

**ATT: PRODUCTIVITY COMMISSION**

I would like to submit further comments to the air services inquiry.

**Draft report page xxvi**

Would this benefit all that is stated on this page? Has the inquiry investigated into this situation to satisfy?

**Page xxvii** - Is this statement true “the regulatory systems also influences airline costs - I don’t think lower costs will enable lower end user prices across the board”. e.g. package holidays.

Lower airline costs will enable tourist operators to raise prices - and to then hit non airline travel. It’s not possible to suggest that regulation of entry frequency, capacity, routes keeps fares up.

How can higher international airfares restrict growth in the Australian tourism industry.

Living standards worldwide could not be affected as only a third of the worlds population is involved or use airlines or industry.

**Page xxx** A full common market with New Zealand would not be beneficial.

Restrictions should apply to aviation beyond both countries until many other factors have been discussed.

**xxxi** - It all sounds good for regional development - however jobs or workloard systems would be cut back.

The same is said for unrestricted air-freight services.

**xxxii** - Recommended “open skies” core package and negotiable right is not “workable”.

This package clearly only benefits “top dogs” of our industry and keep second players in a position nof non-advancement.

This would send prices higher and compromise on safety.

**Page xxxvi** - Safety could continue at present or a standard.

**Draft Rec S-1**

These recommendations are a step backwards.

**Introduction Page 2**

Restrictions in equity on our Australian - operators should continue - Why should the airline industry become exempt from these restrictions.

Also I think there would be a strong “no” for “freedoms of the air”.

**Box 3.1 - page 34**

Is the government going to change the Qantas Sale Act 1992 and the Air Navigation Act 1920?

Simply to allow airline (big wigs) to manipulate our system and to be “Australian” all to suit themselves with no restrictions.

Thanks

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