INQUIRY INTO REGIONAL AVIATION SERVICES

Organisation: Bland Shire Council

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The Chair Hon Rick Colless MLC and Committee Members
Inquiry Into Regional Aviation Services
Standing Committee on State Development
Parliament House
Macquarie St
SYDNEY NSW 2000

Dear Chair The Hon Rick Colless MLC and Committee Members

Thank you for the opportunity for Bland Shire Council to provide a brief submission to Standing
Committee on State Development Inquiry into regional aviation services.

Bland Shire Council recognises the significant importance of aviation services to regional centres
and supports the Standing Committee on State Development in its endeavours to ensure the
continuation of aerial regular passenger transport throughout New South Wales.

Bland Shire Council maintains a fully-functional all-weather airport which has a basic Passenger
Terminal available for use. In the past West Wyalong was serviced by regular aerial passenger
transport services, and a service that was reintroduced for the construction of the Barrick Cowal
Gold Mine. While there is currently no regular passenger transport (RPT) services at the West
Wyalong Airport, one of Bland Shire Council's plans is to investigate and target RPT services and
to promote economic development activities including business, education / visitor / tourism
activities in the Bland Shire and at the West Wyalong airport. Over the last three years the West
Wyalong airport has hosted the Bathurst Soaring club for a number of their annual gliding camps.

Bland Shire Council extends and invitation to the Standing Committee on State Development
Inquiry Into Regional Aviation Services, for the Committee to visit the West Wyalong airport and
to hold one of its public hearings in West Wyalong. West Wyalong is central to the major regional
centres of Wagga Wagga, Dubbo, Bathurst, Orange, Parkes, Leeton, Narrandera, Griffith, Leeton
etc.

Background

The Bland Shire was proclaimed on 6 March 1906. The Bland Shire, West Wyalong is centrally
located in regional New South Wales.

The Bland Shire and West Wyalong central location
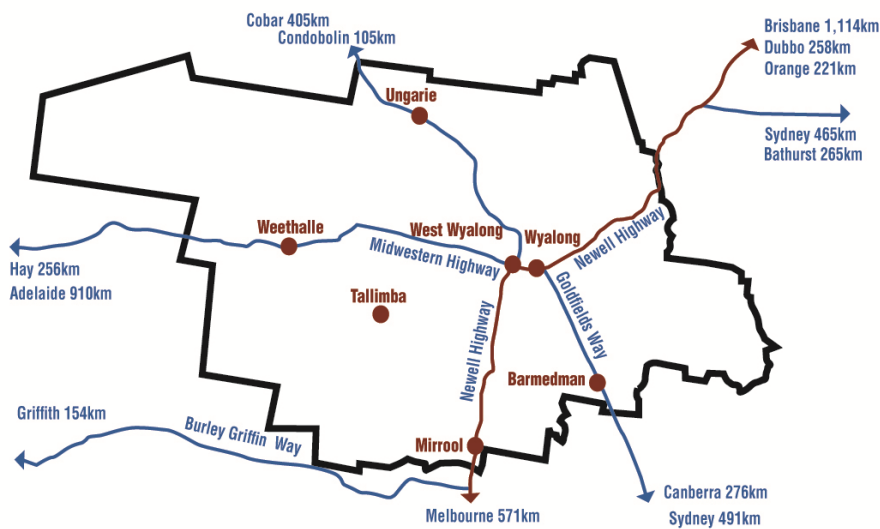
The Bland Shire

The Bland Shire has a population of 5,865 and covers an area of 8,558 square kilometres.   Towns and villages in the Bland Shire include West Wyalong, Wyalong, Barmedman, Mirrool, Naradhan, Tallimba, Kikiora, Ungarie and Weethalle.

The Bland Shire is surrounded by the Shires of Lachlan, Forbes, Weddin, Young, Temora, Coolamon, Narrandera and Carrathool.

The Bland Shire's history is deeply engrained in agriculture and gold production which continues through to today. The Barrick Cowal Gold Mine commenced construction in 2004 with gold production in 2006.

