



## PRESS RELEASE

# Massive Sydney Airport Price Increase Will Harm Regional Services

Sydney Airport has proposed a 6000% aircraft parking increase for users of the general aviation parking area.

Regional airline, freight, charter and general aviation operators are incensed at the massive increases being proposed. If the price increases become reality some operators may close their doors while others will need to lift prices to customers substantially.

This will hurt regional people and cost jobs.

The parking increases are of such a size that it raises airport access issues for many operators. It is likely the access issues will be taken up directly with the ACCC.

There is no doubt that the Productivity Commission Review, brought forward from 2012 to 2010 due to the recent adverse ACCC report, will look closely at this brutal, monopolistic pricing behaviour by Sydney Airport.

“Regional airline and general aviation operators rely on access to Sydney Airport to provide their vital passenger, freight and aero-medical services to regional Australia,” said RAAA CEO, Paul Tyrrell. “Operators are willing to enter into parking negotiations in good faith but the offer on the table is excessive and inflammatory. The increases are of such a magnitude they seem designed to exclude some operators from the airport,” he added.

Under the previous federal government, federally controlled airports were sold to private owners. This policy has effectively established powerful local monopolies that dictate terms to the companies attempting to operate from these airports. It was bad policy then and the current government has inherited it. The light-handed government controls over the airports mean that many operators withdraw from disputes with owners due to the substantial costs involved. Airport owners are well aware of this imbalance in power.

Private ownership of major infrastructure assets is a highly problematic policy in a country of Australia’s size and relatively sparse population. It simply concentrates economic power to an unconscionable extent. The recent Sydney Airport pricing proposals are testimony to the abject failure of this policy.

*Serving regional aviation, and through it, the people and businesses of regional Australia*

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The RAAA calls on the Federal Government to use its agencies to protect passengers, regional airlines and general aviation from the excessive charges being proposed by Sydney Airport.

Regional Australia must be able to access Sydney at a reasonable cost. The new charges could make this impossible.

**For further comment:**

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