

AN:AN: 255/07/00/00

Mr Alan Nelson

4 October 2006

Productivity Commission
Locked Bag 2
Collins Street East
MELBOURNE VIC 8003

Dear Sir

Re: Review of Price Regulation of Airport Services

Thank you for the opportunity to comment on the recently released Draft Report on the Review of Price Regulation of Airport Services.

Council appreciates that it is a very difficult, perhaps impossible, task to balance the competing demands placed on Sydney Airport by its users. This is, arguably, made even more demanding because of the fact that the facility has been sold and now rests in commercial ownership with management seeking to maximise profits on behalf of shareholders.

Council would like to make brief comment on the section of the report which relates to access to Sydney Airport by regional airlines. In your report you have made three possible initiatives aimed at delivering an appropriate balance in the face of growing capacity constraints, these being :

1. Increasing the minimum size of passenger aircraft used on new services into Sydney Airport from the current level of 18 seats.
2. Shifting more regional flights into shoulder periods.
3. The use of Bankstown Airport as an alternative Sydney Basin airport for regional services.

Regional aviation services into Sydney are typically used by business and other interests seeking quick convenient travel into Sydney, often with the expectation that return travel in the one day would be achievable without the expense and the time involved with an overnight city stay. Shifting flights into shoulder periods, or using Bankstown as an alternative destination, would see, in most instances, an inability of travellers to get in and out of Sydney in the one day.

Council could suggest the removal of the overnight curfew would achieve substantial capacity improvements and bring Sydney Airport operations into line with nearly all other international airports. However, it is acknowledged that this would produce

significant hardship for city residents, particularly those residing under and near flight paths. It is suggested that, to move regional services away from peak periods, or to transfer flights into Bankstown, without the development of high speed infrastructure to bring people into the city, would similarly produce great hardship for regional people. In addition, as people tended to move away from regional airline services because of reduced convenience, the economic viability of the industry would be threatened.

Sydney Airport should be seen as a facility which has been developed for all Australians, including those residing in regional areas, as a first priority. To move regional services to a poorly serviced metropolitan airport, to allow the main airport to cater for overseas connections, would tend to support the view that regional Australians are considered to be second class citizens.

Walgett Shire Council is opposed to any moves which restrict access, from present service levels, to Sydney Airport for the customers of regional airlines.

Yours sincerely

Alan Nelson
Manager Engineering

For

Stephen McLean
General Manager