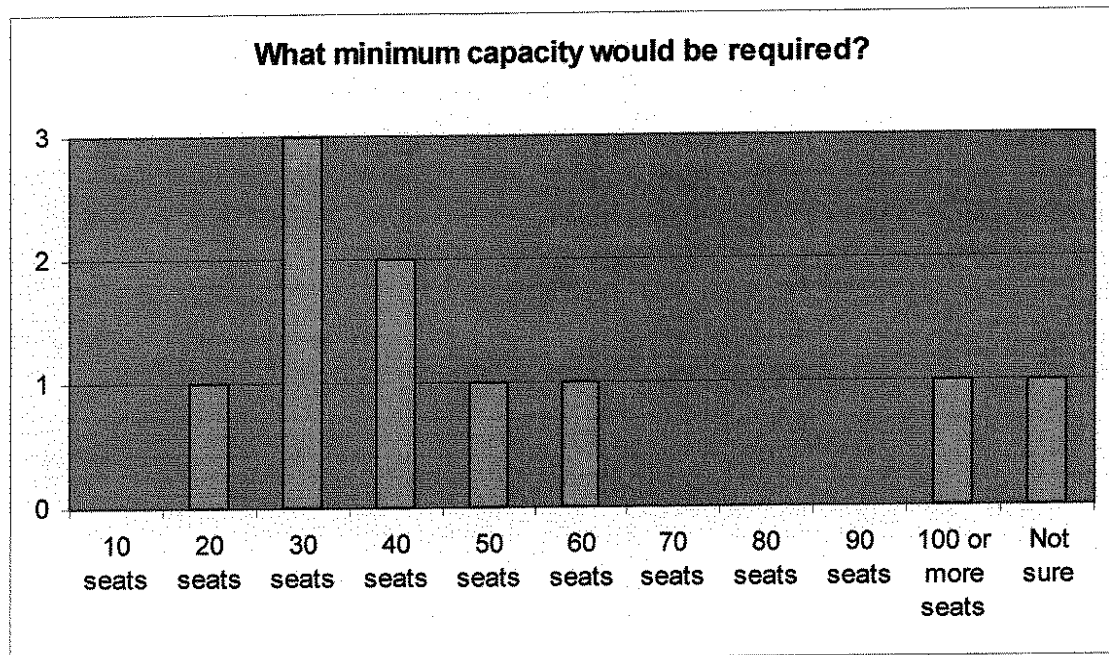
What would be the best time of day for such a service?



The most frequently nominated preference was mid morning (43%).



The most preferred minimum frequency was nominated as four times per week.



The first preference for aircraft seating capacity was 30 seats followed by 40 seats.

2.4 Secondary Research Summary

It is important to note that the secondary research was undertaken prior to Ansett being placed under administration. Caution should be exercised when interpreting any data relating to Ansett or any of its subsidiaries. At the time of preparing this report Ansett is providing a limited service in the Australian market.

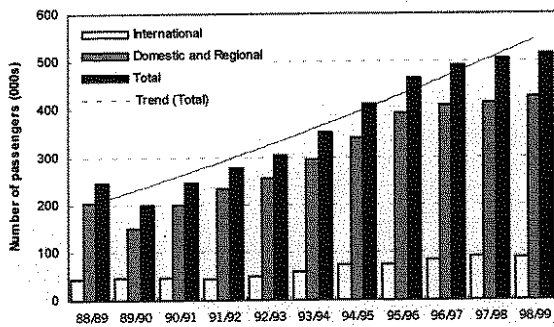
The following 'Air Transport Statistics; Fact Sheet was provided by the Northern Territory Tourist Commission.

²Air Transport Statistics: Fact Sheet 1998/99

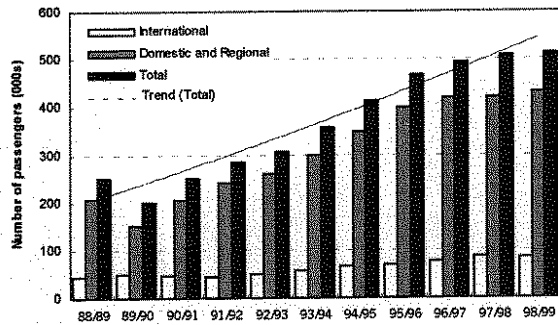
Information presented on this fact sheet has been obtained from the Commonwealth Department of Transport and Regional Services publication Air Transport Statistics, 1988/89 - 1998/99. The information presented relates to regular public transport services of international, domestic and regional airlines and does not include charter or other non-scheduled activities.

Darwin International Airport

Inbound revenue passengers



Outbound revenue passengers

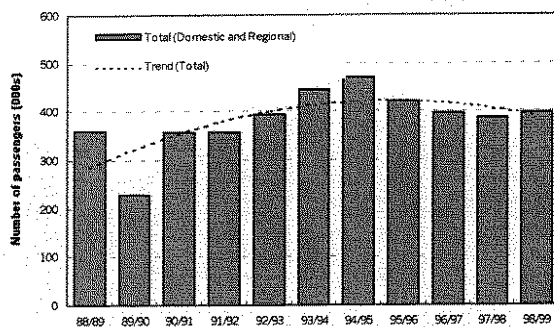


Note: 1987/88 to 1991/92 regional airline data is known to be incomplete. 1994/95 to 1997/98 regional airline data includes estimates. Domestic services were severely affected by the pilots' dispute in 1989/90.

