



AUSTRALIAN  
AIRPORTS  
ASSOCIATION

# MEDIA RELEASE

IMMEDIATE RELEASE

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## AIRPORTS WELCOME PRODUCTIVITY COMMISSION DRAFT REPORT

The Productivity Commission Draft Report into the Economic Regulation of airport services has it right when it recommends that the scope of airport monitoring should not be expanded, according to the Australian Airports Association (AAA).

AAA Executive Director Caroline Wilkie said given their significance to the Australian economy, it is essential that the economic regulation of airports is no more intrusive than it needs to be, and that it operate on a settled basis without the potential for fundamental change.

“The AAA welcomes the finding that there is insufficient evidence to suggest the scope of monitoring for our major airports should be expanded and that there are no trends to suggest the misuse of market power.

“Australia’s airports already operate within a highly monitored environment and have a network of mature, flexible and mutually beneficial commercial arrangements with their airline partners,” Ms Wilkie said.

“Market failure has not occurred – commercially negotiated agreements between airports and airlines are both widespread and long-term in their duration.

“Airports are commercially motivated to ensure that their airline partners develop and expand routes and frequencies.

“Airports continue to invest to cater for growing passenger numbers, to improve the quality of services offered to customers and to enhance the quality of the services they offer.

“Since 2001-02 airports have invested more than \$3.5 billion in aeronautical infrastructure alone.

“There is also some \$9 Billion in investment in the pipeline at our major airports.

“Large investments will need to be made to keep pace with expected passenger growth which it is estimated will increase by 250 per cent by 2029-30.

## **CAR PARKING AND LAND TRANSPORT ACCESS**

“The draft PC report confirms that airports have invested reasonably in car parking facilities in response to growing demand.

“It is a challenge to deliver major transport infrastructure in line with demand- a challenge faced by airports and governments alike.

“Off airport modes of transport including public transport and off-airport car-parking provide steady competition to airport car-parking.

“However there is an urgent need for some states- in particular New South Wales- to deliver better transport options to our airports”.

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