

21 June 2012

John Hamill
General Manager Regulation
Commerce Commission
WELLINGTON

By email: john.hamill@comcom.govt.nz

Dear John

TIMELINE FOR SECTION 56G REPORT

Thank you for your advice yesterday that the Commission is extending the due dates for submissions and cross submissions on its Process and Issues Paper from 22 June and 2 July to 29 June and 13 July respectively.

Air New Zealand is concerned to see the Commission's timeline slip given the importance of this process.

We urge the Commission to maintain the remaining dates for its report as already indicated. In particular, we have made arrangements to attend the conference on 17 July and any change to this date will be difficult to accommodate at this stage. Most importantly, it would be unnecessary to extend the total time for the review beyond 6 months.

Air New Zealand would be very concerned with any further slippage particularly given the statutory requirement for the Commission to act "**as soon as practicable** after **any** new price for a specified airport **service** is set".

Air New Zealand contends that information disclosure is ineffective in achieving the purpose of part 4 of the Act. By our estimation, WIAL is extracting excessive profits in excess of \$100million on the basis of its most recent pricing decision. Any delay in addressing this is simply allowing WIAL to extract excessive profits for a longer period to the further detriment of consumers of airport services.

We look forward to working with the Commission to facilitate a timely report to Ministers.

Yours sincerely


Kerry Marshall
Government Affairs Manager

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