

District Council of Le Hunte

Burton Terrace (PO Box 6)

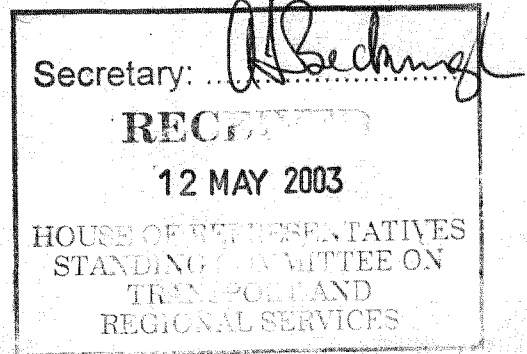
WUDINNA SA 5652



"the Gawler Ranges Naturally"

7 May 2003

The Secretary
H.R. Committee on Transport & Regional Services
Parliament House
CANBERRA ACT 2600



Dear Sir

Re: Inquiry into Commercial Regional Aviation Services in Australia

I enclose a submission on behalf of the District Council of Le Hunte, and Central Eyre Peninsula region for consideration by your committee's inquiry into aviation services in regional areas.

Yours sincerely

ALAN F MCGUIRE
CHIEF EXECUTIVE OFFICER

PARLIAMENTARY SELECT COMMITTEE INTO REGIONAL/RURAL AIR SERVICES

Background – Re: Provision of Air Services to Central Eyre Peninsula

* RPT Airservice provided to region via Adelaide Cleve – Wudinna for over 20 years.

* Whyalla Airlines Accident flight 905 – 31 May 2000: Airline Services to region ceased.

* New operator commenced 7 August 2000 - Airlines of SA (Based on servicing the area from Adelaide) (pilots – Adelaide based). As a consequence did not provide flight schedules that were suited to the locality it was servicing). Patronage was thus less than that previously experienced by a very successful Whyalla Airlines).

* Airlines of SA attempted some limited juggling of flight schedules including a reduction in the number of flights per week, but ceased services on Friday 24 March 2002.

(At this time Ansett & Kendell were in crisis and ASA were also looking to opportunities they perceived in securing the above services).

* With Assistance of Mike Miln, Senior Advisor – Aviation, Transport Policy Group the councils of Le Hunte and Cleve prepared an information brief and canvassed all potential aviation groups to provide a service - No interest was gained apart from some Charters that were interested, and prepared, needed to seek RPT accreditation. Their advice, however, was that the process via CASA was lengthy and expensive.

* Met with Minister of Transport - Michael Wright: Government not prepared to provide financial assistance. Would only assist with approvals and route licensing.

Sought to promote the Air Transport (Route Licensing – Passenger Services) Bill 2002 as its contribution. This however was not a solution to our problem

* Discussions commenced with Emu Airways Oct 2002 - A new service commenced 23 January 2003.

(Provided a direct service to Wudinna via 9 seat piston Chieftain class aircraft. It was predicated on these aircraft ultimately being phased out in the short term. The service was to be incorporated into their Ceduna service which

utilised a 19 passenger seat turbine Beechcraft 1900C. The initial strategy did not include Cleve because (they advised) the specifications of their airstrip did not accommodate the bigger aircraft and they were reluctant to provide Cleve with a service which would ultimately discontinue).

Regional Express, which had taken over Kendall services, improved schedules to Ceduna and reduced fare structures to fiercely defended the Ceduna market. This resulted in the withdrawal of Emu Airlines from the route and Eyre Peninsula.

* The Emu Ceduna service terminated on 10 March 2003. The Wudinna service terminated with 24 hours notice on Monday 24 March 2003.

Terms of Reference : Issues

Adequacy of Commercial Air Services - Social Justice

The withdrawal of services is a considerable loss as it was the only operator providing a service to central Eyre Peninsula. The catchment for this service includes Kimba, Cleve, Lock, Elliston, Le Hunte and Streaky Bay. The difficulty for rural residents in accessing services, education, medical facilities and training is a matter of social justice. Access to Air transport is an extremely important option for people living in remote locations such as Eyre Peninsula. The loss of this service has considerable financial, health, safety and convenience implications for our communities. The closest alternative air transport opportunity for Wudinna is a 5 hour round trip to Port Lincoln or Whyalla. The road transport alternative to Adelaide is a 12 hour round trip by car or a 15 hour round trip by bus. Neither of these latter opportunities are either safe or as economical for the individual. The cost in time, the expense of overnight accommodation and associated hazards of driving these long distances make air travel a safer and more convenient travel solution. The lack of a commercial regular passenger transport service at an affordable level also has social implications, particularly for those persons who may be suffering illness or injury.

Small Scale Owner/Operator Services

It is important that assistance is provided to small scale owner/operator services, who are in many cases, operating at marginal levels, but provide a valuable service to small communities. While it is important they comply with appropriate regulatory processes, these should be commensurate with their operational environment and exposure, not caught by a 'one size fits all' approach. The costs associated with these operators meeting regulatory compliance and airport charges should be scaled to assist marginal country operators.

Role of all three levels of Government supporting/assisting regional aerservices.

There is only one level of Government that is pulling their weight in supporting regional air services in SA - Local Government. The Remote Air Service

Subsidy (RASS) Scheme is presently provided by the Federal Government but restricted to assisting 'remote' communities (more remote than ours) to goods and services. Unfortunately this scheme is limited to outback settlements and communities on Eyre Peninsula are not eligible. It does, however, provide a potential vehicle to do so if the scheme was modified.

A problem that will emerge for all rural communities (if not already) is the cost of retaining airport infrastructure (terminal & airstrips). Revenue collections from these facilities are nominal. These important assets will require replacement and refurbishment in the future and communities will question where the cost of these facilities can be sustained. They are already heavily subsidised by Local Government, yet remain critical points of emergency medi-vac for national highway route traffic users, as well as the local community.

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