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MEDIA RELEASE

REX CALLS FOR ACCC INQUIRY INTO SYDNEY AIRPORT PRICING

Regional Express (Rex) today called for an ACCC inquiry into the fees and charges levied on airlines by Sydney Airport Corporation Limited (SACL) prior to the deliberations of the Productivity Commission.

Rex acknowledges and applauds the Federal Government's decision to bring forward the Productivity Commission inquiry into privatised airports (originally scheduled for 2012) as a result of wide-spread concerns by the aviation community, IATA and the ACCC over the pricing policies of SACL.

Rex pointed out that the ACCC 2008-2009 Airport Monitoring Report released earlier this year suggested that there is a possibility of SACL engaging in monopoly rents but stated there was a lack of conclusive evidence for this.

Both the ACCC Monitoring Report and the Productivity Commission do not directly examine SACL's actual fees and charges. Accordingly, Rex has made a submission to the Federal Government highlighting the need for a specific factual investigation of pricing and urging the latter to give notice to the ACCC under Part VIIA of the Trade Practices Act to conduct this type of inquiry into SACL. Such an inquiry will provide the ACCC with the legislative authority to compel SACL to fully disclose how it allocates costs and sets pricing between different types of users at Sydney Airport including regional airlines.

This inquiry will provide the Productivity Commission with the factual basis on which to make an informed decision and also will be invaluable to the Government when formulating aviation policy in relation to the regional aviation users of Sydney Airport in line with the stated intentions of the White Paper.

Regional Express (Rex) is Australia's largest independent regional airline operating a fleet of more than 40 Saab 340 aircraft on some 1,300 weekly flights to 35 destinations throughout New South Wales, Victoria, Tasmania, South Australia and Queensland. The Rex Group comprises Regional Express, air freight and charter operator Pel-Air Aviation and Dubbo-based regional airline Air Link, as well as the Australian Airline Pilot Academy.

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