

**Submission  
No 15**

## **INQUIRY INTO REGIONAL AVIATION SERVICES**

**Organisation:** Regional Development Australia Orana

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*Wednesday 11<sup>th</sup> March 2014*

The Director  
Standing Committee on State Development  
Parliament House  
Macquarie Street  
Sydney NSW 2000

To the Director,

Thank you for the opportunity to contribute to the discussion on regional aviation services.

Recently, our region has been much impacted by the loss of RPT services in Cobar and Mudgee, which not only provided services to the residents of those locations, but also opened corridors to relatively proximate locations. As a whole, the Orana region covers around 25 per cent of the State's landmass. Despite the tyrannies of distance and isolation it survives through a series of complex relationships and interdependencies that tie our communities together in terms of employment and access to services.

The Orana region is made up of 13 Local Government Areas (Bourke, Brewarrina, Walgett, Cobar, Bogan, Warren, Coonamble, Narromine, Gilgandra, Warrumbungles, Dubbo, Wellington and Mid-Western), many of whom are preparing their own individual responses to this inquiry.

We have consulted with each of these and support their submissions. There is certainly an unmet need for aviation services across our region.

But good regional planning is vital. Through discussing the intricacies of the relationships between the various LGAs, and the nature of their own submissions, it has become apparent that this issue needs greater research and assessment at a regional level.

We know that not every town in our region could sustain a RPT service, but there are certainly opportunities to improve/expand services and explore options for set-down services to link parts of our region. It will only be possible to uncover these opportunities through in-depth research and assessment.

Currently, our region is serviced by flights between Sydney and Dubbo. This airport allows greater access to many of the city's proximate communities, such as Gilgandra. Such locations would see any opportunities to strengthen the services in and out of Dubbo as a major advantage. Easy access to Sydney provides greater incentive for people coming to live and work in our region. In terms of regional relocation and workforce development, air services are vital.

The advantages provided by this service would be lessened should changes be made at the Sydney end of the route. Should regional air services be diverted to an airport in Western Sydney, rather than Mascot, this would have major implications on the time and cost effectiveness of air travel. It would make travel time comparable to road services, especially for the communities surround Dubbo. Currently, flights are generally seen as more expensive than road travel, so the decision to fly is often made based on time and convenience. Diverting to

Western Sydney would have major impacts on the perceived convenience, and may result in a loss of passengers and profitability for these routes.

Yet our region cannot survive on one air service alone. There are opportunities to open routes outside of Dubbo city, yet any approach must be grounded in strong research, so not to impact the viability of existing routes.

A regional network assessment of transport services is needed. Such a study would assess the current and hidden demands for services, examine other transport linkages including road and rail and consider the interdependency between the region's major towns. It would uncover the potential of expanding cost effective RPT services in the region.

We will be pursuing the opportunity to develop this evidence-base. Discussions of where RPT services could operate and be economically sustainable should be based on good research. We would ask for the Government's support in this endeavour.

Past studies have shown that the GRP of an area with an RPT service will grow six times faster than an area without an RPT service. The Standing Committee have specifically requested information on the impacts of gaining or losing RPT services on the local business community and potential for future economic development. In our region the most immediate cost has been the loss of essential services to the community. This is inextricably linked to the strength of our economy, as Health and Community Services are the region's third most dominant sector (next to Agriculture and Mining).

It would be easy to spend pages listing statistics on the comparative disadvantage of towns in the Orana region – but the high standing of Health and Community Services in our regional economy demonstrates this clearly enough. Currently, the lack of RPT services prevents health and community services accessing our most disadvantaged communities.

In terms of closing the gap on indigenous disadvantage this lack of access is critical. 20 per cent of the Orana's population is Aboriginal. In our more Northern communities, such as Brewarrina, this figure increases to around 60 percent.

In many communities, Health and Community Services are mostly fly-in/fly-out. Project consultants, clinicians, dentists, allied health and mental health workers are essential to a community's wellbeing. Not only does a lack of RPT services prevent these services from accessing these communities but also limits the community's capacity to recruit professionals and help them maintain the professional development requirements. It leads to professional isolation and creates further inequity between metropolitan and regional areas.

An example of the huge amount of travel undertaken by services and contractors can be demonstrated by a Bourke business with acts as an Australian Disability Enterprise:

Twice yearly contractors visit the business to undertake a Quality Audit. Each staff member (currently 10) are separately assessed for work readiness annually, again by external contractors. The federal funding body visit once or twice yearly, and training is conducted by consultants three or four times annually.

Assuming each visit is only undertaken by one person, this equals 18 return trips between Sydney and Bourke annually, for one small business. Currently, with no air services in and out of Bourke, this is all road travel. For many service providers, the time and cost becomes prohibitive, so the community misses out. Our suggestion of further research is driven by the fact we need to uncover this hidden demand.

In terms of government services we would refer to the research currently being conducted by the Department of Premier and Cabinet in our region, which we understand details the extent of travel undertaken by government staff. As government services become more and more centralised and travel budgets get tighter, it is vital that service providers are easily able to travel to the communities most in need and work to develop localised plans and solutions.

Uncovering this demand and assessing how aviation services link in with other transport networks would provide the required evidence to ensure the economic viability and sustainability of RPT services in the region. We have spoken with Inland NSW and discussed that there may also be opportunities to open leisure tourism markets through linkages that don't currently exist, for example, air services linking regional-regional rather than regional-metropolitan. Again, there is a need for a greater body of research to uncover these potential routes and hidden demands.

Should you wish to discuss any of these issues further, I am contactable

Kind regards,

Felicity Taylor-Edwards

