The operation, regulation and funding of air route service delivery to rural, regional and remote communities Submission 17



Lachlan MILLAR MP **Member for Gregory**

Committee Secretary Senate Standing Committees on Rural and Regional Affairs and Transport PO Box 6100 Parliament House Canberra ACT 2600

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Dear Committee

As the current State Member for Gregory in the Queensland Government I write in regards to the operation, regulation and funding of air route service delivery to rural, regional and remote communities. With particular focus regarding the following terms of reference:

- Pricing determination, subsidisation and equity of airfares.
- Airline competition within rural and regional routes; •
- Consistency of aircraft supply and retrieval of passengers by airlines during aircraft maintenance and breakdown.

The current monopoly contracts on regulated air service routes shelter the airlines from competition, which consequently eradicates the government contract purpose of ensuring that people living in Queensland's more remote areas can afford to travel to Brisbane when they need to.

While the contracts require the carrier who benefits from their monopoly at these airports to undertake consultations, there is never a genuine attempt to hold a public meeting and answer the community's questions.

My electorate of Gregory contains three regulated airports in what is called Central zone 2. These are the airports of Blackall, Longreach and Barcaldine. Under the terms of the current contract the airline is supposed to provide a so-called "Resident's Fare". Obviously this is intended for local residents rather than tourists.

However, time and again I have my constituents telling me that they never seem to be able to access this fare – or that when they do the allocation is so small only a handful of residents can. This is an ongoing problem and it is a very common occurrence where people are paying just under \$500.00 on some occasions for a one way flight to Brisbane from Longreach.

Quite obviously, this puts air travel out of the question for many residents: family groups; seniors and wage earners. Brisbane is the key centre for people living in the central west. It is usually where our medical evacuations are sent so loved ones often follow family members at their own expense so that they can be there to support them.

Longreach Office

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Emerald Office

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People also need to travel to Brisbane regularly for business, education, banking and legal matters and they are fed up with the costs and lack of transparency in the current pricing structure.

In addition to this, the matter of the retrieval of passengers during breakdowns needs to be addressed. With only one flight in our out per day to these western communities, it can be extremely upsetting when the plane is unserviceable and residents are often sent home to be placed on a flight the following day. Often this means that they then miss scheduled medical appointments etc. Appointments that more often than not have been scheduled months in advance and often have cancellation fees etc attached and are difficult to reschedule at a moment's notice.

It would appear on occasions that an engineer is charted out to the western communities to service, repair the unserviceable aircraft and one would question why there was not a process in place that an alternate aircraft should be sent for retrieval of passengers with same day air transfers. If a chartered plane can be sent with and engineer why not an empty plane to collect the passengers?

Some of the pertinent issues the committee needs to review/investigate are:

- "Resident's Fare" and the current allocation inequity.
- Investigation into the current pricing strategy that creates such disparity.
- The committee needs to ensure it holds regional meetings and visits Longreach to meet the local residents and hear first-hand how abhorrent the current airfare situation is.

The current complex situation in these regulated, monopoly airports is causing hardship for Western Queenslanders. The lack of transparency and accountability guarantees it will continue.

Yours Sincerely,

Lachlan Millar MP Member for Gregory

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