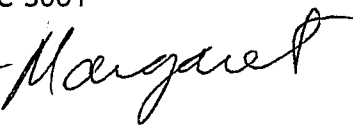


2 December 2004

Ms Margaret Arblaster
General Manager
Transport and Prices Oversight
Regulatory Affairs Division
ACCC
GPO Box 520J
MELBOURNE VIC 3001

Dear Margaret,


Gold Coast Airport appreciates the opportunity to comment on the ACCC's preliminary View of Airservices Australia's Draft Price notification.

Please find enclosed Gold Coast Airport's submission re the above.

Kind Regards


BARRIE BRIGGS
General Manager Aviation

Report to Australian Competition and Consumer Commission (ACCC)

Comments on the appropriate basis for laying fire-fighting charges.

The Australian Competition and Consumer Commission (ACCC) has called for comments from interested parties, "on the appropriate basis for imposing fire-fighting charges".

Gold coast Airport limited (GCAL) welcomes the opportunity to comment on the ACCC's draft price notification and agrees with Airservices Australia's (AsA) approach in working together with its customers to develop a long term pricing plan.

GCAL reiterates its statement provided previously to the ACCC, that Aviation Rescue & Fire Fighting Service (ARFFS) should be subject to competition. This is in line with the stated ACCC position that, "encouraging efficient pricing outcomes in line with more competitive conditions implies that price increases should stem from an efficient cost base which involves only appropriate margins", (Page 11 ACCC Preliminary View, AsA, Draft price Notification).

As there is currently no mechanism for assessing the efficiency and cost effectiveness of AsA in general, and the ARFFS in particular, the best charging structures for fire-fighting services would be by placing the the ARFFS in a competitive environment.

Given that competition is not an option in the immediate future, GCAL agrees with the view that there is scope to change the charging regime from landed tonnes to a passenger charge. This would provide both ARFFS and their customers the incentive to grow passenger numbers which in turn would lead to lower ARFF charges.

GCAL would also request that there be put in place a mechanism to review port related charges as circumstances change. For instance, GCAL has now become predominantly a narrow body port with only Australian Airlines operating B767-300 wide body aircraft once a day into our facility. This enables ARFF services to change from a category 8 to a category 7 port for all but a couple of hours a day with consequent personnel and equipment savings. GCAL requests that in its determination of this issue, the ACCC directs AsA to change its Gold Coast Airport ARFFS charges to reflect the change in category for the period of the AsA's submission or until such time as circumstances change within the submitted time frame.

GCAL has previously raised with AsA the discrepancy in landed tonnes forecasts for both Terminal Navigation and ARFFS charges provided by AsA and GCAL. To date AsA staff have not been in touch with GCAL to reconcile the differences. This has the potential to significantly increase AsA revenue generated by our port which GCAL would expect to see result in lower charges to our mutual customers.