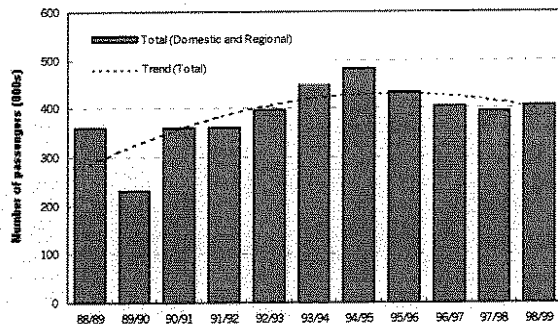
Except during the pilots' dispute in 1989/90, numbers of inbound passengers into Darwin airport have increased steadily to reach 514,520 in 1998/99, at an average annual growth rate of 8%. Outbound passenger numbers also increased steadily, at a 7% average annual growth rate to reach 513,155 passengers in 1998/99. The proportion of international and regional passengers increased slightly over this time period, however passengers on domestic flights remain the majority at 74% of all passengers.

Alice Springs Airport

Inbound revenue passengers



Outbound revenue passengers

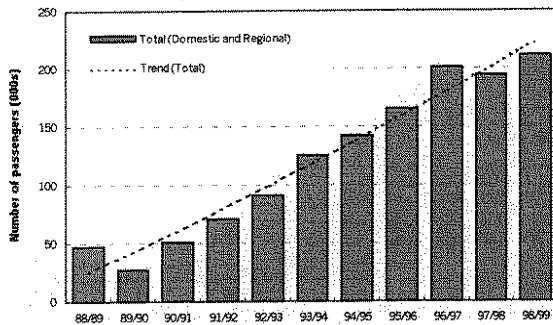


Note: 1989/90 regional airline data is unavailable and 1993/94 to 1997/98 regional airline data is estimated. Domestic services were severely affected by the pilots' dispute in 1989/90.

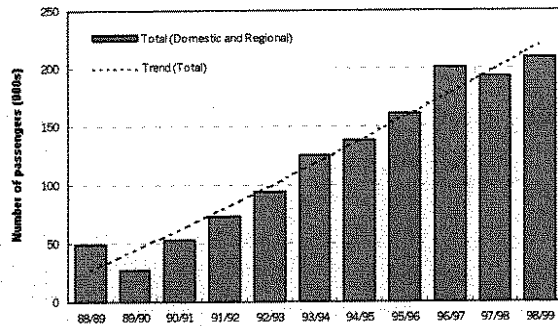
Alice Springs airport had very similar numbers of inbound and outbound passengers in 1998/99, at around 4,000 passengers. Inbound passenger numbers peaked in 1994/95 and have since decreased by 16%. From 1988/89 to 1998/99, total inbound and outbound passengers numbers have both increased marginally with average annual growth rates of 1%. While Alice Springs airport serviced twice as many inbound passengers as Darwin airport in 1988/89, by 1998/99 Darwin airport was servicing about 30% more inbound passengers than Alice Springs airport.

Ayers Rock (Yulara) Airport

Inbound revenue passengers



Outbound revenue passengers

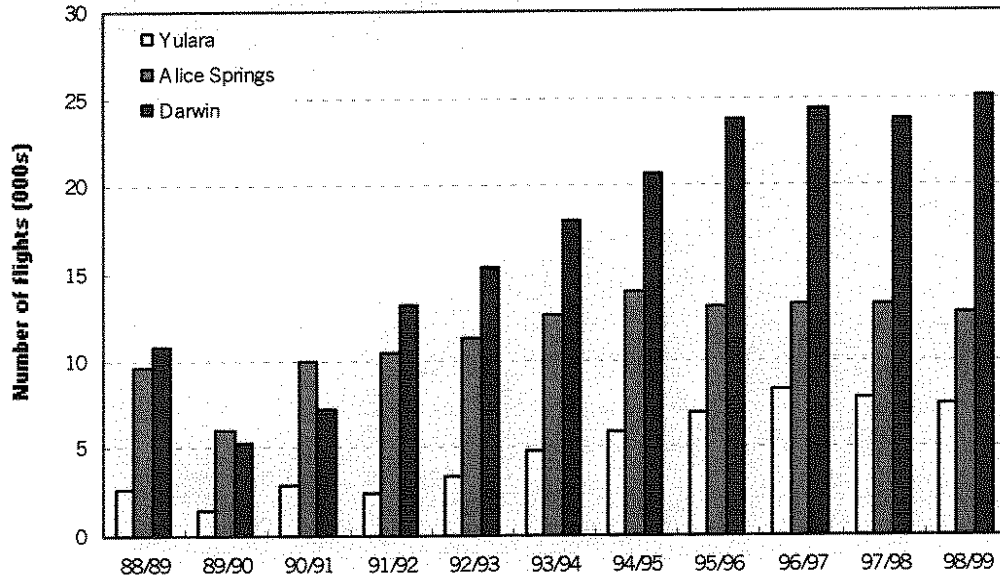


Note: 1993/94 to 1998/99 regional airline data is estimated. Domestic services were severely affected by the pilots' dispute in 1989/90.

