

### **IBAC Principal Office**

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#### **Corporate Secretary:**

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"The recognized

forum for leveraging

strengths of Members

to enhance the safety,

acceptance and

economic

contribution of

business aviation

globally."

# 3 September 2011

Economic Regulation of Airport Services Productivity Commission GPO Box 1428 Canberra City ACT 2601

Re: Productivity Commission - Economic Regulation of Airport Services

## Dear Madam/Sir:

This submission to the Commission is made on behalf of business aircraft operators from around the world. The International Business Aviation Council (IBAC), representing the interests of business aviation operators, is the umbrella Council that provides input on policy and rulemaking to the International Civil Aviation Organization (ICAO) and other international government bodies. The Council Members are those national and regional associations around the world that represent business aircraft operators in their respective areas. The Australian Business Aircraft Association (ABAA) is an IBAC Member, and we would like to advise that IBAC fully supports the submission of the ABAA to the Productivity Commission.

The purpose of corporation ownership and operation of aircraft is for productivity improvement. A significant number of studies conducted around the world have demonstrated that companies that operate their own aircraft have markedly improved productivity. Most of the Fortune 500 companies operate their own aircraft for market advantage. If the Commission wishes to review some of the many studies, please contact IBAC.

Australia is a large, resource focused country. An analysis around the world clearly demonstrates that business aviation is critically important to countries such as Australia where transportation to remote areas and regions where business is conducted will improve economic health of both the regions and nation. Indeed, if you look at the four largest business aviation fleets in the world, they are located in similar geographic and resource focused nations (USA, Brazil, Canada and Mexico). Business in counties like Australia rely substantially on the business aircraft as a productivity tool.



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1200 Eighteenth St. NW Suite 400 Washington, DC 20036 USA Tel: (202) 783-9000 Fax: (202) 331-8364 bstine@ibac.org Although IBAC encourages a fair and thorough assessment of the productivity advantages of business aircraft operations nation wide, we note in particular the importance of the Sydney Airport as a gateway airport. It is very important to ensure that business aviation remains a principle user of the airport and as such the policies for business aviation should foster growth of the industry. Business aviation participants should be afforded fair access and pricing and should not have existing infrastructure challenged or removed without alternatives provided without significant increased cost. Indeed, it is hoped that the Commission will conduct a thorough analysis of not only the Sydney Airport but other Australian airports as we are certain that the Commission will find that the airports serve a critical service to Australian economic health and hence benefit all Australians. Business aircraft transports leaders from around the world to Australia and with them comes economic investment. Again, Australia benefits.

Business aircraft operators strongly encourage the Productivity Commission to carefully study the benefits of business aircraft as a transportation and productivity tool. A thorough study will clearly demonstrate the importance to the nation of fostering the growth of the industry as it will provide the productivity improvement desired. Please advise if IBAC can provide additional information.

Sincerely,

"The recognized forum for leveraging strengths of Members to enhance the safety, acceptance and economic contribution of business aviation

globally."

Donald Spruston

Director General