The Bland Shire is one of New South Wales largest cereal-growing areas producing wheat, barley, oats, triticale, cereal rye, chickpeas, field peas, lupins, canola and sorghum.

Eucalyptus oil production started in 1907 and the West Wyalong area has became one of the major world exporters of Eucalyptus oil in Australia.

Aerial regular passenger transport (RPT) services to regional centres in New South Wales

Bland Shire Council currently has no RPT services but maintains a fully-functional all-weather airport which has a basic Passenger Terminal available for use, and the Bland Shire Council would welcome the reintroduction of regular aerial passenger services to the West Wyalong airport. In the past West Wyalong was serviced by regular aerial passenger transport services, and a service that was reintroduced for the construction of the Barrick Cowal Gold Mine.

While there is currently no RPT services at the West Wyalong Airport, one of Bland Shire Council's plans is to investigate and target RPT services and to promote economic development and education / visitor / tourism / aviation activities at the West Wyalong airport. Over the last three years the West Wyalong airport has hosted the Bathurst Soaring club for a number of their annual gliding camps.

West Wyalong Airport

Gliders lined up at the West Wyalong Airport in 2013

1. **Cost of access to Sydney Airport, regional New South Wales airports and other landing fields including:**

Bland Shire Council would like the NSW Government to work with the Federal Government to ensure the continued reservation of affordable access (slots) at Sydney Airport (Kingsford Smith Airport) at peak times for regional services and investigate the slot allocation rules to determine if there is a more efficient way to coordinate airline movements (take-off and landing) within the defined hour period.

Ensuring regional slots remain and are increased at Kingsford Smith airport is essential for government, businesses and communities in regional NSW. The location of Kingsford Smith Airport and the improved train service between the domestic terminal and the city centre enables passengers with meetings and appointments to travel to Sydney and back within the one day. This is critical due to the extra costs with over-nighting in Sydney and remembering that in many instances people have had to travel to reach the airport in their regional location. In the case of West Wyalong this is a 154km journey both ways to Wagga Wagga. In recent times to add to the cost of flying out of Wagga Wagga, Wagga Wagga City Council has imposed car parking fees at their airport.

The following tables contain the flight schedules from the surrounding towns that have RPT services and to fly out of Wagga Wagga on the 6:30am flight means that the passenger would need to leave West Wyalong at 3:30am in the morning to meet the requirement of checking in an half an hour before the flight departs and allowing for half an hour for delays. Returning from Sydney to Wagga Wagga on the 6:50pm flight would mean arriving back in West Wyalong at 9:30pm with not allowing for any delays or stops. This equates to an 18 hour day which also brings into question WHS issues. If West Wyalong did have RPT services, this would then be reduced to a 14 hour day.

Qantas – Wagga Wagga to Sydney

Monday	6:30am	-	10:00am	12:55pm	5:00pm
Tuesday	6:30am	-	10:00am	12:55pm	5:00pm
Wednesday	6:30am	-	10:00am	12:55pm	5:00pm
Thursday	6:30am	-	10:00am	12:55pm	5:00pm
Friday	6:30am	-	10:00am	12:55pm	5:00pm
Saturday	6:30am	-	10:00am	12:55pm	-
Sunday	-	9:20am	-	12:55pm	5:00pm

Regional Express Airlines – Wagga Wagga to Sydney

Monday	6:30am	8:15am	12:00noon	5:10pm	6:35pm
Tuesday	6:30am	8:15am	12:00noon	5:10pm	6:35pm
Wednesday	6:30am	8:15am	12:00noon	5:10pm	6:35pm
Thursday	6:30am	8:15am	12:00noon	5:10pm	6:35pm
Friday	6:30am	8:15am	12:00noon	5:10pm	6:35pm
Saturday	-	8:15am	12:00noon	5:10pm	-
Sunday	-	8:15am	12:00noon	5:10pm	6:35pm

Qantas – Sydney to Wagga Wagga

Monday	-	8:30am	11:30am	3:30pm	6:50pm
Tuesday	-	8:30am	11:30am	3:30pm	6:50pm
Wednesday	-	8:30am	11:30am	3:30pm	6:50pm
Thursday	-	8:30am	11:30am	3:30pm	6:50pm
Friday	-	8:30am	11:30am	3:30pm	6:50pm
Saturday	-	8:30am	11:30am	-	-
Sunday	8:00am	-	11:30am	3:30pm	6:50pm