Yulara airport has experienced strong growth in passenger numbers throughout the nineties, reaching 210,632 inbound passengers and 208,989 outbound passengers in 1998/99. Over the past ten years both inbound and outbound passenger numbers had a 16% average annual growth rate. Since 1993/94 Yulara serviced slightly more inbound passengers than outbound, before this time the reverse was true. Domestic passengers made up 96% of total inbound passengers to Yulara airport, with the other 4% being regional passengers. In 1988/89, Yulara airport serviced only 13% of the number of passengers serviced by Alice Springs airport, however by 1998/99 this had risen to 53%.

Flights

Total aircraft movements (inbound and outbound)



Note: Domestic services were severely affected by the pilots' dispute in 1989/90.

The number of aircraft movements at Darwin and Yulara airports increased steadily during the nineties until 1996/97, while at Alice Springs flights peaked in 1994/95. It is evident that the pilots' strikes had a large effect on aircraft movements in 1989/90 and 1990/91.

1998/99 saw an upturn in movements by 6% to 25,138 for Darwin airport. Flights for both Alice Springs and Yulara airports decreased by 4% compared to 1997/98. Between 1988/89 and 1998/99 aircraft movements at Darwin airport experienced an average annual growth rate of 9%, at Alice Springs airport, 3% and at Yulara airport, 11%.

In addition, Ayers Rock Airport traffic statistics by month for the period January 1998 to June 2001 are appended (Appendix 1).

3. KEY FINDINGS

3.1 *Derived Market Demand*

The market demand for a direct air link between Ayers Rock and Coober Pedy has been based on:

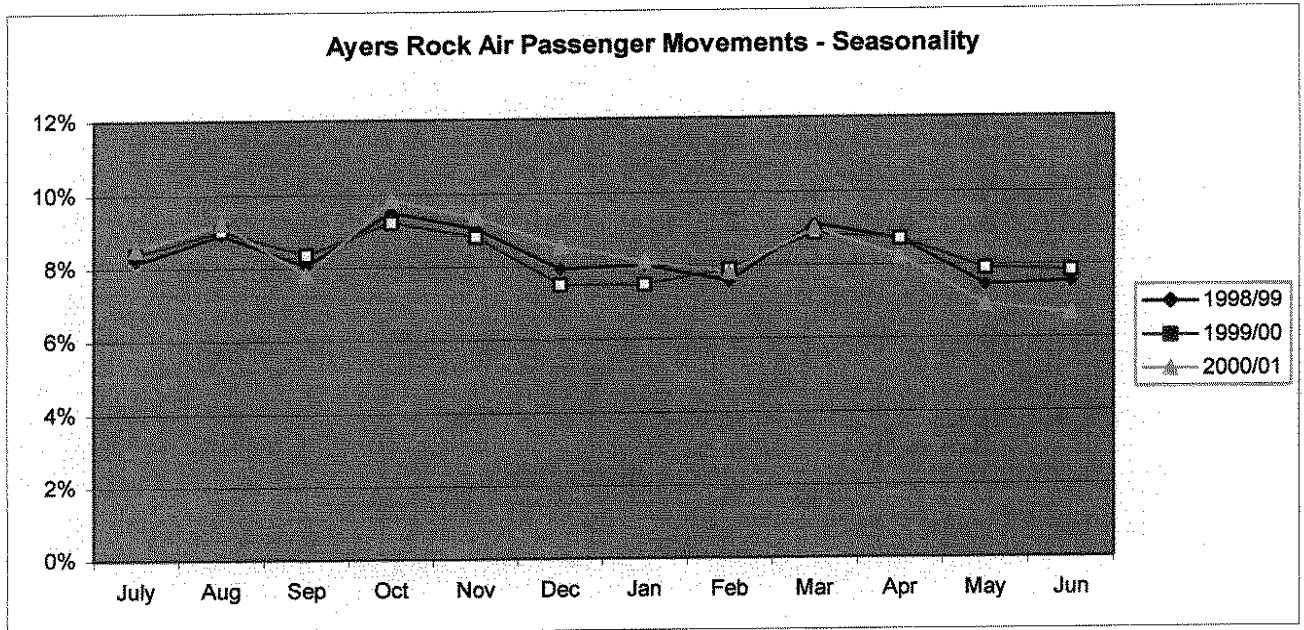
- Ayers Rock Airport traffic statistics provided by the Department of Transport and Regional Services (Appendix 1).
- Market research study commissioned by the South Australian Tourism Commission in August 2001 and undertaken by McGregor Tan Research at the Ayers Rock Airport.

