

SCOTTISH CHAMBERS OF COMMERCE

POSITION PAPER

COMPETITION COMMISSION – BAA INQUIRY

The Competition Commission is continuing its inquiry into BAA's ownership of UK airports, which is expected to run until December 2008. On 22 April 2008 the Commission published its emerging thinking, in which it put forward the view that it felt competition could exist between Glasgow, Edinburgh and Aberdeen Airports. In response, Scottish Chambers of Commerce has restated its position, agreed by the network last year, that a change of ownership of BAA's Scottish airports would not directly benefit the business community, and indeed that it may threaten future investment in our airport infrastructure.

The key points in the SCC response to the Competition Commission's Emerging Thinking paper are: -

- Scottish Chambers of Commerce do not believe that a division of the ownership of BAA's three Scottish Airports would directly benefit the Scottish business community.
- Scotland's airports serve very distinct markets and it seems unlikely that a break up of BAA's ownership of Aberdeen, Glasgow and Edinburgh would have a significant impact on travel patterns.
- Given the importance of air travel to the Scottish economy, and given the concerns we have over the possible effects of a change to the current ownership model, SCC recommends that the Competition Commission should refrain from intervening in the Scottish airport sector.

Scottish Chambers of Commerce
May 2008