

FURNEAUX GROUP AVIATION SPECIAL COMMITTEE
Unconfirmed Minutes

DATE: Tuesday 9th January 2018
VENUE: Rose Garden Room, FAEC, Whitemark
COMMENCING: 10.04am

PRESENT:

Mayor Carol Cox	Chair
Cr P Rhodes	Council
Cr K Stockton	Council
Noel Bowland	(Sharp Airlines) RPT Operator
Michael Buck	Flinders Island Tourism & Business Assoc.
Arun Kendall	Department of State Growth
John Loudon	Multi-Purpose Centre (10.28am – 11.10am)
Cody Swan	Airport Operations

APOLOGIES:

Peter Barron	Charter Aircraft
Denise Gardner	Cape Barren Island
Linda Nicol	Community Representative
Jacci Viney	Development Services Coordinator

STAFF AND CONSULTANTS IN ATTENDANCE:

Brian Barnewall	Acting General Manager
Vicki Warden	Executive Officer (Minute Taker)

CONFIRMATION OF PREVIOUS MINUTES

Moved: Cr P Rhodes Seconded: Cr K Stockton
That the minutes from the meeting held on the 30th August 2017 are a true record.
CARRIED

DECLARATION OF PECUNIARY INTEREST:

In Accordance with Section 52(3) of Part 5 of the *Local Government Act 1993* which enables a council to exempt community members who are Special Committee members from pecuniary interest for a period of 12 months, the following motion no. 297.12.2017 was passed at the 14 December 2017 Council Meeting:

1. *“That Council agrees to grant exemption from pecuniary interest to the community members appointed to all of its Special Committees for a period of 12 months.*
2. *That Council again considers the pecuniary interest of community members on its Special Committees at the December 2018 Ordinary Meeting of Council.”*

Councillor members must declare at each meeting if they have a Pecuniary Interest in any of the agenda items.

No Pecuniary Interest was declared.

CORRESPONDENCE IN

2017.12.13 Arun Kendall - Notification of the Rural and Regional Affairs and Transport Reference Committee Inquiry into the operation, regulation and funding of air route service delivery to rural, regional and remote communities.

CORRESPONDENCE OUT

2017.12.14 Committee Members – Notice of meeting on 9th January 2017 to discuss a submission to the Rural and Regional Affairs and Transport Reference Committee Inquiry into the operation, regulation and funding of air route service delivery to rural, regional and remote communities including the link to the Inquiry information and a request for early thoughts to be emailed around Councillors.

Note: Late correspondence in and out between the Chair and Paul Hodgen of Launceston Airport was discussed under Item 5: Other Business.

Moved: N Bowland Seconded: M Buck
That the Correspondence in and out was noted.
CARRIED

AGENDA

Item 1 Submission to the Rural and Regional Affairs and Transport Reference Committee Inquiry
Council wishes to prepare a submission to the Rural and Regional Affairs and Transport Reference Committee Inquiry into the operation, regulation and funding of air route service delivery to rural, regional and remote communities and will consider recommendations made by this Committee to be included in the Council submission. Submissions are due on 5 February 2018 therefore Council's submission must be considered at the 25 January Council Meeting. Details of the terms of reference of the inquiry are attached and can also be found at:
https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Rural_and_Regional_Affairs_and_Transport/RegionalAirRoutes.

A Kendall explained that the basis of the inquiry was the cost of airfares in regional areas. The State Government submission will focus on two issues:

1. Federal Government assistance needed to offset the impost of proposed federally imposed increased security measures on airports that will no doubt have a flow on affect to passengers.
2. Encouragement of price transparency in airfare pricing and parity across Australia as airfares need to be affordable to promote economic growth in regional areas.

ACTION: A Kendall will seek approval to provide the Council with a confidential copy of the State Government submission next week.

Discussion followed with the following input and comment from members:

FITBI, supported by council funding, has embarked on a major marketing program to encourage regional growth through increased visitation. The cost of getting on and off the Island is an issue.