The market research study found that, *"Following a brief description of Coober Pedy, 37% of the respondents who had not been to or did not plan to visit the town, stated that they would have been very likely (15%) or somewhat likely (22%) to visit Coober Pedy on this trip if a direct flight had been available between Ayers Rock and Coober Pedy (and Coober Pedy had been an option in the itinerary for those booking packaged holidays)."*

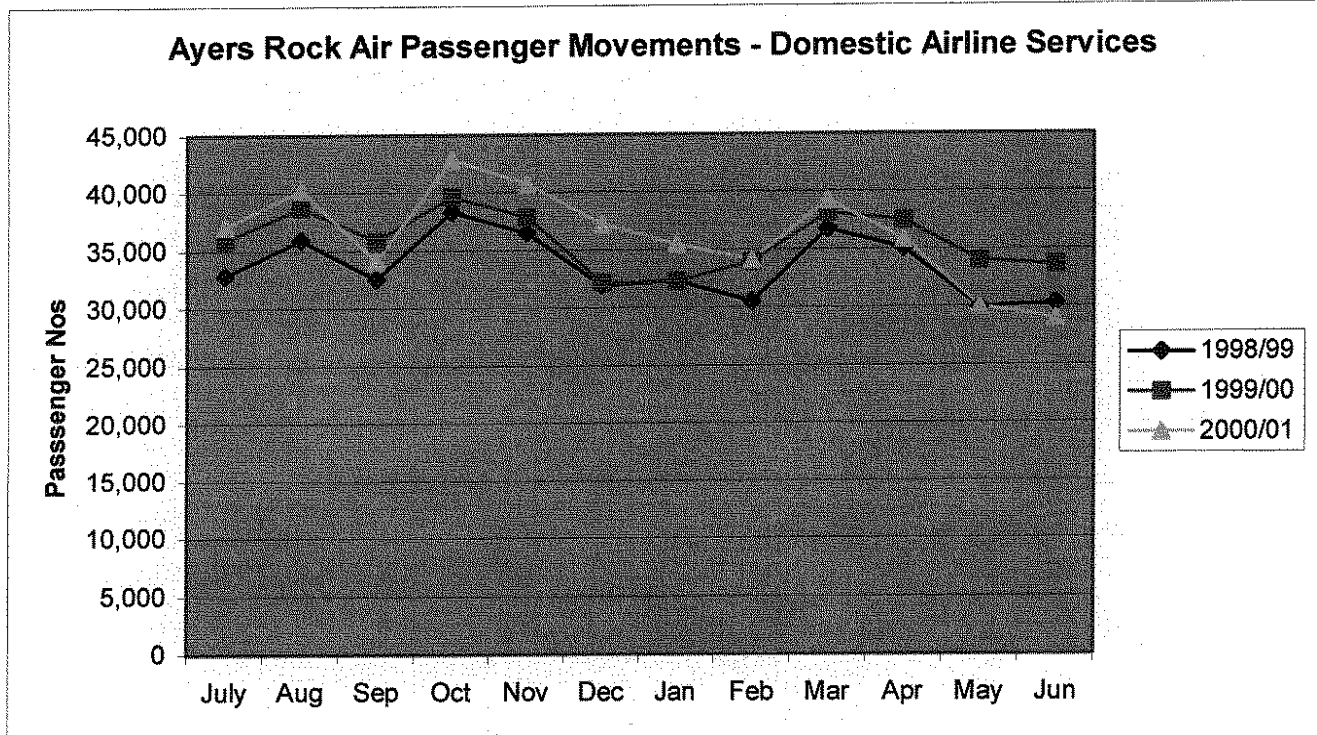
Three market demand scenarios have been developed:

- Scenario 1 – Best Case – 33% of the 37% (12%) as shown above take up the Coober Pedy 'offer'
- Scenario 2 – Expected Case – 17% of the 37% (6%) as shown above take up the Coober Pedy 'offer'
- Scenario 3 – Worst Case – 8% of the 37% (3%) as shown above take up the Coober Pedy 'offer'

The following chart shows the seasonality associated with air passenger movements through Ayers Rock Airport.



The following chart shows the aggregated (inbound and outbound) air passenger movements through Ayers Rock Airport.



The following table shows the number of passenger movements through Ayers Rock Airport over a three year period. Regional airline services are not included in this table.

Year	Inbound	Outbound	Average Inbound/Outbound
1998/99	202,272	200,629	201,451
1999/00	212,845	216,658	214,752
2000/01	218,355	217,372	217,864
Average Over Three Years	211,157	211,553	211,355

The following table shows the derived market demand for each of the three scenarios.

