

Meeting Minutes

Meeting Number: AUGW201

MEETING TITLE	Air User Group Meeting – Western 2 Service	
Chairman	Louise Ottewell (LO), Manager, Contracts and Branding – Skytrans	
Date/Time	Thursday 22 April 2010	1600 to 1800
Venue	Diamantina Council Chambers, Bedourie	
Attendees	Steve Jones, Commercial Manager RPT – Skytrans (SJ) Clare Nash, Community Relations Manager – Skytrans (CN) Andrew Mahon, Principal Advisor, Aviation – DTMR (AM) Rob Dare, Mayor – Diamantina Shire Council (RD) Garth Tully, Councillor – Diamantina Shire Council (GT) Wayne McGovern, Manager (Passenger Transport), Southern Region, DTMR (WM) Brian Mooney, Tourism and Development Manager – Diamantina Shire Council (BM) Bruce Scott, Mayor – Barcoo Shire Council (BS) Michael Parker, CEO – Barcoo Shire Council (MP) Barry Gaffney, Deputy Mayor – Diamantina Shire Council (BM) Scott Mason, CEO – Diamantina Shire Council (SM) Joyce Crombie, Councillor – Diamantina Shire Council (JC)	

Apologies

Agenda Item	
Opening & recording of Attendees	The meeting opened at 1615 hrs with 13 attendees noted and 0 apologies. Quorum present.
Acceptance of Previous Minutes	N/A

What follows is a summary of discussions which draws out the salient points of the Western 2 Air User Group meeting. If you require more information of anything contained herein, please contact:

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Action Register		Meeting Identifier: AUGW2	Meeting Number: 01
Agreed Action, Owner & Status	Discussion and Action		
AUGW201.1	<p><u>Introductions</u> Round the table introductions from attendees and explanation of the format of the meeting and the various roles of individuals.</p> <p>Meetings will be held approximately 3 times a year in order for Skytrans and DTMR to gain feedback from key stakeholders on the Western 2 service. The location will be rotated between the ports. Teleconference options are available for those who can't attend. The agenda will be based on feedback gained from passenger surveys. Minutes will be distributed and forwarded to all invitees and also be made available via council and Skytran's website.</p> <p>AM noted that the frequency maybe reviewed given the positive feedback from Air User Group meetings (all air operators) to date. The main purpose of them originally as because feedback wasn't being gained from stakeholders when the previous operator was servicing the routes. Now that the situation has changed and communications are honest and open, there may not be a need for 3 annual meetings.</p> <p>BS acknowledged that there was almost no contact from MacAir whilst they operated the service regarding issues.</p>		
AUGW201.2	<p><u>Western 2 Service - Overview</u> LO presented an overview of the status of the status of the DTMR contract. Skytrans was awarded the remaining term of the Gulf and Western subsets (ending in March 2013) in December 2009 having operated under an emergency services arrangement since February</p>		
AUGW201.3	<p><u>Subsidy Structure</u> AM explained how the subsidy structure works and the changes which have been implemented in this respect since the collapse of MacAir. AM also discussed the tender process involved in selecting the current airlines for all subsets.</p> <p>AM discussed how the aim is not to subsidise any of the services across all networks long term as they should reach a point where the function on a 'stand alone' basis.</p>		

