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10 September 2002

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

Dear Mr Dundas

# AIRPORT SUBMISSION FOR ORANGE CITY COUNCIL

Enclosed for the Committee's attention is the submission from Orange City Council. We have also included a copy of the last survey conducted at the Airport on 7 March 2002.

Should you require any further information please contact me on 6393 8172.

Yours sincerely

Kel Gardiner COMMERCIAL AND EMERGENCY SERVICES MANAGER

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# SUBMISSION TO THE HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON TRANSPORT AND REGIONAL SERVICES

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

# THE ADEQUACY OF COMMERCIAL AIRSERVICES IN REGIONAL AND RURAL AUSTRALIA

Until the collapse of Ansett Airlines in 2001, Orange and the surrounding region enjoyed excellent RPT air services. These were provided initially by East West Airlines then later by Hazelton Air Services. Regional Express have purchased Kendall and Hazelton and initial discussions with the company have indicated that pre 11 September 2001 flight schedules would be reinstated, particularly to ports such as Orange.

Air travel to regional centres like Orange is very important to the regional economy, businesses and provision of medical services. Surveys conducted at Orange Airport in March 2002 support this importance, indicating that the majority of users of the RPT operations are business people either travelling to or from Sydney.

Due to their proximity of Sydney, both Orange and Bathurst airports experienced a dramatic downturn in RPT passengers following events such as 11 September and the collapse of Ansett. The continuing upgrading of the main highway between Orange and Sydney, makes road travel an attractive alternative to air travel. Charter operations also increase when there are problems with RPT services in these centres.

There has also been decline of air services to small centres throughout NSW and this has been duplicated in other states where deregulation has occurred. This can only be seen to be totally unsatisfactory by these smaller centres who are finding it difficult to survive in the present climate.

One of the recent surveys conducted by Orange City Council revealed that one of the major complaints of travellers was the cost of air travel in NSW particularly between Orange and Sydney. It is understood that there are Government subsidies available for bus and train services in the State and this should be extended to air travel.

Competition in a port such as Orange would more than likely reduce airfares; however there probably would also be a reduction in the quality of service provided. Approximately 40,000 passengers a year use RPT transport through Orange Airport and this number is really only viable for one operator.

# POLICIES AND MEASURES REQUIRED TO ASSIST THE DEVELOPMENT OF REGIONAL AIR SERVICES INCLUDING:

# **REGIONAL HUB SERVICES**

Representatives from the Orange City Council Airport Reference Group have had discussions with various charter operators within the region with the view to operating a 'spoke' network with Orange as a hub for this region. The opinion by industry representatives is that this would not be viable unless there was substantial subsidisation by the Commonwealth and/or State Governments. The smaller aircraft used for these types of operations are not considered as safe as aircraft such as Saabs, Metros and Dash 8 aircraft.

Small scale owner/operator services also have difficulty with replacing aircraft. The current Navahos and Chieftains used on these small routes have a limited life span and will need to be replaced with aircraft, probably of a larger size. These larger aircraft would also make the smaller routes unviable again unless there is substantial subsidisation by the Federal and/or State Governments.

# INTERCONNECTIVITY BETWEEN REGIONAL AIR TRANSPORT SYSTEMS, MAJOR NATIONAL AIRSERVICES AND INTERNATIONAL SERVICES (including on carriage, through ticketing, freight handling, timetabling and airport slotting)

Hazelton Airlines did use the Ansett Terminal but this changed when Ansett collapsed and Hazelton was put into the hands of an administrator. Hazelton were using part of the Virgin Blue Terminal which was totally inadequate for commuter air services out of Sydney Airport.

It is important for regional air travellers to be able to use the one ticketing system for connection to other flights and also know that their baggage can safely be booked through. The ease of access to other aircraft at Sydney is also important and has been one of the problems highlighted with Hazelton using the Virgin Blue Terminal.

# **ROLE OF LOCAL GOVERNMENT, STATE GOVERNMENT/FEDERAL GOVERNMENT**

During the early 1990's the Federal Government handed the operation of regional airports to Local Government councils. With this devolution came a one-off payment for upgrading the facilities at various airports.

The cost of maintaining an airport is constantly increasing and the income derived through airport landing fees, passenger tax or other on-site activities does not always meet these costs.

Airports such Orange and those of a similar vintage are at a stage where runways, lighting and other facilities such as terminals are in need of refurbishment. The upgrade of these facilities can run into millions of dollars and generally there is not the income to offset these capital works. It is felt that the State and/or Federal Governments need to assist financially with the running of regional airports.

