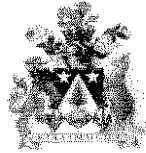


NORFOLK



ISLAND

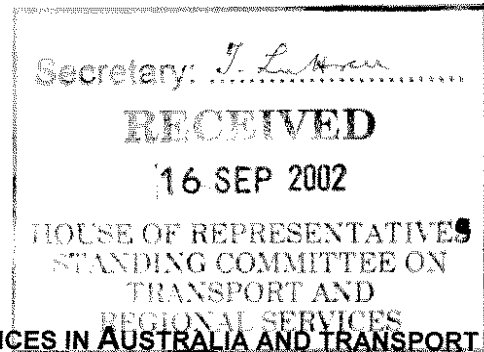
THE ADMINISTRATION OF NORFOLK ISLAND

CHIEF EXECUTIVE
OFFICER
ADMINISTRATION OFFICES
NORFOLK ISLAND 2899

13th September 2002

Mr Ian Dundas
Committee Secretary
House of Representatives
Standing Committee on Transport and Regional Services
Parliament House
CANBERRA ACT 2600

Dear Mr Dundas,



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

Thank you for the opportunity to provide these late comments to your Inquiry.

Norfolk Island is an external territory under the authority of the Commonwealth (Norfolk Island Act 1979 – Commonwealth).

The island has a large degree of internal self-government, more extensive than that of the mainland States and Territories.

The Commonwealth, inter alia, has responsibility for the island's foreign affairs and defence requirements.

Norfolk Island is located 1,676 kilometres east/north east of Sydney, and has an area of 3,455 hectares.

Two shipping companies each operate monthly break-bulk shipping services from Australia to the island, and one service per month operates from New Zealand.

Sea freight is expensive, due to the nature of the operations, the low volumes of freight, the minimal amount of back freight, and the lack of a harbour on the island. Ships can only unload in suitable weather conditions.

Scheduled air services operate from Brisbane, Sydney and Auckland. Occasional air charter services operate from Noumea. Norfolk Jet Express operates a chartered Air Nauru Boeing 737-400 aircraft, code-shared with Qantas twice a week from Brisbane and four times a week from Sydney. One of the Sydney services originates in Melbourne. Alliance Airlines (the former Flight West airlines) has announced an intention to operate two Brisbane and two Sydney services a week using an F28-100 aircraft and Air New Zealand operate two services a week from Auckland using a Boeing 737-300 aircraft. The Alliance Airlines services have commenced on a reduced basis.

The Norfolk Island airport has two runways. The main runway is 1,950 metres long. It is the only runway suitable for Boeing 737 operations. There are tyre pressure and weight restrictions on the Boeing 737 aircraft operating on the Norfolk Island airport, which require reductions in passenger numbers. The F28-100 is also subject to payload restrictions.

Few aircraft have the ability to operate from Australia to Norfolk Island, due to the need to have sufficient range to reach Norfolk Island and any necessary alternate airport, while operating within the weight, tyre pressure and runway strength and length restrictions of the Norfolk Island airport.

There are concerns in relation to commercial air services to Norfolk Island.

Norfolk Island limits potential visitor numbers by imposing a cap on the amount of licensed tourist accommodation. Norfolk Island needs to be able to control the issue of licences to carriers wishing to fly to Norfolk Island, in order to ensure that services are suitable to the requirements of Norfolk Island, and that multiple operators do not cause demands for an increase in the amount of licensed visitor accommodation on the basis that they require additional beds in order to remain viable themselves.

There are difficulties in terms of medical evacuations from the island. In earlier times the Royal Australian Air Force provided assistance, but this assistance is now greatly reduced. It will be helpful if the Air Force, on a cost recovery basis, can provide a quotation to the Norfolk Island Government for the provision of such services in the future. Most medical evacuations are carried out on scheduled air services, but from time to time the Norfolk Island Government needs to charter aircraft from Australia or New Zealand. Normally a charter aircraft is available at short notice, but the charters are expensive.

The Norfolk Island Airport is operated to an international standard, and that is expensive having regard to the comparatively small number of passengers each year. Although a substantial airport movement charge is imposed (\$18.30 per paying passenger inwards and \$18.30 per paying passenger outwards) it is difficult to fund the resealing which must be carried out each ten to fifteen years. A recent report indicates that aging rather than wear is a major difficulty, which means that the airport under utilised – a problem which is unlikely to ever be overcome.

The airport is regularly used by the Australian and New Zealand Air Forces, and by ferry flights crossing the Pacific. It can be said that the island is of strategic importance to Australia, as it is a stationary aircraft carrier, which does not need to be manned or painted.

Self-government in Norfolk Island (leaving aside the situation prior to 1914) commenced in 1979. The Commonwealth ran the island from 1914 until 1979. Some have suggested that the island's infrastructure was inadequate at the time of self-government, but the Norfolk Island Government realises that twenty-three years have passed since that time. Nevertheless Australia's international and defence responsibilities, and the responsibilities which Australia must bear as a result of retaining control of Norfolk Island's 200 mile economic zone, are such that it is reasonable to suggest that the Australian Government should contribute to the cost of an adequate harbour, should the Norfolk Island Government decide that a harbour is required, and should contribute to the cost of any further upgrading which may be required at the Norfolk Island airport and the cost of the airport's ongoing maintenance. Further upgrading may be required as a result of the continued development of new aircraft, or as a result of changing regulatory requirements (for example the Norfolk Island Government understands that the Commonwealth is presently considering a requirement that over-run areas at Australian licensed airports be extended).

We hope that these comments will be of assistance. We will be happy to expand on them, should that be required.

Yours faithfully,

Robyn Murdoch
Chief Executive Officer