



Northern Territory Government

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Ms Lisa Gropp
Assistant Commissioner
Productivity Commission
Airports Inquiry
LB2, Collins Street East
MELBOURNE VIC 8003

Dear Ms Gropp

RE: INQUIRY INTO PRICE REGULATION OF AIRPORT SERVICES

Please accept the following somewhat belated comment on the Draft Report.

The recommendation of a light-handed approach to price and conduct monitoring of major airports for a probationary period is supported as the best option.

However Darwin Airport, a relatively small airport business in the developing north of Australia, should be excluded from this group. There appears to have been little in depth analysis of Darwin Airport's supposed market power and its inclusion along with Sydney, the nation's gateway, is questioned.

It is also recommended that the lifting of price oversighting in October 2001 be used to assess the success of subsequent arrangements between airports and airlines.

Yours sincerely

ROD NELSON
Manager Aviation

// January 2002