Airports such as Orange serve the wider region and the only input by the users is through the passenger tax. The Orange ratepayers pick up any shortfall that may arise at the Airport and this would be the case at other, similar airports throughout NSW.

### CONCLUSION

Regional aviation is vitally important to regional Australia not only for major regional centres such as Orange, but also for the smaller centres. State and Federal Governments have an obligation to ensure these air services are retained or, where they have been withdrawn, reinstated.

Regional airlines are experiencing increasing pressure to remain viable, and this pressure will only increase as aircraft age and costs such as fuel and insurance increase.

It is imperative that State and Federal Governments work together to develop a strategy to ensure the viability of regional aviation in Australia.

## e:\ces\airsurvey.doc MEMO TO COMMERCIAL AND EMERGENCY SERVICES MANAGER

FROM DIVISIONAL ADMINISTRATION OFFICER

DATE 11 APRIL 2002

### SUBJECT ORANGE BUSINESS TRANSPORT SURVEY

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On 7 March 2002, 258 Orange Business Transport Surveys were sent out to businesses and government departments in and around Orange. At the cut-off date of 5 April, 134 responses (52% response rate) had been received and 15 had been returned as undeliverable. It could be assumed that the extremely high response rate indicates the importance the respondents placed on the survey and that their comments reflect the feelings of the commercial air travelling population generally.

Results have been tabled below, immediately after the questions, with general comments following. In all instances, percentages have been rounded off.

Mode of Transport	Number of responses	% of total responses
Private or Company Car	123	48%
🗖 Rental Car	16	6.15%
□ RPT (Hazelton Airlines)	83	32.5%
🗇 Train	7	2.75%
🗇 Coach	11	4.3%
🗇 Air Charter	15	5.9%
None of the above	1	0.4%
Total Responses	256	100%
Nil response	]	

Question 1 Of	f the following	transport service/s at	Orange,	which do	you use?
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Some respondents nominated several options, hence the high number of responses.

Comments: The figures indicate that cars are the chief mode of transport with RPT the next most highly used mode.

# Question 2 How many of your staff would use any of the above means of transport if travelling away from Orange on business?

Number of	Number of	% of total
People Travelling	responses	responses
	19	15.%
🗇 1-3	50	40.%
<b>J</b> 3-6	28	22%
More than 6	29	23%
Total	126	100%
Nil response	4	

Question 3 Do the current services, as listed above, meet the needs of your business?

	Number of	% of total
	responses	responses
Yes	105	81.4%
No	24	18.6%
Total	129	100%
Nil response	4	

\*Comments added to "No" responses are shown separately at the end of this report

[	Comments:
F	
	The majority of travellers find the current services meet their needs.

Question 4	If you are using air charter services from Orange Airport, how many
	people would be travelling at the same time for your business?

Number of People	Number of	% of total
Travelling	responses	responses
01	21	40.4%
🗖 1-3	23	44.2%
□ 3-6	8	15.4%
More than 6	0	0.0%
Total	52	100%
Nil response	57	
Not applicable	22	

# Question 5 Does your business have a need for improved air charter services from Orange Airport?

	Number of responses	% of total responses
Yes	17	16%
No	89	84%
Total	106	100%
Nil response	18	
Not applicable	5	

Comments:

It would appear that increased charter services are not an issue with most of the respondents.

Number of People	Number of	% of total
Travelling	responses	responses
Sydney CBD	113	58.00%
Sydney West	19	9.74%
Interstate	43	22.00%
International	20	10.26%
Total	195	100%
Not applicable	9	

### Question 6 If travelling by Hazelton Airlines, what is your final destination?

Comments:

The majority of travellers (58%) using Hazelton travel to Sydney CBD, the next highest users (10%) travel interstate. Sydney's West is the destination for the least number of travellers.

# Question\_7 If you are currently using Hazelton flights or charter flights, can the services be improved to meet the needs of your business?

	Number of responses	% of total responses
🗇 Yes	52	49%
🗇 No	54	51%
Total	106	100%
NII response	12	
Not	3	
applicable		

\*Comments added to "Yes" responses are shown separately at the end of this report

# Comments:

The results indicate that half the air travelling population is satisfied with the current services.

# Question 8 If you are using Hazelton for air travel in NSW, do you have a need for a direct service to another destination other than Kingsford Smith (Mascot)?

