Lyn Camilleri < From: Monday, 23 December 2024 4:44 PM Sent:

To: IASC

Cc: Anthony Hilton

Subject: Virgin Australia application for capacity on Qatar route: ACCC submission

[SEC=OFFICIAL]

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Dear Jasmina

Thank you for inviting the ACCC to comment on the application from Virgin Australia for capacity on the Australia-Qatar route.

As you are aware, on 29 November 2024, the ACCC granted interim authorisation in respect of the application for authorisation AA1000679, lodged by Virgin Australia Airlines Pty Ltd and Virgin Australia International Airlines Pty Ltd and their related bodies corporate, and Qatar Airways Group Q.C.S.C. The decision is available of our public register: Virgin Australia and Qatar Airways | ACCC

Interim authorisation allows the applicants to engage in a range of conduct, including cooperation in relation to the deployment of capacity on routes between Australia and Doha, including Virgin Australia commencing daily scheduled return services between Brisbane, Melbourne, Perth and Sydney and Doha. Interim authorisation remains in place until it is revoked, the application for authorisation is withdrawn, or the date the ACCC's final determination comes into effect.

The ACCC is expected to issue a draft determination by early February 2025, followed by a final determination in March/April 2025.

Although the ACCC has not reached any concluded views about the application for authorisation, on the basis of our work on the interim authorisation, the conduct to be authorised appears likely to result in public benefits in the form of enhanced products and services, including increased capacity between Sydney, Melbourne, Brisbane and Perth and Qatar. While the ACCC has not concluded its assessment of concerns raised by interested parties, the ACCC considered that there was unlikely to be enduring harm from the granting of interim authorisation in the event that authorisation on the substantive application is ultimately not granted.

Submissions from interested parties to the ACCC have generally been supportive of the application for authorisation, although a number of parties raised specific issues around the impact on existing partnerships and use of foreign labour.

In granting interim authorisation, the ACCC acknowledged these concerns and the ACCC will consider them further in the context of the substantive authorisation (noting that the Applicants have not sought authorisation for the proposed exclusivity arrangements).

Kind regards,

Lyn

Lyn Camilleri (she/her)

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The ACCC acknowledges the traditional owners and custodians of Country throughout Australia and recognises their continuing connection to the land, sea and community. We pay our respects to them and their cultures; and to their Elders past, present and future.



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