

26 November 2004

Ms Margaret Arblaster
General Manager – Transport and Prices Oversight
Australian Competition and Consumer Commission
Box 520J
Melbourne Vic 3001

Comment on the ACCC Preliminary View of Airservices Australia Draft Price Notification issued November 2004

Dear Ms Arblaster

I appreciate this opportunity to respond to your preliminary report. I am writing on behalf of the Aeromil group of Companies of which Sunshine Express Airlines is a member company.

Since our last meeting we have conducted further research including reading your excellent preliminary report. I wish to confine my comment to the ARFF issues as they affect the operations at the Sunshine Coast Airport at Maroochydore. We accept your findings / recommendations in the other areas of the report.

We make the following recommendation, which if adopted, will resolve most of the General Aviation and Regional Airlines difficulties and concerns currently being expressed and go a long way toward ensuring a safe and economically viable industry into the future.

We recommend that the Airservices' charging policy for ARFF services will include a threshold level of 40 passenger seats or 15,100 kg MTOW for any aircraft before being charged for ARFF services provided.

This single decision, if taken, will remove the difficulties now faced by all those organizations who do not require ARFF services, who normally operate without them and who have no way of on-charging same without materially damaging their businesses. I include the Lear 45 training contract operated by Singapore Flying College, medical evacuation by RFDS, Energex and others, maintenance orgs, regional airlines and private operations. All the aforementioned normally do not operate into ports that offer ARFF services nor do they require them.

We believe strongly that this is a logical and constructive policy for the future. Once adopted, this will allow Airservices Australia to work with the major carriers to come to an agreement on either a tonnage or passenger carried rate sheet for ports at which ARFF services are provided.

We look forward to a positive response.

Yours faithfully

ROBERT S. HART
Group Company Secretary