

Your ref:

27 July 2017

Dr David Worth
Principal Research Officer
Economics and Industry Standing Committee – Legislative Assembly
Parliament House
Level 1, 11 Harvest Terrace
WEST PERTH WA 6005

By email: laeisc@parliament.wa.gov.au

Dear Dr Worth

Inquiry into regional airfares in Western Australia

I refer to your letter dated 26 June 2017 inviting the Shire of Broome to provide a written submission to the Economics and Industry Standing Committee's inquiry into airfare prices on regular public transport air routes in regional Western Australia.

In relation to the Inquiry's matters to be evaluated as outlined in your letter, the Shire is able to provide comment on point (b):

"impacts that high-cost regional airfares have on regional centres – from a business, tourism and social perspective".

The Shire is aware that high airfares present a significant challenge and have a substantial impact on the Broome community and economic development within the town. In relation to this matter, the Shire would like to highlight the following impacts on Broome from the high cost of airfares:

Business impacts

- Increased costs of operating businesses in the north west, and additional impediments to new businesses.
- Provides challenges for businesses looking to relocate to a regional area with access to good air services.
- Limited ability for local businesses and organisations to cost effectively access professional development, training, conferences, meetings etc where travel is required.
- Contributes to greater isolation with regards to access to staff, customers and services elsewhere.
- Limits the pool of prospective employees based on cost of living/travel, remoteness and related pay scales/living allowances are required to commensurate.

- Increases costs of goods and services to the community to reflect business costs.
- Challenges to current and future economic development - impacting the ability to establish, strengthen and accelerate trade and social connections across the state, country and abroad.
- Contributes to stifling stronger productivity performance and economic growth.

Tourism impacts

- The high costs of flights do not assist in the promotion of Broome as an affordable or accessible tourist destination.
- International and interstate travel is often more affordable – making it challenging for the Kimberley tourism sector to compete and providing little encouragement for domestic tourism centred on Broome based on cost alone.
- Concerns regarding impact on pricing and availability of airfares for tourism/residents where resource companies are utilising a fly in – fly out workforce.
- The tourism sector employs the most people in Broome. Reductions and impacts on numbers of tourists have a broader economic flow on effect throughout the community.

Social (community) impacts

- The cost of living in the north west is increased dramatically by the price of airfares.
- The geographical remoteness of Broome in comparison to the remainder of the State is exacerbated by accessibility of flights at affordable prices.
- Last minute, unexpected or peak season flights are regularly unaffordable for the majority of residents. Flights during the tourist season (April – October), around public holidays (Christmas, Easter etc) or during school holidays are not accessible for the community.
- Increased isolation for residents who have distant family or other requirements to travel elsewhere in the state.
- Prohibitive for residents to access the specialist health, education, commercial and recreational facilities that are not available where they normally reside.
- Increased costs for residents requiring travel to access medical services outside of Broome – especially where the Patient Assisted Travel Scheme (PATS) does not fully cover costs or is unable to be accessed.
- Increased costs of boarding school or remote schooling, especially when children return home during school holidays.

If you require any further information in relation to this matter, please do not hesitate to contact the Shire's Manager Community & Economic Development, Mark Davis on (08) 9191 3456 or mark.davis@broome.wa.gov.au.

Yours faithfully

Sam Mastrolembo
Chief Executive Officer