

REGULATED NON-JET REGIONAL AIRLINE NETWORK

626. Hon KEN BASTON to the parliamentary secretary representing the Minister for Planning and Infrastructure:

I refer to the minister's announcement on 10 August 2005 of Skywest as the preferred applicant for an exclusive licence to operate a regulated non-jet regional airline network to nominated centres in the north west.

- (1) Is the minister aware of the Skywest advertisement in the *Sunday Times* of 28 August 2005 - only 18 days later - offering a special airfare to Exmouth for \$388, including two nights accommodation, and a special airfare to Broome for \$366, including three nights accommodation?
- (2) Given that this airline has a monopoly on air travel into Exmouth and no monopoly to fly into Broome, does the minister agree that the lack of airline competition is disadvantaging tourist operations in Exmouth?
- (3) Will the minister table the tender guidelines?

Hon ADELE FARINA replied:

I thank the member for some notice of this question.

- (1)-(2) The review into intrastate air services has clearly demonstrated that Exmouth could not sustain competition. The government has worked hard to ensure services are maintained to Exmouth and other regional communities in the intrastate non-jet network, and the recent tender process has delivered this. Indeed, this government worked with Skywest and the resources sector to ensure that Exmouth also received a jet service during the tourism season, which the government would like to see as a year-round service. The government notes that there is a \$22 difference in the cost of the packages. However, these are starting prices only and it is interesting to note that the range of accommodation listed in the advertisement is generally cheaper for Exmouth than for Broome. Further, if a tourist wanted to stay an extra night in Exmouth under the \$388 package - airfare plus two nights - it would cost an extra \$47.50 or a total of \$435.50 to have three nights. This would make this package cheaper than 10 of the 12 packages listed for Broome under the same advertisement.
- (3) The tender guidelines are available to the public and I table the tender document.

[See paper 700.]