Hobart INTERNATIONAL AIRPORT

Our Ref: 4-105

Your Ref:

Direct Telephone
(03) 6216 1630

27th June 2006

Ms Jill Irvine
Price Regulation of Airport Services Inquiry
Productivity Commission
PO Box 80
BELCONNEN ACT 2616

Dear Ms Irvine,

SUBMISSION ON PRICE REGULATION OF AIRPORT SERVICES

Thank you for the opportunity to make a submission on the Commission's Inquiry into the above matter.

Please find enclosed a copy of our Company's submission for consideration. We look forward to meeting with the members of the Inquiry's Committee to discuss and elaborate upon the contents of the enclosed document.

Yours sincerely,

Wayne Tucker
Chief Executive Officer

SYSTEM CERTIFICATION ISO 9001:2000 SGS

HOBART INTERNATIONAL AIRPORT PTY LTD

SUBMISSION TO PRODUCTIVITY COMMISSION

THE PRICE REGULATION OF AIRPORT SERVICES

Introduction

Hobart International Airport Pty Ltd purchased the lease of Hobart International Airport, with effect from 11 June 1998. The tender system and representations adopted by the Commonwealth and its consultants at the time Phase 1 and 2 Airports were privatised ensured that the Commonwealth obtained maximum value for its privatised airports, well in excess of their intrinsic value at the time, as a going concern. Indeed, the prices obtained by the Commonwealth were a matter of some public celebration by the Government of the day.

For its new owners the experience with Hobart Airport has been little different than that of the other privatised airports. On sale its building and infrastructure assets were found to be in poor condition, due to a failure to invest and maintain the assets under government ownership. The truth of this statement is evidenced by the extraordinary but necessary investment in airports by their private owners, who come from a background where unnecessary expenditure is waste of capital.

By June 2008 our Company will have had to (since 1998):

- rebuild its terminal buildings;
- replace, upgrade and expand virtually all its electrical, water, sewerage, wastewater treatment and roading systems.

These works do not, of themselves, produce a return on investment, but rather, merely serve to provide the opportunity to continue to seek that return.

For the financial year 1998/1999 our Company's gross revenues were $3.37 million and, in common with most privatised airports we sustained a loss. Prior to privatisation our Airport's initial aeronautical charges were subsidised by the FAC, however, the pricing structure was carried over after privatisation and subject to the "Price Cap" (CPI – X). The charges could not sustain the business operation on its new "stand alone" basis, and the early trading years were characterised by a focus on liquidity, rather than growth. It was only the subsequent removal of the "Price Cap" that enabled our business to survive and provide a basis upon which necessary capital investment can be made.

The experience of most Airport Operator Companies (AOC) is that the privatisation of airports has created an exciting operating environment. There is now a real focus on the need for continued passenger and freight growth through the facilitation of new domestic tourism and export markets, and airport property development, to support and encourage the renewal and further development of aeronautical infrastructure and services.

The privatisation of the airports has, to a significant degree, promoted the commercial reality that there is an inter-relationship and reliance that needs to be fostered between government, transport and tourism agencies, tourism operators, the airlines and AOCs. At this time in the evolution of a deregulated operating environment, however, much work still remains to be undertaken to move the parties towards a more cooperative and strategic working relationship that recognises each other's operating needs, strengths and weaknesses. In our Company's experience the inter-relationship between AOCs and the airlines has been recognised but works best at the local, rather than the policy or corporate level.

For its part our Company has invested considerable time and expense to shift the culture of the organisation, from an FAC regulatory approach towards tenants and airport users, to one that emphasises supporting and fostering the business viability of its tenants and the provision of quality customer service.

Previous regulatory oversight and pricing regimes to some extent operated to restrict a maturing of relationships between the parties. The regimes tended to foster an adversarial approach to commercial relationships and pricing, by providing a third party avenue of redress whose decision may not be in accord with the commercial or market realities faced by one or all of the parties. Today, (and the situation is reinforced by the difficulties faced by the airlines due to fuel costs and low cost fares) our experience is that the airlines, airport tenants and AOCs are focused on the sustainability of their respective businesses, and pricing negotiations are robust, realistic and mostly based on justifiable criteria.

This is particularly the case with Hobart Airport, an end/low yield destination, where business travel accounts for only approximately 17% of passengers (2006 Survey).