	Number of	% of total
	responses	responses
🗆 Yes	28	25.5%
🗇 No	83	74.5%
Total	111	100%
Nil response	9	
Not	1	
applicable		

#### Comments:

The majority of respondents indicated they did not require a direct service anywhere other than Kingsford Smith.

# Question 9 If yes to Question 8, Would Bankstown Airport be a suitable destination for your business requirements?

	Number of responses	% of total responses
🗇 Yes	15	26.8%
🗇 No	41	73.2%
Total	56	100%
Nil response	51	
Not	9	
applicable		

\*Comments added to "No" responses are shown separately at the end of this report

Comments:

The responses clearly indicate that Bankstown would not be a suitable alternative destination for air travellers from Orange. Several respondents were vehement in their "NO" replies.

Question 10 If you do require a direct air service to other locations would they include any of the following destinations?

Destination	Number of responses	% of total responses
🗇 Canberra	44	41%
🗖 Dubbo	11	9.5%
Newcastle	17	16%
Wollongong	1	1%
🗖 Wagga Wagga	10	9.25%
Tamworth	9	8.5%
Albury	6	5.5%
🗇 Other	10	9.25%
Total	108	100%
No response	54	
Not applicable	2	

Other = Broken Hill, Brisbane

Chris Stanger DIVISIONAL ADMINISTRATION OFFICER

# ADDITIONAL COMMENTS FROM SURVEY QUESTIONS

# Question 3: Do the current services, as listed above, meet the needs of your business?" Summary of comments from "NO" responses to

#### Timetabling issues

- Early departure from Orange requires a long wait in the CBD, second flight leaving at 7.15?
- Inflexibility in return times to Orange from major centres eg Sydney evening coaches
  5 pm latest times etc.
- Services need to reach Sydney by approx 8 am and depart 7 pm
- Air services could be more frequent, particularly in morning eg, have a 7.30 am flight
- Mostly, sometimes have to leave early or arrive back early so can catch connecting flights to Orange
- Not enough choice of flights sometimes
- Car time factor; air reliability factor
- Air timetables too restrictive
- Long delays at Sydney for connecting flights
- Airline timetables need to be more regular

### Cost issues

- Reduced schedule air fares too high
- Too expensive
- Air service to Sydney has become to expensive
- Cost
- OK but Hazeltons now more expensive, lack of discount flights
- There is no warning when Hazelton stops at Bathurst, adding 30 minutes to the trip
- Train and bus too slow to visit Sydney for one day business. Air terminal cramped after-hours facility non-existent for charter aircraft. Mobile phone service at Airport poor. Only public phone is outside terminal
- Cheaper airfares to Western Sydney would be more beneficial to my business
- Unable to get in and out of Sydney at reasonable expense and at reasonable times.

### Other transport issues

- Flights direct to Canberra
- More flight services to capital cities
- Better rail services would mean that we another viable option that we would certain use
- Charter needs 6-seater aircraft. Orange Aviation only has 4-seater
- No suitable alternative so car travel must satisfy our need
- I would fly weekly to and from Orange if there was a bus service to and from the airport and if prices for regular flyers were not over the top.
- Bus service to meet each flight at Sydney and at Orange Airport.
- Yes, but only just the write-off of VH-ARK (Aero Club's Cessna) limits the aircraft available for hire.
- Yes, except Virgin facilities are awful

# Question 7 If you are currently using Hazelton flights or charter flights, can the services can be improved to meet the needs of your business? Summary of comments from "YES" responses

### Timetabling issues

- Need to have better access at the Sydney end to the railway connection to Sydney CBS
- Better timetable
- Timetable to include Saturdays
- Timing of return flights from Sydney sometimes inconvenient eg,
- 4 pm approx return a little early if meeting in CBD
- Difficult to make connecting flights at Qantas
- Earlier return flight from Sydney about 5 to 5.30 pm
- Leave Orange 6.30 am and leave Sydney return 7.30 pm
- Flights direct to Sydney (x 2) at more sensible hours; arriving and department from proper terminal in Sydney. Public transport to Orange airport
- Earlier and late flights to Sydney
- Better timetables more in peak hours, less during the day
- · Delays are a problem, also late cancellation of flights
- Have 5 flights per day
- It would be useful if Hazeltons had a flight Sydney-orange around lunchtime so that you can take the early flight down, attend a meeting and be back at work in the afternoon.
- Time of departure too early.
- Direct connection to Canberra (x 2)
- Don't mind going via Bathurst but 6.30 too early. 7-7.30 am would be more convenient. Otherwise all OK
- Scheduling (x 2)

