

Senate Standing Committee on Rural and Regional Affairs and Transport
ANSWERS TO QUESTIONS ON NOTICE
Supplementary Budget Estimates October 2008
Infrastructure, Transport, Regional Development and Local Government

Question No. BITRE01

Division/Agency: Bureau of Infrastructure, Transport and Regional Economics

Topic: Responses to Supplementary Senate Estimate October 2008

Hansard Page/s: 69 (21/10/08)/ Written question

Senator Ludlam asked:

Senator LUDLAM—That is a big portfolio area. What I am interested in specifically is how they are modelling or how they are incorporating estimated oil price rises into those models. I am not expecting you to have an answer to hand, but that is the area that I am interested in. When we are predicting passenger growth in and out of Australian airports, what is the input for the future oil price going into those models?

Mr Doherty—I understand. We will take that on notice.

Answer:

In forecasting, BITRE uses a model that estimates total air passenger movements as a function of population, real income, exchange rates, domestic airfares, and the prices of domestic and overseas travel and accommodation.

Senate Standing Committee on Rural and Regional Affairs and Transport
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Supplementary Budget Estimates October 2008
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Question No. BITRE 02

Division/Agency: Bureau of Infrastructure, Transport and Regional Economics

Topic: Responses to Supplementary Senate Estimate October 2008

Hansard Page/s: 69 (21/10/08)/ Written question

Senator Ludlam asked:

Senator LUDLAM—Do you perform or undertake modelling of anticipated growth in passenger numbers over time?

Mr Doherty—There is a certain amount of work done in the department through the Bureau of Infrastructure, Transport and Regional Economics.

Senator LUDLAM—Do you import that work into your agency or do you undertake that?

Mr Doherty—BITRE is part of this agency. They were giving evidence previously. We could certainly take on notice any specific questions about work that they have done in that area. In relation to the broader question about planning for that expansion, the main work in relation to prompting that investment is done by the airports themselves. The 20-odd major airports are leased under a scheme, and the airports come forward with their expansion proposals. Subject to measuring against statutory criteria, we make a regulatory decision rather than actually proposing the investment.

Senator LUDLAM—I was out of the room when the agency appeared before, so I would not mind if you could take on notice whether they undertake modelling into the estimated rate of growth of passenger numbers in and out of Australia or between airports and so on. I presume the airports use that to base their expansion proposals on?

Mr Doherty—That would be one amongst a range of sources that the airports would look to. We can certainly identify for you the work that has been done in that area.

Answer:

Air passenger movements through capital city airports to 2025–26, BITRE Working Paper 72 was released in June 2008.