The operation of, and pricing within, the privatised airports is regulated and impacted by a variety of means and agencies. The relevant agencies and their effect on pricing are set out in ***Table 1***, which is annexed hereto. The intent of the Table is to give one a picture of the extent of regulation and oversight, not to criticise their existence.

The Inquiry and the Commission's Terms of Reference are timely. Our Company has read the Terms of Reference and supports them. The Australian Airports Association will be making a submission and we do not intend to canvass the matters that will be contained therein. Our Company does wish to comment briefly on the particular Tasmanian and local environment in which it operates, and the effect of this environment on market pricing, as opposed to regulatory price control.

In our Company's opinion Tasmanian airports have no capacity to exercise monopolistic market power, whether of an access or pricing nature.

The Tasmanian Operating Environment

Tasmanian airports do not possess market power, either as a whole, or in relation to specific services, and have no ability to abuse prices. The viability of each of the airports rests on price sensitivity, and increasingly, the level and quality of service and support provided to tenants and airport users.

Tasmania is a small, isolated regional area on the canvas of the Australian economic landscape. Deregulation, the loss of manufacturing capacity, and the centralisation of corporate decision making and capital in Brisbane, Sydney and Melbourne, has led to a significant loss of economic capacity. Tourism growth is currently seen as providing the main opportunity to redress this loss of capacity, and provide for future economic growth. In the current economic climate it is difficult for Tasmanian AOCs to make inappropriate pricing decisions due to competitive and market realities. Put simply, the market determines the price for airport access and services in Tasmania.

Tasmania has four regional airports, servicing what is basically a static population. Hobart International Airport and Launceston Airport are the most significant of the four regional airports. Ownership is varied crossing local and State governments, and the private sector. Government ownership creates its own additional sensitivities.

The Hobart and Launceston Airports are located within two hours driving distance of each other, a short distance compared to that often required to be travelled by passengers accessing the other major interstate airports. The Devonport and Wynyard Airports are a similar distance from the Launceston Airport. Passengers from the south and the north of the State frequently use out of area airports. For example, when Virgin Blue Airlines initially established its Tasmanian presence at Launceston, Hobart Airport lost some 20% of its passenger numbers to Launceston Airport. This loss was only recovered after Virgin Blue Airlines commenced its Hobart services. Launceston Airport benefits from its ownership by Melbourne Airport.

Hobart International Airport also has a significant General Aviation aerodrome (with an industrial estate) adjacent to its boundary.

In addition to the above RPT services, Tasmania is serviced internally by the National Highway network and rail, and externally by sea. The Spirit of Tasmania (Devonport) passenger and vehicle services are augmented by substantial sea freight terminals at Hobart, Bell Bay (Launceston), and at Burnie on the north west coast. The operation of these passenger and freight services is supported and subsidised by the Commonwealth's freight equalisation scheme. Early this decade the Burnie Port authority was given a substantial grant by the State Government to assist with the retention of its port operations. During its existence, Hobart International Airport Pty Ltd has not been recapitalised or been the recipient of any government financial or other assistance.

The continued existence of Tasmanian airports relies heavily on passenger and freight growth. However, the four airports, (but Hobart and Launceston in particular), are engaged in relentless competition with each other. The competition is directed towards retaining what freight and RPT market share they currently enjoy, whilst attempting to secure a share of any growth, at the expense of the other three airports. A number of illustrations highlight the trading situations Tasmanian airports face.

Due to the location of the Tasmanian airports and the geography of the State, an RPT passenger may land at any of the airports and leave from another. In this case both airports share the aeronautical revenue. Alternatively, and commonly, a passenger (47% of passengers through Hobart Airport are tourists (2006 survey)) may circumnavigate the State back to their airport of arrival. In this case the other airport derives no income despite having to provide the same infrastructure. In short, capital investment is duplicated, but revenues are diluted across two main airports.

In the case of vehicle rentals, a passenger may arrive at Launceston and hire a vehicle, paying the access fee thereon to Launceston Airport. The same passenger may (and commonly does) depart from Hobart, leaving the hire car at the airport free of charge. The hire car firm bears the cost of returning the vehicle to its point of origin.

Competition for the RPT passenger is significant and real. Holiday packages are a feature of the Tasmanian tourism market. It costs less to fly to Launceston and accordingly, it usually attracts cheaper packages. Package passengers tend to arrive and leave from the same destination airport. Despite this, Qantas has recently discontinued services to Wynyard Airport and downgraded its aircraft type to Launceston, on the basis that they were previously uneconomic.