Over the past few years major infrastructure on the island has filled planes with tradesman flying on and off. We now need to replace them with visitors to keep the RPT viable.

As airports are being asked to bear the cost of national security requirements, the federal government should bear some of that cost. The introduction of screening at Mildura airport added \$25 per passenger and they lost an airline. We need our RPT to survive as well as encourage visitation.

Compliance requirements add substantial cost for the RPT. Charter airlines have less regulatory burden and the RPT can't compete. Parking costs of \$600 per year at Launceston airport are also an issue as more and more people are leaving their vehicle for free at Bridport then flying with a charter airline from Flinders to Bridport at a cheaper rate than the RPT. Passengers are using charter at a lesser cost but also possibly compromising their safety. (Refers to use of private airstrips which may not be well maintained.)

Pricing disproportionately higher in regional areas.

Add to the submission that we recommend the Australian Government's Regional Aviation Access Programme (RAAP) continues past the current Round 4.

A survey of airports with newly introduced security screening showed it adding an average of between \$11-\$22 per passenger to the cost of flying each way.

Building passenger numbers is the most effective way to keep costs down.

The Health Department has prepared its own submission to the Inquiry.

Sharp Airlines will put forward its own submission and will talk security down as much as possible.

FITBI may also make a submission.

The Mayor will also again include information of the inquiry in the next Island News.

It is not known yet if the regional terminal at Launceston will require the same level of security screening that the main terminal will have. Essendon airport has many more airlines flying out of it so will most likely require screening. Currently most of our visitors come from Essendon. More information about proposed changes to security at regional airports is needed.

State Government provides subsidies for health, education and a pensioner rebate and the federal government supports RPT flights to Cape Barren Island by Airlines of Tasmania. Sharp Airlines also receives a subsidy for remote service. More information required.

ACTION: A Kendall to provide details of subsidy received by Sharp Airlines.

Members' response to the Inquiry points:

The operation, regulation and funding of air route service delivery to rural, regional and remote communities, with particular reference to:

- a. social and economic impacts of air route supply and airfare pricing;
Airfare pricing needs to encourage population growth; allow residents to connect with families who live on the mainland; encourage visitation.

- b. different legal, regulatory, policy and pricing frameworks and practices across the Commonwealth, states and territories;
Regulatory compliance is different for RPT and charter airlines and the disparity causes pricing issues.
- c. how airlines determine fare pricing;
Unknown. The per km rate across regional Australia is similar to here. Short routes are in general more expensive.
- d. the determination of airport charges for landing and security fees, aircraft type and customer demand;
Council owns, operates and maintains the airport at a loss of about \$180,000 per year and as there is only one RPT service, is unable to pass on the full operational costs to the airline. Council in effect provides a subsidy of this amount, plus provides free carparking. Cost of maintenance is much higher in rural areas.
- e. pricing determination, subsidisation and equity of airfares;
*Resident rate airfares are desirable. The Special Zone B Tax Allowance, given to offset the costs of living in a remote area, is about \$1200 and hasn't increased in about 20 years. Needs to increase to compensate for increased airfares.
Increased support required from State Government to cover biosecurity costs.*
- f. determination of regulated routes and distribution of residents' fares across regulated routes;
- g. airline competition within rural and regional routes;
Another RPT could come in at any time and operate but it is not a viable proposition. Competition with charter airlines has increased; there are currently 4 planes at Lady Barron, 1 at Whitemark and 5 operating into Killiecrankie.
- h. consistency of aircraft supply and retrieval of passengers by airlines during aircraft maintenance and breakdown;
*Sharp Airlines cover maintenance and breakdowns in the best and most efficient way they but it comes at a cost. Passengers usually only wait a few hours for a replacement service. They are unable to land after last light so in winter this could mean passengers have to wait until the next morning for a flight.