Regional Express Airlines – Sydney to Wagga Wagga

Monday	6:40am	8:30am	-	3:15pm	4:55pm	7:00pm
Tuesday	6:40am	8:30am	-	3:15pm	4:55pm	7:00pm
Wednesday	6:40am	8:30am	-	3:15pm	4:55pm	7:00pm
Thursday	6:40am	8:30am	-	3:15pm	4:55pm	7:00pm
Friday	6:40am	8:30am	-	3:15pm	4:55pm	7:00pm
Saturday	-	-	10:00am	3:15pm	-	7:00pm
Sunday	-	-	10:00am	3:15pm	4:55pm	7:00pm

Regional Express Airlines – Griffith to Melbourne

Monday	6:30am	-	9:35am	11:00am	1:30pm	4:40pm
Tuesday	6:30am	-	9:35am	11:00am	1:30pm	4:40pm
Wednesday	6:30am	-	9:35am	11:00am	1:30pm	4:40pm
Thursday	6:30am	-	9:35am	11:00am	1:30pm	4:40pm
Friday	6:30am	-	9:35am	11:00am	1:30pm	4:40pm
Saturday	6:30am	-	9:35am	11:00am	1:30pm	
Sunday	-	8:20am			1:30pm	4:40pm

Regional Express Airlines – Melbourne to Griffith

Monday	9:00am			6:35pm
Tuesday	9:00am			6:35pm
Wednesday	9:00am			6:35pm
Thursday	9:00am		3:15pm	6:35pm
Friday	9:00am		3:15pm	6:35pm
Saturday		9:30am		
Sunday			3:15pm	6:35pm

Regional Express Airlines – Narrandera to Sydney

Monday	8:00am	10:15am	4:00pm
Tuesday	8:00am	10:15am	4:00pm
Wednesday	8:00am	10:15am	4:00pm
Thursday	8:00am	10:15am	4:00pm
Friday	8:00am	10:15am	4:00pm
Saturday	8:00am	10:15am	-
Sunday	-	-	4:00pm

Regional Express Airlines – Sydney to Narrandera

Monday	7:50am	2:40pm	5:50pm
Tuesday	7:50am	2:40pm	5:50pm
Wednesday	7:50am	2:40pm	5:50pm
Thursday	7:50am	2:40pm	5:50pm
Friday	7:50am	2:40pm	5:50pm
Saturday	7:50am	-	-
Sunday	-	2:40pm	5:50pm

Regional Express Airlines – Parkes to Sydney

Monday	6:30am	10:25am	-	5:20pm
Tuesday	6:30am	10:25am	-	5:20pm
Wednesday	6:30am	10:25am	-	5:20pm
Thursday	6:30am	10:25am	-	5:20pm
Friday	6:30am	10:25am	-	5:20pm
Saturday	6:30am	-	12:55pm	-
Sunday	-	-	-	5:20pm

Regional Express Airlines – Sydney to Parkes

Monday	9:00am	-	3:55pm	7:10pm
Tuesday	9:00am	-	3:55pm	7:10pm
Wednesday	9:00am	-	3:55pm	7:10pm
Thursday	9:00am	-	3:55pm	7:10pm
Friday	9:00am	-	3:55pm	7:10pm
Saturday	-	9:10am	-	-
Sunday	-	-	3:55pm	7:10pm

It is also noted that there is a significant disparity between airfares inter-capital and airfares into the regional NSW. This generates disincentives for air travel to regional NSW. Landing fees are a small part of the problem though is regularly rolled out as of concern to air passenger service providers.

Bland Shire Council would also encourage that the NSW Government work collaboratively with the Commonwealth Government to reintroduce the En-Route Rebate scheme as a matter of urgency.

Bland Shire Council would also encourage that the NSW Government and the Federal Government work collaboratively to reduce the cost of regulatory compliance for regional airports.

