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Presentation to Legislative Council Committee No 3
Inquiry into Regional Air Services
11 June 2014
GM's Speech/Notes

Mister Chair thank you for the opportunity to provide evidence to this Inquiry. I am the General Manager of Snowy River Shire Council, Joe Vescio and will be Council's representatives at this Inquiry.

Snowy River Shire is located in the South East of NSW and covers an area of over 6,000 square kilometres. Within our boundaries are located Australia's premier ski fields. I would like to draw the Committee's attention to a couple of key points in our submission and then be available to answer any questions members may have.

As Council pointed out in our submission, our Shire is quite different to the vast majority of remote rural communities in NSW, as tourism has for some time surpassed agriculture as our largest industry. Energy generation/water is also of greater value to our Shire than agriculture. From a social perspective tourism or services associated with tourism employs over 51% of the Shire's working population.

Tourism regions whose economies are dependent on tourism are more likely to be vulnerable to shocks that affect the tourism industry. Whether their economies are large or small, the importance of these local tourism industries to their regional economies is considerable, as unexpected shocks could impact on the entire local economy. Given the SRSC area, being part of the Snowy Mountains, to be reliant on Agriculture, tourism (with Australia's two pre-eminent ski fields) and electricity generation, any 'shock' or even a gradual decline over years can have a significant impact on the SRSC region's businesses and constituents.

Prior to the demise of Brindabella Airlines, the merger of Brindabella Airlines and Aeropelican had an adverse impact due to the fact that the service provided during the last winter season proved to be unreliable with limited access to cheap fares resulting in a sharp decline in numbers of passengers compared to the service provided by Aeropelican in previous years and Rex a

number of years ago. The operators of Snowy Mountains-Cooma Airport should be able to provide the inquiry these statistics.

Tourism operators and patrons to the Snowy Mountains have expressed the strong view that the air services during the peak snow season are very market oriented in meeting demand projections. However, the tourism industry would also like to see an all-year-round RPT service as current marketing intelligence is indicating an upsurge in tourism activity demand during the summer and other seasonal months.

The growth in our non-traditional tourism season is important to address the issue of lost capacity outside of winter. Council has looked at how to utilise this capacity and is currently pursuing a learning and information hub (static Library) which would enable universities to undertake intensive one week or two week courses in Jindabyne.

Given the projected population figures from the Department of Planning it is imperative that our economy grow to provide employment opportunities for this projected population. This can only happen if Council's planning is right to ensure we provide infrastructure, facilities and services to respond to this increasing population. A regular RPT service is considered essential to ensuring that our present and future residents and visitors have access to services that are likely to only be available from major cities such as Sydney.

Aside from the challenges of catering to significant population fluctuations, there are some matters of particular concern to residents of the Shires which arise as a consequence of its geographic/physical location.

These matters provide a context for many of the other issues which are identified in the Snowy River Shire's Social Plan (2005 - 2009) and impact on the strategies which can be developed in regard to issues. They include:

- a severe winter climate
- an extremely large visitor and seasonal worker population during the winter months
- the location of Kosciuszko National Park with its urbanised ski resort centres and growing permanent populations within the boundaries of the shire
- the presence of Snowy Hydro as the single largest landholder in the shire
- economic and social issues associated with tourism

The lack of a regular year round air service is a major impediment to residents who wish to access services delivered outside the Snowy River Shire be they medical, educational, legal etc. Until recently residents were totally dependent upon private vehicles as a means of transport except in recent years during limited times within the seasonal peak period. Recently TrainLink have begun a trial regular bus service from Bombala through Dalgety, Jindabyne, Berridale, Cooma and then onto Canberra three days a week. As well a Community Connect service is being trialled for 2 years. Both these services are trials and will only continue if supported.

Snowy River Shire believes that the Inquiry needs to ensure that its recommendations address the following:

- It is important that appropriate time slots are maintained at Sydney Airport for regional airline services, for example when REX operated the Sydney to Snowy Mountains Airport/Cooma the times were leave Sydney at 5 pm return to Sydney at 8 pm enabling people to spend a full day with an overnight stay this was in marked contrast to the Brindabella Service which left Sydney at 12 PM and returned at 3 pm meaning two days and nights were required for a full day.
- Regional airline services must continue to have access to Sydney Airport and not be transferred to either Bankstown or the proposed second Sydney airport. The distances from both Bankstown and Badgerys Creek are such that the resultant travel to the city would erode the time available for appointments and meetings.
- Need to ensure that the Sydney Airport Agreement between the Federal Government and the Operator maintains a community service obligation that assists in the sustainability of regional airline services.
- Need to ensure that regional airline services meet their responsibilities to the communities they serve and not push rural Councils or private operators to waive the local landing fees so that the community subsidises the maintenance of local airports at a cost to the provision of other Council services and facilities or make privately owned airports unsustainable.
- Need to implement a similar system to the one provided by the Queensland Government to regional airline services whereby certain regional routes have a guarantee for a minimum seats. The issue will be how to identify appropriate routes for the government to provide a guarantee. Council would suggest where the airline service enhances development, tourism and access to services should be included in the assessment of routes to obtain a guarantee.

Council supports this government inquiry and looks forward to seeing its final report which I am sure will recognise the value and benefits to be gained from not only maintaining regional air services but also through facilitating ways to ensure their ongoing sustainability and growth.

Thank you any questions