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Professor Richard Snape
Presiding Commissioner
Airport Inquiry
Productivity Commission
LB2 Collins Street East
MELBOURNE VIC 8003



Rich

Dear Professor Snape

PRICE REGULATION OF AIRPORT SERVICES

Thank you for providing a copy of the draft report into Price Regulation of Airport Services.

As you are aware, the recent Ansett collapse is expected to have an enormous impact on business activities for airport operators and associated industries/businesses which were not taken account at the time of the release of the draft report. The Department of State and Regional Development supports the Productivity Commission's preferred option of price monitoring of the major Australian airports, provided that ramifications of the Ansett collapse do not materially alter the Productivity Commission's rationale for the preferred option. Please note that this view is supported by the Department of Infrastructure.

I look forward to the release of the final report in December.

Yours sincerely

Neil Edwards

Neil Edwards
Secretary