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## CCP takes notice of sharp rise in air fares

STAFF REPORTER

ISLAMABAD—The Competition Commission of Pakistan (CCP) has taken notice of the substantial increase in air fares by the private airlines following the disruption of Pakistan International Airline (PIA)'s flight operations due to a strike by its employees.

CCP is mandated by the Competition Act, 2010 to check anticompetitive practices by businesses. Such practices include excessive increase in prices by businesses having market power and collective fixation of prices or collusion by competing businesses.

CCP is cognizant of media reports regarding a sharp rise in private airline fares following the disruption of PIA's flight operations due to a strike by its employees. CCP is probing the matter under the law and strict action will be taken against any undertaking indulging in anti-competitive practices.

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Months—At

## Increased air fares CCP asks private airlines to provide data

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ISLAMABAD: The Competition Commission of Pakistan has taken notice of media reports regarding exorbitant increase in airfares of private airlines in recent days.

The Commission is in the process of collecting information and has written to Shaheen Airlines and Airblue to provide comprehensive data on airfares charged recently. These airlines have been intimated that unreasonable price increases by dominant businesses and collective price fixing between competitors are anti-competitive activities that should be avoided at all costs.

In this regard CCP would request passengers who have recently purchased tickets at seemingly high fares to approach the Commission's Complaint Cell with evidence on:

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Email: complaints@cc.gov.pk, Tel: 051-9100260, Fax: 051-9100297 and Post: 55-B, 7th Floor, ISE Tower, Jinnah Avenue Islamabad.—PR

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## High fares

# CCP cautions private airlines

### Staff Report

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# Airfares take off when PIA doesn't

|   | Time    | Flight | Status                |
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|  DEPARTURES | 07 : 00 | PK 420 | DELAYED DUE TO STRIKE |

Increased demand leads to higher prices; CCP intervenes to control airlines' profits

**FARHAN ZAHEER**  
 KARACHI

It is not far-fetched to imagine that competition would latch onto any opportunity it gets to maximise profits, but it is rarely the case that authorities are even quicker to prevent such a scenario.

After protests by employees of Pakistan International Airlines reached a new level, airfares went higher, partly because of greater demand and partly because of other airlines' sense of increasing profits.

However, the swift launch of an inquiry by the Competition Commission of Pakistan (CCP) against private airlines has forced them to partially reduce the increase in airfares, industry officials said on Thursday.

"Private airlines increased their fares by more than 200% after February 1," FPCCI Aviation Committee Chairman Yahya Polani told *The Express Tribune*. "Fares have come down drastically, but they are still about 100% more than the days when PIA was fully operational."

One-way tickets that were available in the range



**SPILLOVER:** When asked, a travel agency official confirmed that ticket prices for both Shaheen Air and Airblue jumped up sharply because of the disruption in PIA operations. PHOTO: FILE

of Rs8,000-9,000 prior to February 1 are now in the range of Rs18,000-19,000. According to Polani, private airlines have reduced their fares from as high as Rs27,000 to Rs18,000-19,000 because of the CCP inquiry.

The CCP, which regulates anti-competitive behaviour in the country, on Thursday said

that it has taken note of the substantial increase in airfares by private airlines following the disruption to PIA's flight operations.

"The Commission is in the process of collecting information and has written to Shaheen Air International and Airblue to provide comprehensive data on airfares charged

recently," according to a CCP statement on Friday.

"Airlines have been informed that any unreasonable price increases by dominant businesses and collective price fixing between competitors are anti-competitive activities that should be avoided at all costs," said the statement.

According to a Karachi-based

travel agency Nice Travels, a round-trip Lahore-Karachi-Lahore Airblue ticket for February 6 was available in the range of Rs30,000.

However, given that the route is one of the most popularly travelled ones in the country, it serves as a reasonable benchmark to judge airfares.

With an increase in demand due to customer preference towards Airblue and Shaheen Air, the availability of seats has taken a hit, pushing prices up. However, seat confirmation is another area where airlines are reluctant to give a final word to travellers, say industry officials.

When asked, a travel agency official confirmed that ticket prices for both Shaheen Air and Airblue jumped up sharply because of the disruption in PIA operations.