In winter with less passengers they sometimes ration flights and flights are occasionally cancelled if not enough seats are booked. In this case they move people to another plane. Islanders need to learn to book ahead, particularly in winter.*
- i. all related costs and charges imposed by the Civil Aviation Safety Authority; and
CASA costs are not huge and are standard for all airports. As this is a federal requirement, could that be a federal program to subsidise CASA costs for regional airports?
- j. any related matters.
Stand by costs for RFDS are \$40 per night every night of the year.

C Cox has drafted an introduction for the Inquiry.

ACTION: C Cox and V Warden to prepare a draft and send to committee members for comment prior to it going to Council.
V Warden to contact L Nicol to get her comments.

Moved: M Buck Seconded: Cr K Stockton

That the submission was discussed in detail and a draft will be developed and circulated to members for comment before going to Council for consideration.

CARRIED

Item 2 Airport Update

B Barnewall provided an update on airport activities. CASA surveys - technical, lighting and OLS – have been recently completed and all met CASA requirements. Staff are still waiting on the Pitt and Sherry deflector testing report. Concept plans for development of the hanger, terminal and residential areas were tabled. Progress on the work has slowed over Christmas. Interest in the commercial hangars is currently unknown however there is definite interest in the private hangars and this will be the priority when staff return to work.

K Stockton reported that mainland Airparks are selling very well and with the imminent telecommunications upgrade, our Airpark could also be popular.

The Report on the airport was noted.

Item 3 Solar Array at the Airport Update

Staff have organised for Lister Electrics to complete the work on the array when they next return to the Island.

Item 4 Passenger Numbers (Information)

RPT passenger numbers for all airports can be found by visiting the website:

http://bitre.gov.au/publications/ongoing/airport_traffic_data.aspx

The last five years RPT passenger figures for Flinders Island Airport are:

RPT passengers only

AIRPORT	Year	Rank	INBOUND	OUTBOUND	TOTAL
FLINDERS ISLAND	2012-13	-	9,744	9,945	19,689
FLINDERS ISLAND	2013-14	-	10,136	10,223	20,359
FLINDERS ISLAND	2014-15	-	9,670	9,629	19,299
FLINDERS ISLAND	2015-16	-	10,228	10,419	20,647
FLINDERS ISLAND	2016-17	-	10,752	10,768	21,520

Reference: Airport Traffic Data 1985–86 to 2016–17

http://bitre.gov.au/publications/ongoing/airport_traffic_data.aspx

Report noted.

Item 5 Other Business

Access to Sharp Terminal - Launceston

After being one of several people refused access to the 'full' Long-Term Carpark at Launceston terminal to drop off/pick up passengers at Sharp Airlines Launceston terminal, C Cox wrote to Paul Hodgen of Launceston Airport regarding the issue which was supposed to have been fixed last year.

Note: The correspondence in and out to Paul Hodgen was read to the Committee and will be included at the end of these minutes.

P Hodgen responded that the parking system has no way of differentiating between parking and sharp terminal access. When the carpark is full, sharp terminal access can be gained by pressing the button on the console and asking the operator to open the boom gate. They will review the situation and look at options.

Freight delivery companies have also had issues accessing the terminal, trying the console and being at times being refused access and being asked by security guards to move on. This is yet another reason for people to use charters instead of the RPT.

The Committee agreed that the access to Sharp Airlines through the carpark was badly designed and needs to be redesigned to provide access to the terminal separate from the carparks.

FITBI Activity

M Buck reported that through the Destination Action Plan, FITBI has engaged a consultant to look at directional and information signage needs for the whole island, including the airport. They have also started a visitor survey which will operate until June for outgoing passengers with a return airfare as a prize to encourage participation.

Next Meeting:

Meeting Closed: 11.10am

Vicki Warden

From: Carol Cox
Sent: Sunday, 7 January 2018 10:58 PM
To: Paul Hodgen
Subject: Re: Sharp Access over holiday period

Hello Paul,

Thank you for your detailed response. I do believe some of the cars reversing away from the in boom gate were there to pick up sharp passengers, but obviously were unaware that a request through the intercom would give them access. This deterred others from approaching the boom gate.

