

Australian Business Aircraft Association Inc.

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11th October 2011

Economic Regulation of Airport Services
Productivity Commission
GPO Box 1428
Canberra City ACT 2601

Dear Madam/Sir,

Productivity Commission — Economic Regulation of Airport Services Additional Comments

We appreciated the opportunity for the ABAA to appear before the Commissioners at the public hearing in Canberra 5th October 2011.

A recent development regarding the Sydney Airport Demand Management Act 1997 is of concern to the ABAA.

The problem relates to AIC H17/11, issued by Airservices Australia 22nd September 2011: <http://www.airservicesaustralia.com/PUBLICATIONS/current/sup/a11-h17.pdf>

Unfortunately, the ABAA was not invited to be part of the Industry Working Group, even though business aircraft operations will be affected.

AIC H17/11, Para 3 ITINERANT AIRCRAFT

“3.1 The Industry Working Group recommended that the Slot Manager and Airservices Australia restrict any allocation of slots for other than scheduled commercial air transport operations in periods of high demand where there is a risk of the cap being exceeded, as advised by the Slot Manager.

3.2 Pilots of non-scheduled commercial air transport flights should be aware that operations into and out of Sydney Airport may be restricted during periods of high demand, and desired arrival or departure times may not be available, sometimes by up to several hours.”

Business aviation operations consist of both commercial and private flights. Our immediate concern relates to our members' non-scheduled commercial air transport flights, which are being adversely affected at Sydney Airport. This does not occur at other major capital city airports in Australia. Also, business aviation receives equal priority with the airlines in the USA.

As business aviation sometimes competes with commercial airlines, we consider the arrangements outlined in 3.1 and 3.2 above to be anti-competitive.

Perhaps the Commissioners could review our comments in the context of the following extract taken from the Scope of Inquiry.

“The Commission is to report on the appropriate economic regulation of airport services, including the effectiveness of the price and quality of service monitoring, in achieving the following objectives:

- promoting the economically efficient and timely operation, use of and investment in airports and related industries.”

We appreciate the opportunity to provide the above additional information.

Thank you.

Yours faithfully

David Bell
Executive Director
11th October 2011