Polani, who is also the former chairman of the Travel Agents Association of Pakistan (TAAP), said the private airlines reduced their prices because of media and CCP pressure. "These airfares would have skyrocketed if it wasn't for all the pressure."

## CCP takes notice of fare raise by private airliners

**Our correspondent**

ISLAMABAD: After witnessing increase in fares of private airlines owing to ongoing strike by employees of the Pakistan International Airlines (PIA) employees, the Competition Commission of Pakistan (CCP) has written letters to Shaheen Airlines and Airblue for providing information to anti-trust watchdog.

"The CCP has taken notice of exorbitant increase in airfares of private airlines in recent days," said an official statement issued by the CCP here on Thursday.

The commission is in the process of collecting information and has written to Sha-

heen Airlines and Airblue to provide comprehensive data on airfares charged recently. These airlines have been intimated that unreasonable price increases by dominant businesses and collective price fixing between competitors are anti-competitive activities that should be avoided at all costs.

In this regard, the CCP would request passengers who have recently purchased tickets at seemingly high fares to approach the commission's complaint cell with evidence on: Email: [complaints@cc.gov.pk](mailto:complaints@cc.gov.pk), Tel: 051-9100260, Fax: 051-9100297 and Post: 55-B, 7th Floor, ISE Tower, Jinnah Avenue Islam-

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The CCP is mandated by the Competition Act, 2010 to check anti-competitive practices by businesses. Such practices include excessive increase in prices by businesses having market power and collective fixation of prices or collusion by competing businesses.

The CCP is cognisant of media reports regarding a sharp rise in private airline fares following the disruption of PIA's flight operations due to a strike by its employees. The CCP is probing the matter under the law and strict action will be taken against any undertaking indulging in anti-competitive practices.

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# فضائی کرایوں میں اضافہ، لقمی کمیشن کارروائی شروع کر دی

شاہین ایئر لائنز اور ایئر بلیو کو حالیہ کرایوں کا جامع ڈیٹا فراہم کرنے کی ہدایت کی جاتی ہے، مینٹننٹ خریدنے والے مسافروں سے بذریعہ ای میل، فون یا ڈاک رابطے کی درخواست

کراچی (بزنس ڈیسک) مسابقتی کمیشن آف پاکستان (سی سی پی) نے ٹی ایئر لائنز کی جانب سے حالیہ دنوں میں فضائی کرایوں میں نمایاں اضافے کی میڈیا رپورٹس کا نوٹس لیتے ہوئے کارروائی کا آغاز کر دیا، اس سلسلے میں ابتدائی طور پر معلومات جمع کی جارہی ہیں اور ٹی ایئر لائنز کو حالیہ کرایوں کا جامع ڈیٹا فراہم کرنے کی ہدایت کر دی گئی ہے جبکہ حال ہی میں مینٹننٹ خریدنے والے مسافروں سے بھی ثبوت کے ساتھ کمیشن کے حکایت سہیل سے بذریعہ ای میل، فون یا ڈاک رابطے کرنے کی درخواست کی گئی ہے۔ مسابقتی کمیشن کی جانب سے گزشتہ روز جاری کردہ بیان کے مطابق ایئر فیئرز کے حوالے سے معلومات جمع کرنے کے عمل میں ہے، شاہین ایئر لائنز اور ایئر بلیو کو حالیہ فضائی کرایوں کا جامع ڈیٹا فراہم کرنے کے لیے لکھا گیا ہے، ان ایئر لائنز کو مطلع کر دیا گیا ہے کہ غالب کاروبار کی جانب سے قیمت میں نامناسب اضافہ اور مسابقت کارروائی کا ابتدائی طور پر قیمت فیکس کرنا غیر مسابقتی ہر گز مہیاں ہیں اور انہیں ہر قیمت پر ان سے گریز کرنا چاہیے، اس سلسلے میں سی سی پی نے حال ہی میں بظاہر بلنڈ کرایوں کے حامل ٹکٹ خریدنے والے مسافروں سے بھی درخواست کی ہے کہ وہ کمیشن کے حکایت سہیل سے ثبوت کے ساتھ بذریعہ ای میل، فون، فیکس یا ڈاک رابطہ کریں۔