



Australian Government



2 October 2019

Ms Marlene Tucker
Executive Director
International Air Services Commission
PO Box 630
Canberra ACT 2601
iasc@infrastructure.gov.au

Dear Ms Tucker,

RE: Virgin Australia's application for allocation of capacity – Japan route

I write in response to the International Air Services Commission (IASC) invitation for submissions about the application from Virgin Australia for an allocation of one frequency per day for passenger services on the Japan route to operate to/from Tokyo's Haneda International Airport (Haneda).

Tourism Australia (TA) supports Virgin Australia's application to access Haneda from Brisbane. TA understands this opportunity will enable a fourth airline to enter the Japan route, bringing a new source of competition which would deliver significant benefits for travellers, boosting tourism flows between the two countries. Japan is a vitally important source market and is the fifth largest tourism market for Australia bringing more than 450,000 visitors to Australia each year who spend approximately \$2 billion. The Japan market has responded well to increases in aviation capacity to Australia in recent years and Japanese arrivals to Australia continue to grow at around 10 per cent each year. The outlook for future demand for inbound and outbound travel remains strong, with high appeal for both leisure and corporate travellers.

Virgin Australia has established a partnership with ANA, which TA understands could deliver a range of new options and benefits for passengers travelling between Japan and Australia, as well as provide access to Japanese tourists from multiple catchments in Japan beyond Tokyo. Virgin Australia's proposal has the potential to increase dispersal of Japanese visitors within Australia between the eastern and western seaboard, through its partnership with ANA which currently flies to Sydney and Perth.

Our country and our tourism industry stand to benefit in many ways from the approval of the proposal, which should increase capacity, add new flight and route options, enhance codeshare connectivity and lower airfares. On behalf of Tourism Australia and the Australian tourism industry we recommend the IASC approves Virgin Australia's application for access to Haneda.

Thank you for your opportunity to comment on this matter.

Yours sincerely,

Phillipa Harrison
MANAGING DIRECTOR
Tourism Australia