Scenario	%	Air Passengers	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
			8%	9%	8%	10%	9%	8%	8%	8%	9%	9%	7%	7%
Best	12%	25,363	2,115	2,297	2,048	2,416	2,301	2,027	2,000	1,969	2,283	2,167	1,880	1,859
Expected	6%	12,681	1,058	1,148	1,024	1,208	1,151	1,013	1,000	984	1,141	1,084	940	930
Worst	3%	6,341	529	574	512	604	575	507	500	492	571	542	470	465
Flights Per Week		4												
Passengers Per Flight														
Best			122	132	118	139	133	117	115	114	132	125	108	107
Expected			61	66	59	70	66	58	58	57	66	63	54	54
Worst			31	33	30	35	33	29	29	28	33	31	27	27

3.2 Inbound Tour Operators

The following key findings emerged from the research undertaken with the ITOs:

- The majority of ITOs work either very closely (64%) or closely (36%) with their international wholesale partners.
- 73% of respondents stated that outback South Australia is of great interest (9%) or of some interest (64%) to their clients.
- 73% of respondents stated that Coober Pedy would be a much more attractive destination (37%) or a more attractive destination (36%) if a direct air service was available.
- It's important that the Coober Pedy air service bookable through the domestic airline's air pass systems.
- The most preferred minimum flight frequency was nominated as four times per week.
- The first preference for aircraft seating capacity was 30 seats followed by 40 seats.

3.3 Current Aircraft Movements

The following tables, kindly provided by Transport SA, show the current Ayers Rock Airport aircraft arrivals and departures.

It is important to note that this schedule was provided prior to Ansett being placed under administration. Caution should be exercised when interpreting any data relating to Ansett or any of its subsidiaries. At the time of preparing this report Ansett is providing a limited service in the Australian market.

Ayers Rock Airport Arrivals

Carrier	Flight No	Dep Airport	Arr Airport	Dep Time	Arriv Time	Arr Days Of Op	Seats	Eff From	Eff To	Int Airports	Specific Acft Name	Frequency
Air North	1320	ASP	AYQ	0700	0750	1234567	30	2/01/01	31/12/01		Embraer EMB-120 Brasilia	7
Air North	1324	ASP	AYQ	1200	1250	1234567	30	1/01/01	31/12/01		Embraer EMB-120 Brasilia	7
QF	937	ASP	AYQ	1200	1255	2 4	76	27/03/01	25/10/01		BAe 146-200 (Passenger)	2
QF	937	ASP	AYQ	1200	1255	1 5	87	30/03/01	26/10/01		BAe 146-300	2
AirNorth	1328	ASP	AYQ	1635	1725	1234567	30	25/03/01	27/10/01		Embraer EMB-120 Brasilia	7
QF	937	BME	AYQ	0745	1255	3 67	64	25/03/01	27/10/01	ASP	BAe 146-100	3
QF	935	CNS	AYQ	0705	0955	2 4 67	76	25/03/01	27/10/01		BAe 146-200 (Passenger)	4
QF	935	CNS	AYQ	0705	0955	1 3 5	87	26/03/01	26/10/01		BAe 146-300	3
QF	689	CNS	AYQ	1110	1320	1234 7	106	25/03/01	25/10/01		Boeing 737-300 /300QC (Passenger)	5
QF	689	CNS	AYQ	1110	1320	56	129	30/03/01	27/10/01		Boeing 737-400	2
AN	367	CNS	AYQ	1545	1810	2 4 67	73	2/01/01	31/12/01		BAe 146-200 (Passenger)	4
QF	412	MEL	AYQ	0730	1220	2 4 6	205	27/03/01	27/10/01	SYD	Boeing 767 200 /200ER	3
QF	412	MEL	AYQ	0730	1220	1 3 5	229	26/03/01	26/10/01	SYD	Boeing 767-300 /300ER	3
AN	16	MEL	AYQ	0730	1235	12345	211	26/03/01	26/10/01	SYD	Boeing 767 200 /200ER	5
AN	364	PER	AYQ	0730	1130	2 4 67	73	2/01/01	31/12/01		BAe 146-200 (Passenger)	4
QF	922	PER	AYQ	1015	1420	1 3 5	76	26/03/01	26/10/01		BAe 146-200 (Passenger)	3
QF	922	PER	AYQ	1015	1420	2 4 67	87	25/03/01	27/10/01		BAe 146-300	4
QF	412	SYD	AYQ	0925	1220	7	129	25/03/01	21/10/01		Boeing 737-400	1
AN	16	SYD	AYQ	0930	1235	67	122	31/03/01	27/10/01		Boeing 737 all Series Passenger	2

Flights per week:

