

Frequently asked questions Review of regulated Regular Public Transport (RPT) air routes in Western Australia

Why are some of WA's intrastate passenger air services regulated?

An adequate level of air services is required for many regional towns to ensure community access and economic development.

The State Government's starting position is not to regulate Regular Passenger Transport (RPT) air routes where feasible. Government intervention is only required when there is an unacceptable risk that an adequate level of RPT services will not be provided to regional areas.

An adequate level of RPT air services is determined in terms of frequency, reliability, quality and affordability impacting on the wellbeing of regional towns that rely on the services.

Why are WA's regulated intrastate passenger air routes being reviewed?

The State Government is committed to ensuring an adequate level of air services is maintained to regional towns; in July 2013, the Department of Transport (DoT) began a review of WA's regulated Regular Public Transport (RPT) air routes. This review considers the future aviation needs of both regional communities and the State by proposing a new regulatory approach to intrastate RPT air services beyond February 2016, when the current regulatory arrangements between the State Government and airlines cease.

The review also proposes a modified charter policy that aims to ensure that charter air services do not detract from the viability of regional RPT air services while also imposing minimum costs on the resources industry — which is a key contributor to WA's economy.

Which regulated intrastate passenger air routes are being reviewed?

The review of WA's regulated Regular Public Transport (RPT) air routes makes recommendations for eight routes beyond February 2016, as follows:

- Perth-Learmonth (Exmouth) recommendation for full deregulation to open the route to competition via potential other service providers.
- Perth-Albany route recommendation to reduce regulation and open the route to potential competition. The State Government will ensure oversight of scheduling, pricing and community engagement for air services is appropriate.
- Perth-Esperance recommendation to reduce regulation and open the route to potential competition. The State Government will ensure oversight of scheduling, pricing and community engagement for air services is appropriate.
- Coral Coast (Perth-Monkey Mia-Carnarvon) recommendation to continue regulation to ensure provision of a Regular Public Transport (RPT) air service on the route.

- Northern Goldfields (the three routes of Perth-Wiluna-Leinster; Perth-Leonora-Laverton; and Perth-Meekatharra-Mount Magnet) – recommendation to continue regulation of the three air routes by:
 - maintaining the existing route connections; or
 - establishing new route configurations (direct or triangulated) between Perth and the airports of Laverton, Leonora, Meekatharra, Mount Magnet and Wiluna; or
 - discontinue Leinster as a regulated RPT airport, possibly earlier than February 2016.
- Perth-Derby (Curtin) recommendation to flexibly regulate the route by allowing potential entry of other service providers should there be a significant change in the region's economic circumstances.

For more detail on the proposed regulatory approach for each route, see DoT's position paper at Review of Regulated Regular Public Transport Air Routes in WA- Position paper.

Why is regulation being reduced on some of WA's intrastate air routes?

Reduced regulation of certain routes, where feasible, may provide the opportunity to foster competition; place downward pressure on airfares; and provide greater choice and increased services for travellers – which could create opportunities for local communities, the aviation sector and the tourism industry.

It is acknowledged that deregulation of all currently regulated intrastate air routes could adversely impact remote communities by inhibiting access to essential services and minimising the potential for regional economic growth. However, an unregulated system could work well in some market sectors. The State Government favours a light-handed regulatory approach to enable the airlines to responsively meet demand within aviation markets.

What happens if a route is deregulated, but no airlines choose to provide an RPT service?

The State Government is committed to ensuring an adequate level of air services to regional towns, and DoT's review of WA's regulated Regular Public Transport (RPT) air routes recognises the specific economic and social context of each route.

DoT will continue to monitor routes which are deregulated. This includes undertaking a risk assessment of the deregulated routes and identifying mitigating actions for each risk.

If there is unacceptable risk or market failure that would threaten the sustainability of RPT services on a route, the State could intervene and re-regulate the route.

The State Government's position is that government intervention is only required when there is an unacceptable risk that an adequate level of RPT services will not be provided to regional areas.

What consultation has occurred in the lead-up to the review?

DoT has developed a position paper on the review of WA's regulated Regular Public Transport (RPT) air routes based on statistical data and feedback from preliminary consultation with airlines, charter operators, local governments and airports, State Government agencies, the resources industry and peak bodies.

There has also been significant engagement with stakeholders and communities through the biannual regional Aviation Community Consultation Group meetings, which DoT will continue to chair as an important process in developing the future needs of regional WA communities.

During a three-month public consultation period following the release of the position paper for comment, DoT will hold additional regional workshops with key stakeholders in order to obtain direct feedback on the proposed regulatory approach for each route.

What happens once the consultation process has concluded?

Following the public consultation period, DoT will consider the feedback for a final report for the State Government to determine the future regulatory approach for each route.

Following decisions by the Minister for Transport, DoT will implement changes to regulation in conjunction with the airlines.

How can I comment?

Submissions on DoT's review of regulated Regular Public Transport (RPT) air routes in WA can be made via:

email to airroutesreview@transport.wa.gov.au; or

post to 'Review of regulated Regular Public Transport (RPT) air routes in WA', Department of Transport, PO Box C102 PERTH WA 6839

Submissions must be received by 5pm (WST) on 31 October 2014.