Due to the close proximity of Launceston to Hobart, intrastate and interstate domestic producers and manufacturers, and exporters, road freight their goods to Launceston Airport for transshipment by air, due to the cost impact of a 20-minute flight distance between Hobart and Launceston, compared to road freight costs.

All Tasmanian airports suffer from the competition of subsidised sea passenger and freight transport. These services are real and substantial. Subsidised sea passenger and freight transport adversely affects the revenue of airports and their tenants, particularly the hire car firms and freight companies. For example, Tasmanian salmon producers use both sea and air transport. Our advice is that it costs $2 per case less to transport salmon by road-sea freight from Hobart to Melbourne, than by air. The other advantage of road-sea freight is that it is a seamless service from say the salmon factory at Dover in the south of Tasmania, across Bass Strait, to the markets of South Australia, Victoria and New South Wales. The breakdown of the Spirit of Tasmania last year had a significant and positive impact on the revenues of Tasmanian airports and their tenants.

The same airline companies operate the air freight facilities at both airports, and therefore the attention of both the Hobart and Launceston AOCs is directed towards ensuring that either the status quo remains (in the case of Hobart), or taking the other's freight operations (in the case of Launceston). Both AOCs direct their energies towards trying to improve facilities and encouraging growth in the business of their freight tenants.

This latter point leads to another factor impacting on pricing that is not generally appreciated. The operating costs of AOCs are generally fixed and growing.

They are faced with mandated capital and maintenance works expenditure programs under the Sale Agreements. In recent times, with little consultation or appreciation of the AOC's trading position, mandated security measures have imposed extraordinary costs on airlines and AOCs, with little thought as to how sustainable the additional expenditure is, or the attainability of the stated outcome.

In the case of Hobart Airport, for example, the requirement for Checked Bag Screening has led to the imposition of a requirement to expend $20,000,000 capital (with only a two year lead in period) on a Company whose 2005/06 gross revenues were only some $16,000,000. These and other necessary capital works have necessitated our Company assuming further long term borrowings. Launceston Airport has not had to introduce Checked Bag Screening, despite having exactly the same aircraft types and operations, as Hobart Airport.

AOCs, however, have little or no ability to guarantee existing revenue, let alone its growth. The major domestic passenger and freight companies unilaterally determine the degree to which they avail themselves of airport facilities. Schedules are frequently cancelled or aircraft type changed, with significant impact on airport revenues and capital requirements. Freight can be unilaterally moved from one airport to another. The airlines have never forewarned or consulted with the AOC, before implementing such changes, but routinely seek incentives to commence or increase services.

Hobart and Launceston Airports suffer higher Air Services Australia landing charges than other Capital City airports. To these amounts must be added the AOC's aeronautical passenger charge (in the case of Hobart) of $4.50 inbound and outbound. Both AOCs receive regular and strident criticism over landing charges, and the airlines are very sensitive to any growth in charges (falling within their sphere of control) because they directly impact on capacity and yield in an essentially low cost budget/tourist environment. Without the airlines having profitable passenger and freight routes the operation of Tasmanian AOCs is unsustainable.

The foregoing competitive pressures are reflected not only in the pricing approach of Tasmanian airports, but also in their relationships with tenants, airport users, and prospective developers.

Revenue, Expenditure and Pricing

Revenue at Hobart International Airport is derived from three main sources. They are:

- Aeronautical (passenger, freight, GA, and aircraft parking fees) 47%;
- Trading (access licences, car parking, courtesy bays, terminal concessions) 24%;
- Property 21%; and
- Other (outgoings recovery, interest and contract work) 8%.

Of the aeronautical and trading income (71% of total income) (61% in 2001) all but 3% is wholly reliant on actual passenger numbers inbound and outbound. Accordingly, our Company is sensitive to the direction of passenger numbers, particularly at a time when it faces substantial capital investment. Passenger charges cannot wholly sustain our Company's capital works programme over the next 10 years.

Since 2001, as a percentage to total revenue, property has fallen from 32% to 21%. Of the property revenue, all but 4% is directly or indirectly related to aeronautical activity. For the most part it would continue to be received in the absence of any passenger traffic (albeit the commercial reality may be different).

