



Our Ref.: Let.1950

30 April 2010

Dr Richard Chadwick
General Manager, Adjudication Branch
Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2601

Dear Dr Chadwick

Board of Airline Representatives of Australia Inc (BARA) – Draft Determination

I refer to the letter dated 9 April 2010 from Queensland Airports Limited (QAL) in response to the Australian Competition and Consumer Commission (ACCC) Draft Determination regarding the BARA application on 26 November 2009 (Authorisation No. A91200).

BARA notes that while QAL does not oppose re-authorisation of BARA's collective bargaining activities in relation to other international airports, QAL does oppose the inclusion of Gold Coast Airport within the new authorisation. QAL claims that BARA has not demonstrated any public benefit arising from the inclusion of Gold Coast Airport in the new authorisation and that Gold Coast Airport is in a different category from other major international airports.

BARA acknowledges that, in the past, there has been little interest from most BARA member airlines (other than Qantas (Jetstar), Air New Zealand and V Australia (Virgin Blue/Pacific Blue) which already operate from Gold Coast Airport) in commencing international air services to Gold Coast Airport. However, as stated in BARA's original submission in support of its application for authorization, BARA believes there is now a real prospect that some of BARA's other member airlines may be interested in future operations to Gold Coast Airport.

In the event that other BARA member airlines do commence flying to Gold Coast Airport, it is likely that those airlines and BARA members which currently operate from the Gold Coast Airport would want BARA to negotiate access terms and conditions on their behalf. That is because BARA's participation would generate the same benefits in the case of Gold Coast Airport as it does at other international airports.

The benefits which have been achieved by BARA and which we believe will continue to benefit member airlines, and by extension airport operators, include the following:

- (a) improved commercial outcomes for airlines via the quality and rigour applied to negotiations and access to one consistent set of information subjected to rigorous analysis;
- (b) improved commercial outcomes for the airport operator via the presentation to the airport operator of an industry view about services required and expectations about prices and contractual terms, thereby avoiding potentially contradictory expectations being reported and delivering a better match of service delivery to the scale and timing of airline requirements; and
- (c) transaction cost savings for all parties when compared to the alternative of separate negotiations between an airport operator and individual airlines.

Please do not hesitate to contact the undersigned or Bernard Evans at Middletons (tel. 02 9513 2515) if there are any aspects of this further submission you wish to discuss.

Yours sincerely



Warren Bennett
Executive Director