### Other transport issues

- I would like to see a larger plane with additional stops eg Dubbo/Orange/Bathurst
- Not stopping at Bathurst otherwise it is terrific.
- No unscheduled stops in Bathurst! It make (sic) you late for arranged appointments. Restore range of flights and fares previously offered. Was very good.
- Access from Orange to other ports.
- Unfortunately there aren't flights to destination other than Sydney where we need to send people from time to time so they have to go to Sydney first then wait for another flight.
- Hazelton should fly to Cudal if unable to get into Orange.
- Reduce price/Expense of ticket (x 4
- More flights direct to other destinations, not through Sydney
- Hazeltons to Sydney is good. To other centres = uncertain future. Recently cancelled Wagga Wagga service had to use Kendalls.
- There is a lack of suitable charter aircraft. We usually drive to Cudal
- Greater availability of short notice air charter. Hazelton schedule times not always appropriate. After-hours facilities on airport
- Out of Hazelton hands really the Virgin facilities are <u>awful</u>. You get wet going from plane to terminal
- Suitable at present but not impressed with Virgin facilities
- Flexible timetables and improved terminal site in Sydney

- Inconvenient that Hazelton use the Virgin terminal in Sydney. Preferable for the main terminal to be used.
- If I had a wish list: more flight times (I realise that in the light of recent aviation changes we are luckily to any flights)
- More flights (x 2)
- Metro aircraft not suitable. Will not fly on this aircraft
- Improved service times depart 7-7.30 am, midday service, return 6 pm
- Terminal facilities link to rail/bus/taxi substandard
- Needs to be linked to a major airline.
- Improved security at airport for vehicles left overnight.

# Question 9 Additional comments to "..would Bankstown be a suitable destination for your business requirements?

- Definitely not if Hazelton flew to Bankstown not worthwhile flying at all.
- NO.
- Already used when utilising charter.
- If flying into Bankstown I think it would be quicker and more economical to drive very difficult to get from Bankstown to anywhere else. Taxis can take up to 1 hour to arrive. Train service very poor.
- In some instances, dependent on final destination.
- Transport links to Bankstown are the main problem. Taxi is only option and its expensive.
- As our head office is in Liverpool, 90% of our staff travel there. We would assume Bankstown would be a more appropriate destination
- Sometimes.

# **General Comments**

- Hazelton is a fine airline.
- Need to make air travel for Orange residents more affordable, especially for families.
- I drive to Sydney and back in the same day. The cost of flying is too high on its own then there is the cost of taxis, hire car and by the time you wait around at airport and catch a taxi to the airport and then fly to Orange you don't save much time anyway. It's cheaper and more convenient to drive. A high-speed train would be a better option.
- Bathurst Star Air Charter has closed, leaving it difficult to find 6-seater aircraft in the area. What is Steve Eslick's future intention? He was working under Orange Aviation.
- Overall Hazelton provide a very good service need more flexibility in flights and times
- Hazelton needs a competitor. Smaller centres such as Cowra have supported two carriers, why can't we? Hazelton is no longer locally owned so it should get no special favours.
- To some extent I have resolved the issue by learning to fly, so that in future (weather permitting) I am not dependent upon Hazelton routes and connections (some of my destination are remote and can only be accessed by charter).
- This is a new business. I anticipate making greater use of air services over the next 2 to 3 years.
- Air service only used for irregular training seminars and occasional conferences.
- Our company do fly us with Hazelton but book with Qantas.

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- Our Department regularly utilises the Hazelton service to transport staff for business activities. The loss of this service would limit our region's ability to liaise and meet with our head office counterparts and other community organisations.
- Is a good service to Sydney. Inconvenience is at Sydney because of Virgin terminal access.
- Unless travelling further than Sydney we have no business use for air transport
- Of the times we have flown from Orange the service is very adequate.
- If ever Bankstown was an option this company would revert to driving.
- Just thankful that Hazelton is still flying.
- A direct connection to Canberra would provide shorter/cheaper link with southern capitals as well as Canberra itself.
- I feel we should appreciate that we have a great service with Hazelton and do all we can to keep this service.
- Have only used Orange airport twice in 20 years both for private.
- A better rail service.