I will try and spread the word, that at times when the car park is full access for pick up/drop off to the sharp terminal through the car park will be given if requested by pushing the button and making the request. I will be interested to hear if any other solutions are developed to deal with these times.

Yours sincerely

Carol Cox
Mayor
Finders Council.

From: Paul Hodgen <paul.hodgen@lst.com.au>
Sent: Friday, 5 January 2018 11:09 AM
To: Carol Cox
Subject: RE: Sharp Access over holiday period

Happy New Year Carol!. I am sorry to hear of the issues encountered on Christmas Eve. Please accept my apologies.

I am afraid the SKIDATA car parking system has no inbuilt way of differentiating between someone taking a ticket to enter to park and someone taking a ticket to enter for Sharp terminal access.

From 23rd December onwards we deployed a Variable Messaging Sign indicating that the long term car park was full and that parkers should use the Saver car park. However, drivers intending to park still seem undeterred and will insist on approaching the boom gate, hence the manoeuvring to and fro.

If we allowed unfettered access to the car park to all vehicles (when full), we end up in a situation with cars endlessly circling looking for non-existent parking spaces (and potentially missing departing flights), irate debates with users over whether they are going to be charged, and in some instances reckless or indiscriminate parking in non-designated areas causing a danger to other car park users, or occupying disability bays.

As I think I mentioned to you, in a "car park full" situation, pressing the button on the console to page the duty operations officer will allow them to override the booms and grant access/egress to those wishing to perform Sharp pick-up or drop-off. The ops staff report that many users over the holiday period availed themselves of this facility.

I will be convening a meeting with management team when they return from leave to review the ongoing issues and what further options may be open to us.

Apologies again for the inconvenience caused,

Regards, Paul

Paul Hodgen
General Manager
Launceston Airport

Mobile +61 447 571 199
Phone + 61 3 6391 6222
Fax + 61 3 6391 8580



From: Carol Cox [mailto:carol.cox@flinders.tas.gov.au]
Sent: Wednesday, 3 January 2018 4:03 PM
To: Paul Hodgen
Subject: Fw: Sharp Access over holiday period

Hi Paul,

Hope the Christmas break was a good one for you and wishing you all the best for 2018.

I am sorry to have to begin the New Year with a complaint regarding a matter that I thought had been fixed. I refer to our discussion early last year (January 2017) regarding nil access to car park one, even for collection of Sharp travellers, once the car park is full.

I seem to recall from our discussions when this happened last year that the issue would be attended to. Admittedly this year there were no security staff strongly telling people they could not enter but on Christmas Eve this year, the car park was flagged as full and the boom gate would not allow cars to enter to collect passengers arriving, even though the pick up area in the car park could have been used to do so. This was really bought home to me as my husband was totally unwell, including bad back pain and had to struggle quite some distance to be collected. There were several vehicles trying to manoeuvre away from the car park entry when the boom gate would not work and was giving the message car par full.

Can you please explain, why, even if the car park is full, vehicles are not allowed in to collect passengers from the Sharp terminal.

I thank you for listening and am sure that a small tweak can fix this issue to avert future frustrations.

Yours sincerely,

Carol Cox
Mayor & Chair of the Flinders Council Aviation Special Committee
Flinders Council
Tel: 0488482002.
email: carol.cox@flinders.tas.gov.au

From: Paul Hodgen <paul.hodgen@lst.com.au>
Sent: Thursday, 5 January 2017 10:04 PM
To: Carol Cox
Subject: Sharp Access over holiday period

Hi Carol, Happy New Year to you too. Am in UK on leave over Xmas and New Year. Will be back next week so will give you a call then when I get my feet back under the desk and catch up on what has transpired parking-wise over the holiday period. Just prior to my departure our contingency plans for provision of additional short-term temporary capacity over the holidays in the northern car park ended up being scuppered by timeframes required to meet building controller and environmental officer approvals.

Talk later, Regards Paul

Sent from my iPhone=

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