

COMMONWEALTH OF AUSTRALIA

COMPETITION AND CONSUMER ACT 2010 DIRECTION NO 35

I, Scott Morrison, Treasurer, pursuant to section 95ZH of the *Competition and Consumer Act 2010*, hereby direct the Australian Competition and Consumer Commission (ACCC), in exercising its powers and performing its functions under the Act in relation to the pricing of aeronautical services and facilities at Sydney Kingsford Smith Airport, to give special consideration to the following matters:

- 1) The Government's policy that, to facilitate continuing access to Sydney Kingsford Smith Airport by operators of regional air services:
  - a) The total revenue-weighted percentage increase in prices over the three years from 1 July 2016, or part thereof (including new or restructured prices) paid by operators of regional air services to Sydney Airport Corporation Ltd (SACL) for the provision of regional aeronautical services and facilities declared to be notified services in Declaration No. 94 should not exceed the total percentage increase in the Consumer Price Index (CPI) over that same period.
- 2) The starting point for the price cap is the prices charged by SACL at 1 July 2016
- 3) In this Direction:
  - a) 'regional air services' means regular public transport air services operating wholly within the State of New South Wales;
  - b) 'CPI' means the Australian All Groups Consumer Price Index, recorded in the year to the March Quarter immediately preceding the start of the relevant financial year.
- 4) This Direction applies to an exercise of power and performance of functions by the ACCC in relation to Declaration No 94 and the direction made under section 95ZF of the Act on 12 June 2012 titled '*Competition and Consumer Act 2010 – Monitoring of the Prices, Costs and Profits Relating to the Supply of Aeronautical Services and Facilities at Specified Airports in Australia*'.
- 5) This Direction takes effect on 1 July 2016 and ceases on 30 June 2019.
- 6) This Direction replaces Direction No 34 of 27 May 2013.



THE HON SCOTT MORRISON MP

f 15 / 2016