QF	35
AN	15
Aimorth	21
TOTAL ARRIVALS	71
TOTAL NO. SEATS	1,920

Scoping Study for a Direct Air Service between Ayers Rock and Coober Pedy

Ayers Rock Airport Departures

Carrier	Flight No	Dep Airport	Arr Airport	Dep Time	Arriv Time	Air Days Of Op	Seats	Eff From	Eff To	Int Airports	Specific A/cft Name	Frequency
AirNorth	1323	AYQ	ASP	0850	0940	1234567	30	25/03/01	27/10/01		Embraer EMB-120 Brasilia	7
QF	940	AYQ	ASP	1025	1115	2 4	76	27/03/01	25/10/01		BAe 146-200 (Passenger)	2
QF	940	AYQ	ASP	1025	1115	1 5	87	26/03/01	26/10/01		BAe 146-300	2
AirNorth	1327	AYQ	ASP	1450	1540	1234567	30	1/01/01	31/12/01		Embraer EMB-120 Brasilia	7
AirNorth	1329	AYQ	ASP	2000	2050	1234567	30	1/03/01	29/11/01		Embraer EMB-120 Brasilia	7
QF	940	AYQ	BME	1025	1350	6 7	76	25/03/01	27/10/01	ASP	BAe 146-200 (Passenger)	2
QF	940	AYQ	BME	1025	1350	3	87	28/03/01	24/10/01	ASP	BAe 146-300	1
AN	364	AYQ	CNS	1200	1515	2 4 6 7	73	2/01/01	31/12/01		BAe 146-200 (Passenger)	4
QF	688	AYQ	CNS	1400	1650	1234 7	106	25/03/01	25/10/01		Boeing 737-300 /300QC (Passenger)	5
QF	688	AYQ	CNS	1400	1650	5 6	129	30/03/01	27/10/01		Boeing 737-400	2
QF	922	AYQ	CNS	1450	1810	1 3 5 6	76	26/03/01	27/10/01		BAe 146-200 (Passenger)	4
QF	922	AYQ	CNS	1450	1810	2 4 7	87	25/03/01	25/10/01		BAe 146-300	3
QF	455	AYQ	MEL	1305	1850	1 5 7	129	25/03/01	26/10/01	SYD	Boeing 737-400	3
QF	455	AYQ	MEL	1305	1850	2 4	129	27/03/01	25/10/01	SYD	Boeing 737-400	2
QF	455	AYQ	MEL	1305	1850	3 6	129	28/03/01	27/10/01	SYD	Boeing 737-400	2
AN	43	AYQ	MEL	1315	1850	1 4 6	122	26/03/01	27/10/01	SYD	Boeing 737 all Series Passenger	3
AN	43	AYQ	MEL	1315	1850	2 3 5 7	122	27/03/01	26/10/01	SYD	Boeing 737 all Series Passenger	4
QF	923	AYQ	PER	1430	1605	2 4 7	76	25/03/01	25/10/01		BAe 146-200 (Passenger)	3
QF	923	AYQ	PER	1430	1605	1 3 5	87	26/03/01	26/10/01		BAe 146-300	3
QF	925	AYQ	PER	1505	1640	6	87	31/03/01	27/10/01		BAe 146-300	1
AN	367	AYQ	PER	1835	2010	2 4 6 7	73	2/01/01	31/12/01		BAe 146-200 (Passenger)	4

Flights per week:

QF	35
AN	15
Airmorth	21
TOTAL DEPARTURES	71
TOTAL NO. SEATS	1,841

Coober Pedy has a daily Adelaide – Coober Pedy – Adelaide service provided by Kendell Airlines. The aircraft servicing Coober Pedy is a 19 seat Metro 23.

3.4 Coober Pedy Accommodation Capacity

Coober Pedy has the following accommodation capacity:

- Hotel beds 911
- Caravan berths 97
- Caravan powered sites 455
- Caravan unpowered sites numerous

Source: Coober Pedy Accommodation Directory 01/04/2001 – 31/03/2002

The District Council of Coober Pedy has advised that there is sufficient accommodation capacity to cope with the Expected Case market demand scenario.

3.5 Coober Pedy Airport Infrastructure

The infrastructure at Coober Pedy consists of two runways, an aircraft parking area, a terminal, an aircraft fuel depot and a Non Directional Beacon (NDB).

The main runway (04/22) is 1428 metres long and 30 metres wide. The central 18 metres of the runway is sealed. The pavement strength is unrated. The runway has a Pilot Activated Lighting system. Runway strip width is 90 metres.

The cross runway (14/32) is 829 metres long and 30 metres wide. The pavement is natural surface and unrated. The runway does not have a permanent lighting system.

All take off surfaces are below 1.6% gradient. The runways do not have instrument approach procedures.

The terminal is a small prefab building.

There is an aircraft apron that is partly sealed and partly gravel. The total area of the apron is 9,225 square metres. The apron depth is 45 metres. The sealed area is 4,950 square metres. The sealed area is limited and able to accommodate only one metro or SAAB type aircraft at a time. Council intends to seal the rest of the gravel apron this financial year.

The aircraft pavement strength is unrated, however operational experience indicates that the pavement is suitable for operations by aircraft up to approximately 13,000 Kgs Maximum Take Off Mass (MTOM).

Based on the current infrastructure the airport can accommodate operations by Metro and SAAB aircraft in dry weather. If wet weather affects the gravel areas of the runway, operations are restricted to smaller aircraft.

Use by larger aircraft is prohibited by the limitations of the current infrastructure including:

- Runway length;
- Sealed width of runway;
- Aircraft pavement strength;
- Lack of visual glide slope indicator such as PAPI;
- Location of the Terminal and Fuel Depot.

A PAPI is required for operations by jet aircraft.

Provision of a Non Precision Approach (using GPS technology) requires a 150m wide runway strip, however 90m is acceptable if the aerodrome is limited to operations by ICAO code 3C aircraft and an adjustment is made to the landing minima. The Council is working towards providing a Non Precision Approach procedure.

