



AUSTRALIAN
AIRPORTS
ASSOCIATION

22 November 2024

Tess Macrae
Director
Australian Competition & Consumer Commission

Submitted via email to [REDACTED]

CC via email to [REDACTED]

**Submission to the ACCC on the Board of Airline Representatives of Australia Inc –
Revocation and Substitution – A91466**

Dear Ms Macrae,

The Australian Airports Association (AAA) appreciates the opportunity to support the re-authorisation application from the Board of Airline Representatives of Australia (BARA). Representing over 340 airports and 150 corporate members, the AAA is the leading advocate for appropriate national policy relating to airport activities and operates to ensure regular transport passengers, freight, and the community enjoy the full benefits of a progressive and sustainable airport industry.

Over the past two decades, BARA's collective bargaining authorisation has enabled Australian airports to build productive, collaborative partnerships with a broad array of international airlines, establishing Australia as a competitive and attractive destination.

Our airports' relationships with BARA and its members demonstrate that collective bargaining promotes mutually beneficial outcomes for airports, airlines, and most importantly, passengers. Through BARA, major airports can negotiate efficiently with a cohesive group of international carriers, securing terms that support stable service delivery and competitive rates while enabling streamlined operational processes. Longstanding BARA members include major international carriers such as Air Canada, Air New Zealand, Delta Airlines, Etihad Airways, Singapore Airlines, and Cathay Pacific, among others.

Australia's airports operate under strict lease obligations as per the *Airports Act 1996 (Cth)*, requiring sustained investment in infrastructure to support aviation growth, ensure regulatory compliance, and meet passenger demand. These investments are funded primarily through airline charges, which are structured to balance the need for high-quality facilities with airlines' operational requirements.

BARA's collective bargaining process allows international airlines to present consistent requirements, essential for airports to plan infrastructure developments in a coordinated, timely manner and allows our members to align significant developments with BARA's strategic input, ensuring that airport expansions meet the operational needs of international carriers effectively. Further, by ensuring fair access to terms, collective bargaining helps smaller international carriers

compete with major international airlines, contributing to increased consumer choice and competitive fares.

This collective approach provides significant efficiencies, reducing the complexity and time required for individual agreements. Major airports have worked constructively with BARA over the last 10 years, leveraging the Aviation Pricing Principles, to achieve effective, fair terms on both price and non-price elements.

The AAA also recognises that airlines may have bespoke service, product or operational requirements and may therefore choose to negotiate with airports directly, outside of the BARA collective negotiation process. This is facilitated by the conditions on authorisation set out in the application – that is, that no party is compelled to engage in collective negotiations, and that BARA does not bind any members to the terms negotiated by BARA. The AAA supports the continuation of these conditions, recognising that direct negotiations between airlines and airports can lead to innovative commercial outcomes for both parties.

A constructive relationship across international carriers, supported by a 'light touch' regulatory approach, helps maintain a stable and competitive environment, reinforcing Australia's reputation as a preferred international travel destination.

AAA recognises the efficiencies, stability, and competitive outcomes the relationship between airports and BARA have delivered across the aviation sector. We look forward to a fair, balanced, flexible and cooperative regulatory environment that continues to support Australia's position as a leading international aviation hub.

Should you have any further questions regarding this submission, please contact the Senior Manager, Policy and Research via email or phone.

Yours sincerely

Simon Westaway
Chief Executive Officer