

Our Ref: Trackit no. 41049
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**Australian
Competition &
Consumer
Commission**

27 June 2012

Mr Andrew Clark
Chief Executive Officer
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Dear Mr Clark

Notice pursuant to paragraph 95Z(6)(b) of the *Competition and Consumer Act 2010* in response to Airservices Australia's price notification dated 8 June 2012

I am writing in response to the locality notice (price notification) provided to the Australian Competition and Consumer Commission (ACCC) on 8 June 2012 by Airservices Australia (Airservices) pursuant to subsection 95Z(5) of the *Competition and Consumer Act 2010* (CCA).

On 20 June 2012, the ACCC decided to not object to the proposed price increases for terminal navigation and aviation rescue and fire-fighting services set out in that price notification. The price increases were proposed to take effect from 1 July 2012.

The decision paper outlining the reasons for the ACCC's decision is included as an attachment to this letter and will be published on the ACCC's website at www.accc.gov.au/aviation. This decision paper will also be included in the public register kept under section 95ZC of the CCA.

As set out in the decision paper, the ACCC has observed that Airservices has taken some significant steps in the implementation of its long-term pricing agreement (LTPA) commitments, which are important to ensuring that Airservices invests prudently and operates efficiently. The ACCC is therefore satisfied that the prices proposed by Airservices reflect an efficient cost base and promote an efficient provision of services.

If you would like to discuss this further, please do not hesitate to contact me directly on (03) 9290 1919 or Renée Coles on (03) 9290 6921.

Yours sincerely

David Salisbury
Deputy General Manager
Fuel, Transport and Prices Oversight Branch