Sources:

- *Airservices Australia – Enroute Supplement Australia;*
- *Transport SA Aerodrome database;*
- *Airport Technical Services;*
- *Coober Pedy Aerodrome Manager.*

4. CONCLUSION

The market research study undertaken as part of this project found that; *“Following a brief description of Coober Pedy, 37% of the respondents who had not been to or did not plan to visit the town, stated that they would have been very likely (15%) or somewhat likely (22%) to visit Coober Pedy on this trip if a direct flight had been available between Ayers Rock and Coober Pedy (and Coober Pedy had been an option in the itinerary for those booking packaged holidays).”*

Three market demand scenarios have been developed:

- Scenario 1 – Best Case – 33% of the 37% (12%) as shown above take up the Coober Pedy ‘offer’
- Scenario 2 – Expected Case – 17% of the 37% (6%) as shown above take up the Coober Pedy ‘offer’
- Scenario 3 – Worst Case – 8% of the 37% (3%) as shown above take up the Coober Pedy ‘offer’

The following table shows the number of passenger movements through Ayers Rock Airport over a three year period. Regional airline services are not included in this table.

Year	Inbound	Outbound	Average Inbound/Outbound
1998/99	202,272	200,629	201,451
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Average Over Three Years	211,157	211,553	211,355

The following table shows the derived market demand for each of the three scenarios.

Scenario	%	Air Passengers	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
			8%	9%	8%	10%	9%	8%	8%	8%	9%	9%	7%	7%
Best	12%	25,363	2,115	2,297	2,048	2,416	2,301	2,027	2,000	1,969	2,283	2,167	1,880	1,859
Expected	6%	12,681	1,058	1,148	1,024	1,208	1,151	1,013	1,000	984	1,141	1,084	940	930
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Flights Per Week		4												
Passengers Per Flight														
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Expected			61	66	59	70	66	58	58	57	66	63	54	54
Worst			31	33	30	35	33	29	29	28	33	31	27	27

The following key findings emerged from the research undertaken with the ITOs:

- 73% of respondents stated that outback South Australia is of great interest (9%) or of some interest (64%) to their clients.
- 73% of respondents stated that Coober Pedy would be a much more attractive destination (37%) or a more attractive destination (36%) if a direct air service was available.
- It's important that the Coober Pedy air service bookable through the domestic airline's air pass systems.
- The most preferred minimum flight frequency was nominated as four times per week.
- The first preference for aircraft seating capacity was 30 seats followed by 40 seats.

Based on the current infrastructure the airport can accommodate operations by Metro and SAAB aircraft in dry weather. If wet weather affects the gravel areas of the runway, operations are restricted to smaller aircraft.

It is therefore concluded that, based on the Expected Case scenario, Coober Pedy has the potential to attract an additional 12,681 visitors each year. This represents 6% of the number of inbound/outbound visitors passing through Ayers Rock Airport averaged over the period 1998 – 2001.

A four flights per week service would require an aircraft capable of seating 60 passengers, with a seven flights per week service requiring a 35 seat aircraft.

As stated at the commencement of this report (Section 1.2 – Hypothesis), the hypothesis for this evaluation is that, in terms of tourism, Coober Pedy is not realising anywhere near its full

potential due to the lack of an air service connecting Coober Pedy to the popular international tourist destinations to its north.

This report confirms that a direct air service between Ayers Rock and Coober Pedy would provide a northern 'gateway' to Coober Pedy to supplement the existing Coober Pedy/Adelaide direct air service and would lead to a significant increase in tourism numbers.

RPT AIRLINE SERVICES
AIRPORT TRAFFIC STATISTICS :

TRAFFIC ON BOARD BY STAGES (TOB)

TOB:

Airport Traffic Statistics cover revenue traffic movements at Australian airports by the operators of scheduled regular public transport services. Data for domestic airlines is based on traffic on board by stages, which aggregates all traffic on each flight stage arriving at or departing from the airport, regardless of their origin or destination.

Airport	Year	Month	Domestic airline services			Regional airline services (estimated)			Estimated		
			Inbound Revenue Passengers	Outbound Revenue Passengers	Total Airport Revenue Passengers	Inbound Revenue Passengers	Outbound Revenue Passengers	Total Airport Revenue Passengers	Total Airport Revenue Passengers	Total Airport Revenue Passengers	
AYERS ROCK	1998	1	14,472	14,791	29,263	542	542	1,084	1,084	30,347	
AYERS ROCK	1998	2	14,177	13,848	28,025	643	643	1,286	1,286	29,311	
AYERS ROCK	1998	3	16,362	16,819	33,181	781	781	1,562	1,562	34,743	
AYERS ROCK	1998	4	15,962	15,693	31,655	582	582	1,164	1,164	32,819	
AYERS ROCK	1998	5	12,123	12,242	24,365	705	705	1,410	1,410	25,775	
AYERS ROCK	1998	6	12,842	12,386	25,228	812	812	1,624	1,624	26,852	
AYERS ROCK	1998	7	16,758	16,083	32,841	801	801	1,602	1,602	34,443	
AYERS ROCK	1998	8	18,217	17,710	35,927	757	757	1,514	1,514	37,441	
AYERS ROCK	1998	9	16,421	16,079	32,500	719	719	1,438	1,438	33,938	
AYERS ROCK	1998	10	19,212	19,104	38,316	700	700	1,400	1,400	39,716	
AYERS ROCK	1998	11	17,675	18,808	36,483	647	647	1,294	1,294	37,777	
AYERS ROCK	1998	12	16,117	15,827	31,944	824	824	1,648	1,648	33,592	
AYERS ROCK	1999	1	16,099	16,211	32,310	541	541	1,082	1,082	33,392	
AYERS ROCK	1999	2	15,265	15,233	30,498	619	619	1,238	1,238	31,736	