Bland Shire Council would also like to mention that the costs of running regional airports including compliance costs for safety and security and the like are escalating, Local Government airport costs are increasing in a rate capped environment.

In the November 2012 Australian Airports Association report http://airports.asn.au/wp-content/uploads/2012/12/AAA-Regional-Airports-Research-Paper_FA.pdf.pdf.pdf , as many as 50% of regional airports may be operating at a loss each year, and are heavily dependent upon cross-subsidisation by their local government owners who face multiple and competing demands on their limited finances. In these circumstances, developing non-aeronautical activity on-airport can be essential in order to maintain future capacity for aeronautical activity.

The report also mentions that the number of airports serviced by RPT operators has declined markedly over the years and trends in airline operations threaten to further reduce this number in the future, risking increased isolation for many Australians in rural and remote communities.

2. Financial management and viability matters impacting on RPT operators

RPT operators would be best placed to comment on this section, but RPT operators regularly claim that regional services and routes are extremely marginal.

Bland Shire Council would prefer to have a dedicated RPT service from West Wyalong to Sydney and return and not a "hub and spoke" system, but is also aware of the economics of servicing a smaller number of passengers and the costs to RPT operators.

3. Economic impact on regional communities of gaining or losing RPT services, including:

a) the local business community;

Besides the economic impacts, airports and RPT services also play an important social role in connecting individuals, families and communities with the rest of the state, country and indeed the world.

It is without doubt that by West Wyalong not having a regular RPT service has a major negative economic impact on the Bland Shire, and the value of having a regular and reliable RPT service cannot be overstated. The Bland Shire is 491km or 5hr 41min from Sydney by road and is not on a direct passenger train service. West Wyalong is serviced by a nine hour XPT train from Sydney to Cootamundra, then a Country Link bus from Cootamundra to West Wyalong. The XPT departs Sydney at 7:32am and arrives in Cootamundra at 12:46pm, with the Country Link bus arriving in West Wyalong at 4:40pm.

Government, businesses and residents of the Bland Shire have to travel to the following centres to access RPT services:

Griffith: 154km, 1hr 52min
Wagga Wagga: 155km, 1 hr 58min
Parkes: 138km, 1hr 43min
Leeton / Narrandera: 143km, 1hr 42min

The additional time and costs to existing businesses in connecting to these RPT services is quite substantial and adds to the bottom line of conducting a business in the Bland Shire. Research has also shown that whilst accessing these RPT services, there is a lot of revenue leakage from the Bland Shire as a result of these businesses taking the advantage of accessing services and supplies at these locations.

The Bland Shire is one of New South Wales largest cereal-growing areas producing wheat, barley, oats, triticale, cereal rye, chickpeas, field peas, lupins, canola and sorghum and the Deloitte Access Economics report http://www.tourism.australia.com/documents/Statistics/Statistics_Aviation_CONNECTINGAUS_May2012.pdf mentions, that the use of air services has become exceedingly important in light of the greater economic integration between national and global markets. Airports provide easier access to suppliers, staff and customers, particularly over longer distances, increasing business efficiency and thereby contributing to stronger productivity performance and economic growth.

b) the impact on general aviation and regional airport management of the gain or loss of RPT services to regional centres;

Should a regular RPT service be reintroduced to West Wyalong, the service will assist in offsetting the current maintenance and upkeep costs that the Bland Shire Council is outlaying on the West Wyalong airport. The reintroduction will also provide confidence for investors, businesses and services to invest in the Bland Shire and in aviation opportunities that may arise.

c) the potential for future economic development;

Past studies have shown that a location with a regular and reliable RPT service will grow faster than an location who does not have a regular and reliable RPT service, and a study conducted by Deloitte Access Economics www.tourism.australia.com/documents/Statistics/Statistics_Aviation_CONNECTINGAUS_May2012.pdf showed that, in 2011, Australia's airports generated a total economic contribution of around $17.3 billion, equivalent to around 1.2% of Gross Domestic Product. National employment at airports was estimated at approximately 115,200 full-time equivalent (FTE) workers. Consisting of nearly 56,500 air transport jobs (ABS 2012), the broader aviation industry supports activity at airports and air service dependent sectors.