Since privatisation, our Company has accepted the critical importance of diversifying its revenue base, with the aim of deriving at least 50% of its total revenue from non aeronautical property revenues. Since privatisation there have been a number of new non-aeronautical commercial developments, representing the first building activity on the Airport for some 20 years, however, as indicated they account for only 4% of revenue. With the recent improvements in Tasmanian's economy other large scale property developments are being progressed, however, they are expected to only lead to a 10% non aeronautical related revenue base. The problem is further compounded by our Company's decision (at the insistence of Commonwealth and State agencies) to place 33% of the Airport into an environmental conservation zone, leaving only 33% of the total Airport property available for commercial development in coming years.

Aeronautical charges have been minimised for the above reasons.

Similarly, car parking fees have little room for movement, due to a combination of adverse public reaction and competition from off-airport operators. Recently, our Company has moved towards value adding in an attempt to generate additional car park revenue. A valet undercover and secure outdoor service has recently commenced operations as an adjunct to the public car park. Growth in access licence revenue is dependent on an increase in passenger numbers and utilisation of the services offered by passengers.

Increasing the proportion of non-aeronautical property income is regarded as a critical element of our Company's business and risk management strategies, given the reliance upon, and volatility of, aeronautical revenues. Yet, in this regard the prospects are not clear. Between Hobart Airport and the City is some 11 kilometres of vacant industrial land. Until recently, the public held the perception that the Airport is too far from the centre of Hobart, and was most reluctant to support any business at the Airport that relies on passing customer trade.

Telstra, the electricity and water and sewerage authorities, provide services to each lot in an off airport subdivision. However, these same authorities regard the Airport as a single lot, with the result that our Company often has to fund infrastructure works costing up to a $100,000 to attract a tenant paying rent at a rate of $3.50 to $15^{m2}. Telstra's unconcerned response is to say 'pass it on to the tenant', however, when the tenant can obtain the same services free 100 metres from the Airport this becomes an unrealistic option.

In the Tasmanian context, airports share similar (and in the case of Air Services Australia charges, greater) cost structures to other interstate airports, but without the capacity and revenue to support significant efficiencies.

A general review of capital and maintenance expenditure projections indicates that over the 10 year period since privatization, the Airport's electrical, road and hydraulic systems will need to be replaced, irrespective of any revenue growth from non aeronautical activities. The cost of these works, which is in addition to the expenditure required under the terms of the sale agreement, is anticipated to be some $10,000,000 - $15,000,000 over the period.

In the medium term runway, taxiway and apron overlays will be due at significant additional expense. Accordingly, over the next 10 to 15 years, approximately two year's gross revenue will need to be devoted to infrastructure works. Under the previous pricing regime these costs, as with the other capital and maintenance expenditure mentioned above, were excluded by the ACCC as necessary new development.

Ability to fund the above expenditure to a large extent currently relies on a continued buoyant tourism market, and in particular continued provision of capacity by the low cost airlines. These airlines are particularly sensitive to small movements in airport charges.

A particular concern is the inability of our Company to influence tourism and property development growth. Aeronautical charges provide a very low rate of return on aeronautical infrastructure, for the reasons outlined earlier. Whilst our Company can facilitate individual development proposals, whether the proposals exist or not depends on the decision of government and commercial enterprises, and the state of the economy.

In providing for the future aeronautical capital and maintenance needs of the Airport, our Company is deliberately pursuing a policy of enhancing existing, and developing new, non-aeronautical income streams, to overcome the volatility of, and business risks associated with a tourism market.

Terms of Reference

Many of the Terms of Reference will be addressed in the submission from the Australian Airports Association and don't need to be re-canvassed. Some local comment may nevertheless, be appropriately made in relation to some Terms.

Tasmanian airports do not operate in a monopolistic environment. Like any **small business operator**, the airports are in reality governed by the business decisions of their largest customers, the two main airlines. They are free to operate RPT and freight services to any one of the four airports, who would welcome the business (and they do). Contingent on the decisions of the airlines are the trading positions of the car rental firms, terminal concessionaires and parking operations, and therefore, the owners of those businesses and our Company.

