

## SUBMISSION NO. 77 Burdekin Shire Council

## ABN: 66 393 843 289

Secretary J. L. Huell

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HOUSE OF REPRESENTATIVES

TRANSPORT AND

REGIONAL SERVICES

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Committee Secretary,

29 August, 2002

House of Representatives Standing Committee on Transport and Regional Services, Parliament House, CANBERRA ACT2600.

## Dear Sir,

<u>Re:</u> Inquiry into Commercial Regional Aviation Services in Australia and Transport Links to Major <u>Populated Islands</u>

I refer to the above inquiry, the terms of reference of which were tabled at Council's meeting held on 8 August, 2002. Details of the inquiry were forwarded to the Council by the North Queensland Local Government Association.

I advise that the Council has the following comments to make in relation to the inquiry:

The Burdekin Shire Council is a predominately agricultural based Shire. Sugar cane is the main agricultural crop but there is also an economically important horticultural industry in the Shire. Accordingly, the need for commercial <u>air freight</u> services is important.

It is acknowledged that the provision of a commercial air freight service will come from the private sector and that supply and demand and the economic analysis of delivering an air freight service are the types of factors that the private sector will take into account in determining whether to deliver such a service.

However, the Government may wish to consider whether it may provide incentives to assist in establishing commercial air freight services in areas that may benefit economically from such a service.

In the current difficult economic circumstances affecting the Burdekin Shire Council which are probably mirrored in many other rural and regional local authorities, it becomes extremely difficult to incur expenditure on the local aerodrome or airstrips. The Burdekin Shire has limited usage of its aerodrome and income generated from the aerodrome would not cover the annual maintenance and running costs, let alone the periodic large capital expenditures required to maintain facilities and airstrips in an adequate and safe condition. Given the above circumstances, the Council submits that the role of Local Government in supporting and assisting the development of regional air services and island transport systems should be inkind only and not require expenditure of ratepayer funds.

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I thank you for the opportunity to respond to the inquiry and trust that the Committee will take the Council's comments into consideration.

Yours faithfully,

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D.P. Mulcahy, ACTING CHIEF EXECUTIVE OFFICER