

I am sorry that these comments are late, however they are indicative of the points I would like to elaborate on at 11.00 am next Tuesday. They are in dot point format only.

- The RAAA is not opposed to the principal of recovery by service providers of the costs generated in normal operations.
- The Association does not support the imposition of costs generated by any beaurocratic inefficiencies.
- The Association is also opposed to the arbitrary imposition of costs generated by services the industry does not require.
- The Association also has problems in accepting some of the charging mechanisms imposed by suppliers of aeronautical services.

In elaborating on these points, the Association wishes to comment specifically in regard to:-

- Acceptance of Cost Recovery and Location Specific Pricing.

The Association has accepted this principal in regard to appropriate charges imposed by Airservices Australia, the Civil Aviation Safety Authority and various airports.

- Beaurocratic Costs are excessive

Airservices Australia and CASA each have support administrations which are extensive and which, combined as they once were under the Civil Aviation Safety Authority, could be substantially more cost effective.

- Arbitrary cost imposition by either Government or Regulation which are not essential for operations add to the requirement to recover cost but not to the safety or efficiency of operations.

In this regard specific current examples are: -

The cost and requirements to provide fire services.

The arbitrary imposition of cross charging for Defence installations.

The cost of the provision of navigational aids.

- Charging mechanisms are not always optimised

Specific examples are: -

The inefficient system for charging for aeronautical information.

Lack of incentives for service providers to be cost effective.

- Community service obligations

There are services which are provided to a substantial number of small air operators which are not recovered from the user. In these cases, the charge is added to the recovery from regional, domestic and international operators. While it may not be reasonable or practical to recover these costs from the user, it is also unreasonable to recover them from another operator. In these cases there may be a community service obligation on Government, either Local, State or Federal, to meet these costs.

I look forward to discussing these more fully on 5 December

Yours sincerely

Alan Terrell