In turn, this operating environment drives our Company to ensure its investment decisions are timely, appropriate and conservative. Maintenance and operations expenses are carefully scrutinised. Conversely, decisions of regulatory authorities often do not take account of "local context" and involve the incurring of significant capital and recurrent expenditure for no objective outcomes. The persons making the decisions have little regard to financial impacts and appear to adopt the view that "one solution fits all airports". This in turn significantly increases compliance costs.

"COMMERCIAL IN CONFIDENCE" Table 2 indicates that commercial outcomes are negotiation based, confirming that Hobart and Launceston Airports do not have the ability to negotiate on a "take it or leave it" basis. The demand for land and facilities is entirely different from the situation pertaining to airports interstate. In no sense could the suggestion be made that Tasmanian airports operate on a monopolistic basis, given the lack of aeronautical competition inherent in having (in reality) only two domestic airlines, and no international traffic.

Our Company did not revalue its assets on privatisation. At the present time our Company is working with the airlines to value its aeronautical assets (as at the time of purchase). This exercise was demanded by the airlines, as part of a general and specific review of the existing and (following completion of the pending terminal project) necessary aeronautical charge.

Effects of Current Pricing Arrangements

Airline freight companies are pressing for new freight facilities involving an extension to aprons and taxiways, to facilitate freight growth into export markets. The cost of the extensions is significant and it is unlikely our Company could, or would fund those works, without the direct agreement and financial support of the airlines.

Decisions to renew, replace and upgrade existing hydraulic, electrical, aeronautical and road infrastructure are made on a "just in time" basis after prudent financial and operational planning to ensure that their costs do not place further demands on aeronautical charges. For their part, the airlines appear reluctant to recognise that the cost of renewing and maintaining (non income producing) essential infrastructure is an integral part of the operation of an airport.

In recent times compliance costs (particularly in the operations/security areas), have necessitated increasing staff at senior management levels and necessitated many physical works. For a small company these imposts are not insignificant and not easily “passed on”.

In Tasmania the current pricing regime has not operated to promote or retard competition, or acted as a barrier to new airline entrants and small business operators. The reality is that the market is small, with little prospect for solid growth in what is, after all, an “end” destination. The real approach of Tasmanian airports is often to simply ask the prospective tenant or user what they are willing to pay! The real regulatory issue is the right of AOCs (in the face of conciliated and arbitrated action) to maintain an appropriate mix and number of commercial uses, to ensure that non-aeronautical revenue is balanced and therefore sustainable – the common goal of any shopping centre manager.

Future Prices Regulation

Our Company’s preferred option is to continue the exemption of Tasmanian airports from aeronautical and declared services pricing regulation. A return to the CPI-X Price Cap that existed after privatisation, for Hobart International Airport, would inevitably lead to a degradation of existing infrastructure, delayed necessary capital works. Required to maintain a physical asset, there is a limit to what maintenance can be rationalised, made more efficient or improved, from a self limiting revenue base.

The requirement to introduce mandated Checked Bag Screening by August 2007 in itself required the provision of new passenger “check in” facilities, baggage “make up”, operational offices and amenities, baggage “break down” facilities and arrivals halls, for the airlines, together with a further expansion of the Departures Lounge and a new Qantas Club, and apron extension. The design of these works has been undertaken by a joint airline/AOC Project Management Group for some 18 months, in order to minimise requirements and costs. Equally, the basis upon which the project costs are to be recovered between the parties is being determined on a joint basis, particularly given that most of the new facilities will be "common user". Our Company is indeed as anxious as any of the airlines to minimise the financial impact of these mandated works and ancillary requirements.

Absence of price regulation has not resulted in an abuse of market power for the reasons explained earlier. Further, in the case of Hobart International Airport, non-aeronautical prices tend to be **negotiated** for fixed periods, whilst aeronautical and previously declared services pricing is either constrained by the market (in the case of aeronautical charges) or by the pricing terms of the FAC Domestic Terminal Lease (in the case of the Qantas Group).

The unregulated approach minimises compliance and reporting costs, particularly when coupled with the level of awareness of the provisions of Part IV the Trade Practices Act 1974 within the Company.

It is difficult to determine how price regulation would facilitate meaningful benchmarking between airports. Hobart and Launceston Airports are "end destinations" reliant on low yield tourist traffic. In addition, Hobart Airport has incurred mandated capital and operating costs similar to other Capital City airports, without the revenue base to sustain them, other than by increasing aeronautical charges. Launceston Airport does not incur many of these costs. Air Services Australia charges are costs over which our Company has no influence. They are a product of required safety measures, ASA mandated corporate overheads, and the number of flights ameliorating those costs.

