



COMMERCE COMMISSION

Wellington
J2773

5 May 1998

Hon John Luxton
Minister of Commerce
Parliament Buildings
WELLINGTON

Dear Mr Luxton

Price Control Enquiry: Airports

On 27 March 1998 you wrote to the Commission requiring it to enquire into, and report on, whether you should recommend that prices for certain airports services be controlled pursuant to the Commerce Act.

The Commission has considered your letter and would appreciate clarification of one technical point. We note that the relevant goods or services for the enquiry have been referred to in your letter as airfield *facilities*. These are stated to be those defined as airfield *activities* in the Airport Authorities Amendment Act 1997. That Act includes, within the definition of airport activities, reference to various facilities. While the distinction between airport *activities* and airport *facilities* may be of a minor nature, for the sake of clarification the Commission suggests that it be required to report on whether airport *activities*, as defined in the relevant section of the Airport Authorities Amendment Act, should be controlled in accordance with the Commerce Act and reference not be made to airport *facilities* in the request.

We believe this will remove any doubt as to the scope of your request by tying it to the definitions used in the appropriate statute.

Would you please consider this request. If you agree, the appropriate change could be effected either by a follow up letter clarifying your letter of 27 March or by issuing a new letter to the Commission which could then supersede your earlier one. Thank you for your assistance in this matter.

Yours sincerely

Peter Allport
Chairman