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<p>AUGW201.4</p>	<p><u>Schedule</u></p> <p>LO presented the schedule. RD commented that he had been in discussions with Mike Thinee (Skytrans) regarding extra services, possibly on a Sunday – Brisbane/Bedourie/Brisbane in one day but not stopping at other ports. <u>ACTION:</u> LO to liaise with Mike Thinee.</p> <p>AM said from the perspective of DTMR, Skytrans has to provide the minimum service levels in line with contractual obligations. Anything additional is fine. LO said potential changes to the schedule would be made in consultation with DTMR.</p> <p>MP noted that Wednesday is when the Santos shift change takes place.</p> <p>GT expressed an interest in adding Longreach to the service. AM explained that as this was a regulated port, it was not possible unless it could be proven that it did not detract from Qantas's business. This was thought to be unlikely.</p>	
<p>AUGW201.5</p>	<p><u>Fares</u></p> <p>LO presented an overview of the fare structure. AM explained the fare capping structure. DTMR only set the maximum fares and Skytrans can alter these up to that amount. LO advised that this was always done in consultation with DTMR. SJ explained the range of fare types available.</p> <p>MP commented that corporate travel rates would be appreciated. SJ explained that pre booking/buying in bulk could be an option in this respect.</p> <p>BS would like to see student fares introduced. SJ advised that this will be happening in the near future and would communicate information once it had been finalised.</p> <p>MP observed that its' 60% more expensive to fly to Bedourie from Windorah than the other way round. <u>ACTION:</u> SJ to investigate.</p> <p>RD queried why Skytrans can't reduce fares which remain unsold. SJ explained that as a business we have to remain sustainable which was something the previous operator proved not to be. By offering a range of fares, the ability to book in advance, regular travellers are able to fly for relatively little. We don't want to be in a position whereby everyone waits until the last minute before booking as this would have a negative impact on the business.</p> <p>RD commented that if student fares were introduced, travel would increase from Mount Isa. SJ advised that we would be looking into this.</p>	
<p>AUGW201.6</p>	<p><u>On Time Performance</u></p> <p>LO presented the on time performance statistics and explained how the KPI reports work in this respect. Skytrans has to operate to prescribed standards which are communicated monthly to DTMR. RD expressed that everyone was extremely happy with the reliability of Skytrans and that life had been made much better since the previous operator. BS advised that reliability means a lot to people and that our crew and catering on board are a credit to Skytrans.</p>	

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AUGW201.7	<p><u>Community</u></p> <p>CN introduced herself and her role. Since securing the remaining term of the contract, Skytrans has been in a position to make firm plans for the future. One major action was the need for a Community Relations Manager who could spend time with stakeholders on the Western services identifying ways in which the communities can be supported and monitor feedback in general. SJ explained that this role has been in place for the Gulf and our non subsidised RPT routes for almost a year and has been extremely successful.</p> <p>CN plans to attend local events and work closely with businesses which could potentially align with Skytrans, and vice versa.</p>	
AUGW201.8	<p><u>Passengers Surveys</u></p> <p>LO presented the passenger survey statistics which were extremely encouraging. WM said TWB were very happy with the service and that passengers would rather drive than fly out of Oakey. BG also said he was happy with the TWB service.</p>	
AUGW201.9	<p><u>Freight</u></p> <p>BG commented that there was not much freight on the runs. SJ agreed that this was an area which needed to be worked on.</p>	
AUGW201.10	<p><u>Disaster Relief</u></p> <p>AM observed that communications within DTMR are improving in terms of disaster relief work which has also raised awareness of the capabilities of Skytrans. SM expressed a preference for 28 configuration when transporting perishables and to do this in stages rather than fly out bulk amounts which have a short lifespan but EMQ want full freight configuration which doesn't make sense.</p> <p>RD said that freighting fruit and vegetables for a short period isn't profitable but you can do it. One or two drops per flood would therefore be possible.</p> <p>WM noted that DTMR decide what format disaster flights are handled in. AM advised that communities could liaise with Skytrans regarding freight capacity during disaster periods.</p> <p>SM thanks Skytrans for reconfiguring the aircraft at short notice.</p>	

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<p>AUGW201.11</p>	<p><u>AOB</u></p> <p>BM asked whether VARS could facilitate car hire and holiday packages. SJ explained the system and also Skytrans involvement with Parker Travel which would extend to the Western services over time. Implementation of the VARS reservation system which will allow tourists to book cars, hotels and flights at the same time, should occur soon. Apologies were made for the delay.</p> <p>LO noted that marketing would be more of a focus now the remaining term of the tender had been secured. This would be in conjunction with CN, Skytrans Commercial Team and Parker Travel (where appropriate).</p> <p>SJ asked what impact the rain had and whether people would come back to the land. GT and RD said that all is stable and that everyone had been able to remain on the land.</p> <p>RD acknowledged the efforts of DTMR in restoring a reliable service to the region. Credit was also given to Skytrans for the hard work and genuine commitment to the service.</p> <p>BS noted the hard work of Rebecca Russell and Paul Stenhouse (DTMR). AM acknowledged that a lot of work had been put in by the team and that the positive feedback in this respect would be passed on.</p>	