In our experience the intervention of the ACCC in negotiating a dispute over access pricing highlights the difficulty AOCs sometimes face when a regulatory body, with little or no commercial expertise, becomes involved in such an exercise. The ACCC recommended an outcome whereby the applicant was granted direct access to perhaps $200,000 of our Company's annual income (lost earnings) in return for an annual access fee equivalent to 1.2% of that income.

Another related issue is that, as a property developer and owner, the AOC attempts to achieve a blend and number of commercial uses that maximises the return on investment within market constraints. One suspects that in some instances the aim of the regulator is often simply to force an access decision onto the AOC, as a means of avoiding a potentially difficulty decision, against what he or she perceives to be a member of the public dealing with a "rapacious monopoly". For example, tourist destination airports continually face pressure to admit access to an increasing number of car rental firms. There are sound consumer, commercial and quality reasons for resisting this pressure, however, they don't appear to be always appreciated (e.g. unreliability in service support and availability, poor vehicle condition/maintenance, undermining firms with high service levels, fixed leasing and other costs).

Conclusion

As indicated in the introduction to this submission Hobart International Airport Pty Ltd, its Directors, management and employees, regard the progress in modernising the Airport since privatisation with some pride. It provides us with an opportunity to assist in developing the local and Tasmanian economy, through the provision of infrastructure that encourages and promotes sustainable future passenger and freight growth.

As the "COMMERCIAL IN CONFIDENCE" ***Table 2*** indicates competition has kept aeronautical and other charges below what could be achieved in other circumstances, but at a level acceptable to the airlines, passengers and our Company.

The provision and maintenance of this infrastructure, and the operation of the Airport, is cost and labour intensive, and price sensitive. Our hope is that the regulatory authorities continue to appreciate that funding these costs, and maintaining a supportive and profitable revenue base, is a matter of some balance and sensitivity in the context of regional Tasmania, where its airports are end destination, low yield markets.

Hobart Airport has the same cost structures and burdens as Brisbane, Sydney, Melbourne and Perth Airports, but without the same income base and ability to absorb mandated security and other measures, as those facilities.

Robert Noga

Manager Commercial & Corporate Affairs
General Counsel/Company Secretary
27 June 2006

TABLE 1

REGULATORY AGENCY	**REGULATORY TYPE**	**REFLECTED PRICING IMPACT**
Department of Transport and Regional Services	• Lease	• Prohibits denial of access to air transport operators, except in accordance with demand management plan. • Requires maintenance of airport environment restricting development options due to areas of aboriginal and flora significance. • Requires maintenance of built infrastructure to an extent that is not required on adjacent commercial land. • Applies local rates and charges, including land tax. • Requires AOC to pay for building, planning and environmental regulation. • Requires positive capital development of airport site.
	• Sale Agreement	• Requires agreed maintenance works over 10 years at a cost equivalent to (in 1998) 3 year's revenue.
	• Performance reporting	• Requires a range of customer support criteria to be met annually.
	• Mandated security	• Substantial capital and operating expenses incurred in providing facilities to meet requirements without financial assistance or recognition of capacity to pay.

REGULATORY AGENCY	REGULATORY TYPE	PRICING IMPACT
Department of Primary Industry & Water & Department of Environment & Heritage	• Water quality and treatment • Flora • Aboriginal heritage	• Requires variety of capital works to reduce impact of pollutants on environment • Requires vegetation management agreement for maintenance and rehabilitation of 33% of airport (quarantined from development) • Requires land to be protected against access, and costly & time consuming cultural surveys as part of building approvals process
Air Services Australia	Air traffic control & fire and rescue	Landing charges imposed on airlines.
Department of Immigration and Multicultural Affairs / Australian Customs Service / AQIS / Quarantine Tasmania	Leasing and infrastructure requirements	Requires significant floor space and offices in ITB to be set aside for international RPT for nominal rent, with overhead costs also absorbed by AOC. Inspection facilities required in DTB. Substantial assets occupied for nominal rents.
CASA	Airport safety & operations	Costs associated with maintenance and upgrading of physical and other operational assets, including audit, plans and exercises.
ACCC	Trade Practices Act	Prohibitions on unfair trading and misuse of market power