

Media Statement
13 August 2019

Airlines call for Auckland Airport to hand back \$53m in excess charges

Auckland Airport has been found by the Commerce Commission to have failed to justify \$53 million of charges at the expense of travellers and airlines and should hand the money back.

Justin Tighe-Umbers, the Board of Airline Representatives New Zealand (BARNZ) executive director, says in the increasing cost environment facing airlines it is now time for the airport to listen to the Commerce Commission and adjust its pricing.

If the airport ignores the report's findings, the commission should exercise its new powers, under the Commerce Amendment Act passed last month, to review airport pricing and recommend stronger regulation for New Zealand's airports.

"Auckland Airport continues to favour shareholders and handing them healthy dividends rather than looking for a balance that respects the passengers who must use its services because there is no alternative," he says.

"We appreciate the airport has a \$1.8 billion terminal and aeronautical infrastructure redevelopment planned. An upgrade of both domestic and international facilities is desperately needed.

"But right now, with the jet fuel price having doubled in the last 18 months, the last thing airlines and passengers need is \$53m in excess charges from Auckland Airport."

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Tighe-Umbers says excessive landing charges are not the only price hike that airlines are facing. The costs of aviation security and air navigation services are increasing and biosecurity costs are likely to follow.

“The cost of flying to New Zealand is mounting,” he says. “We are already seeing rationalisation of routes by airlines, by either frequency, or seasonality.”

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About BARNZ

The Board of Airlines Representatives of New Zealand Inc.(BARNZ), is the respected and trusted voice of the airline industry in New Zealand. It works closely with the Government, regulators, businesses and local communities to provide cost savings and service improvements for its member airlines; and to create an environment that fosters continued, sustainable growth for them in NZ. For more information, please visit www.barnz.org.nz