Scoping Study for a Direct Air Service between Ayers Rock and Coober Pedy – Appendix 1

Airport	Year	Month	Domestic airline services						Regional airline services (estimated)						Estimated	
			Inbound		Outbound		Total Airport		Inbound		Outbound		Total Airport		Revenue	Passengers
			Revenue	Passengers	Revenue	Passengers	Revenue	Passengers	Revenue	Passengers	Revenue	Passengers	Revenue	Passengers	Revenue	Passengers
AYERS ROCK	1999	3	18,427	18,323	36,750	739	739	739	1,478	38,228						
AYERS ROCK	1999	4	17,570	17,474	35,044	570	570	570	1,140	36,184						
AYERS ROCK	1999	5	14,793	15,192	29,985	676	676	676	1,352	31,337						
AYERS ROCK	1999	6	15,718	14,585	30,303	767	767	767	1,534	31,837						
AYERS ROCK	1999	7	18,102	17,824	35,926	818	818	818	1,636	37,562						
AYERS ROCK	1999	8	19,232	19,490	38,722	792	792	792	1,584	40,306						
AYERS ROCK	1999	9	18,047	17,803	35,850	776	776	776	1,552	37,402						
AYERS ROCK	1999	10	19,681	19,975	39,656	792	792	792	1,584	41,240						
AYERS ROCK	1999	11	18,493	19,378	37,871	776	776	776	1,552	39,423						
AYERS ROCK	1999	12	16,093	16,119	32,212	800	800	800	1,600	33,812						
AYERS ROCK	2000	1	15,754	16,471	32,225	765	765	765	1,530	33,755						
AYERS ROCK	2000	2	16,407	17,509	33,916	732	732	732	1,464	35,380						
AYERS ROCK	2000	3	18,591	19,514	38,105	818	818	818	1,636	39,741						
AYERS ROCK	2000	4	18,381	19,075	37,456	595	595	595	1,190	38,646						
AYERS ROCK	2000	5	16,867	17,094	33,961	667	667	667	1,334	35,295						
AYERS ROCK	2000	6	17,197	16,406	33,603	702	702	702	1,404	35,007						
AYERS ROCK	2000	7	18,732	18,323	37,055					37,055						
AYERS ROCK	2000	8	20,145	20,081	40,226					40,226						
AYERS ROCK	2000	9	17,114	16,940	34,054					34,054						
AYERS ROCK	2000	10	21,582	21,247	42,829					42,829						
AYERS ROCK	2000	11	20,462	20,273	40,735					40,735						
AYERS ROCK	2000	12	18,600	18,624	37,224					37,224						
AYERS ROCK	2001	1	17,759	17,690	35,449					35,449						
AYERS ROCK	2001	2	17,014	17,063	34,077					34,077						
AYERS ROCK	2001	3	19,341	19,919	39,260					39,260						
AYERS ROCK	2001	4	17,860	17,954	35,814					35,814						
AYERS ROCK	2001	5	14,932	15,096	30,028					30,028						

Scoping Study for a Direct Air Service between Ayers Rock and Coober Pedy – Appendix 1

Airport	Year	Month	Domestic airline services			Regional airline services (estimated)			Estimated	
			Inbound Revenue Passengers	Outbound Revenue Passengers	Total Airport Revenue Passengers	Inbound Revenue Passengers	Outbound Revenue Passengers	Total Airport Revenue Passengers	Total Airport Revenue Passengers	
AYERS ROCK	2001	6	14,814	14,162	28,976					28,976

Lyons, Marlene (REPS)

From: Trevor Peek [tpeek@cpcouncil.sa.gov.au]
Sent: Tuesday, 20 August 2002 3:53 PM
To: trs.reps@aph.gov.au
Subject: Inquiry into Regional Aviation Services



Committee
Secretar1.doc



Final Business Case
v1.doc



Final Report Version
A.doc

Committee Secretary
Standing Committee on Transport and Regional Services

Submission to the Inquiry into Regional Services

Attachments

<<Committee Secretar1.doc>> <<Final Business Case v1.doc>>
<<Final Report Version A.doc>>

Trevor Peek
Economic Development Officer
District Council of Coober Pedy
Post Office
Box 425
COOBER PEDY SA 5723
tpeek@cpcouncil.sa.gov.au
Telephone (08) 8672 5298
Facsimile (08) 8672 5699