The Deloitte Access Economics report also mentions, that the use of air services has become exceedingly important in light of the greater economic integration between national and global markets. Airports provide easier access to suppliers, staff and customers, particularly over longer distances, increasing business efficiency and thereby contributing to stronger productivity performance and economic growth.

Past studies have also showed that the likelihood of sustaining or attracting new enterprises, services or business without a regular and reliable RPT service is dramatically reduced.

By not having a regular RPT service the Bland Shire is severely impacted as air travel as the preferred method of travel used by visitors / tourists from the major capital cities, particularly those travelling for short stays and events.

The NSW Government's Visitor Economy Taskforce has identified the following 11 overseas markets of significance, four Western markets (in order of contribution to overnight visitor expenditure) are UK, USA, New Zealand and Germany and seven Eastern markets (in order of contribution to overnight visitor expenditure) are China, South Korea, Japan, India, Singapore, Malaysia, and Indonesia. To capitalise on both the NSW and Federal Government's visitor economy and tourism priorities to increase international visitation, NSW needs to have a connected, competitive regional aviation sector to support this.

d) impacts for local, state and Federal governments, including licensing arrangements for services less than 50,000 passengers per annum.

Licensing arrangements for services less than 50,000 passengers are considered extremely important to allow the establishment of new RPT services to those regions who are not already served by an RPT operator.

4. Potential for development of future modern RPT aviation including:

a. opportunities for regional aviation manufacturing and servicing;

The West Wyalong airport can provide opportunities for regional aviation manufacturing and servicing. Adequate land is available for the development of hanger facilities, and rental costs are significantly lower than capital city, or larger regional centres. Other benefits are the clear skies with excellent flying conditions.

b. the development and supply of sufficient numbers of trained and skilled aviation personnel;

The West Wyalong airport can provide opportunities for regional aviation training facilities. Adequate land is available for the development of hanger facilities, and rental costs are significantly lower than capital city, or larger regional centres. Other benefits are the clear skies with excellent flying conditions.

c. local, state and Federal government arrangements for staff travel;

With the introduction of a regular and reliable RPT service to West Wyalong it will allow local, state and Federal government staff and departments to visit the Bland Shire and the surrounding LGA's and will also be advantageous for the relocation of government offices and staff to the Bland Shire.

d. opportunities for dual use RPT services to include both freight and passenger legs on the same routes.

The Bland Shire Council would welcome both RPT and freight services to fly in and out of West Wyalong.

5. Any other matter relating to the provision of aerial regular passenger transport services.

Bland Shire Council would also like to raise the issue of movement constraints at Sydney Airport. At the present time the Sydney Airport Demand Management Act 1997 controls the number of movement on an hourly basis at Sydney Airport and cannot exceed 80 movements in a defined hour period. A movement is classed as either a takeoff or a landing.

The existing movement constraints are unrealistic for the premier airport in Australia and when introduced in 1997 was at a time when aircraft noise was a strong social issue. Today's modern generation of aircraft emit far less noise than the aircraft in operation when the Act was introduced.

The opportunities for the Bland Shire to recommence RPT services to enhance their economic development activities and to meet the community's needs are nonexistent. New services would need to apply for slots in the off peak periods. Such times are not conducive for regional economic development or visiting professional services.

Modern and efficient air services between country areas and the state capital are essential for the economic and social wellbeing for government, businesses and residents, and particularly for country residents who rely on air travel increasingly for access to the wide range of services no longer available outside Sydney. This includes travel to essential government, education, health and medical purposes.

Once again, Bland Shire Council extends and invitation to the Standing Committee on State Development Inquiry Into Regional Aviation Services, for the Committee to visit the West Wyalong airport and to hold one of its public hearings in West Wyalong. West Wyalong is central to the major regional centres of Wagga Wagga, Dubbo, Bathurst, Orange, Parkes, Leeton, Narrandera, Griffith, Leeton etc.

Yours sincerely

Jeff Stien
Senior Economic Development & Tourism Advisor