



AUSTRALIAN  
AIRPORTS  
ASSOCIATION

14 January 2025

Jasmina Ackar, Director  
International Air Services Commission  
Submitted via email to [Contact@iasc.gov.au](mailto:Contact@iasc.gov.au)

### **Submission in Support of Virgin Australia's Application for Capacity on the Qatar Route**

Dear Director,

The Australian Airports Association (AAA) welcomes the opportunity to provide our support for Virgin Australia's application for 28 weekly frequencies on the Qatar route. Representing over 340 airports and 150 corporate members, the AAA is committed to ensuring a competitive, connected, and sustainable aviation sector that delivers wide-ranging benefits to passengers, freight operators, and regional economies across Australia.

Virgin Australia's proposed services in partnership with Qatar Airways present a compelling opportunity to enhance Australia's international aviation network. This application addresses critical market needs by delivering increased capacity, fostering competition, and improving connectivity to key global markets.

#### **Boosting Competition for the Good of Australian Travellers**

Virgin Australia's application represents a vital step in introducing greater competition to Australia's international aviation market. The proposed 28 weekly frequencies between Sydney, Melbourne, Brisbane, Perth, and Doha will enhance capacity on high-demand routes to the Middle East, Europe, and Africa.

The Australian Competition and Consumer Commission (ACCC) has already recognised the public benefit of this partnership, granting interim authorisation on 29 November 2024 for the integrated Virgin Australia-Qatar Airways alliance.

Increased competition has historically driven down fares and improved service quality. With Australian consumers currently grappling with rising costs, these services will offer much-needed affordable options for international travel while ensuring greater choice and convenience for passengers.

#### **Expanding Capacity Where It's Needed Most**

Virgin Australia's commitment to fully utilising the allocated capacity by December 2025 demonstrates their readiness to address growing demand for international air travel. These daily services, operated using a financially responsible five-year wet-lease arrangement with Boeing 777-300ER aircraft, will enhance connectivity to Doha as a critical hub for onward travel to Europe, Africa, and the Middle East.

This wet-lease arrangement helps Virgin Australia overcome supply chain constraints while responsibly addressing fleet limitations, enabling the airline to meet current demand effectively without replacing existing operations.

Importantly, the codeshare element of this application enables Virgin Australia to leverage Qatar Airways' global sales and distribution network, significantly expanding inbound tourism reach beyond its current local market. The proposed services also opens up substantial passenger connection opportunities across Qatar Airways' network of destinations, maximising the benefit of this capacity allocation.

The AAA supports the allocation for a five-year term to provide the stability necessary for long-term planning and investment in Australia's aviation industry. The rapid introduction of 28 weekly services within a 12-month period further underscores Virgin Australia's commitment to delivering on this proposal and meeting the needs of Australian travellers.

### **Regional Benefits and Economic Impact**

This application also presents significant opportunities for regional Australia. Virgin Australia's extensive domestic network will allow regional travellers to connect seamlessly to international destinations via Doha, supporting regional economies and enabling new opportunities for tourism and trade.

Inbound tourism will also benefit from improved access to Australian destinations. With over 100 new one-stop itineraries and reduced layover times, these services promise enhanced connectivity, benefiting local tourism and exporters alike.

### **Strengthening Australia's Aviation Market**

At a time when Australia's aviation market is still recovering post-COVID-19, this application provides much-needed capacity and an opportunity to reduce airfare pressures. Virgin Australia's integration with Qatar Airways strengthens its long-haul international exposure, which will also support its domestic network and overall competitive positioning.

The Virgin Australia-Qatar Airways partnership represents a meaningful counterbalance to the current market concentration in Australia's international aviation sector. Approving this application will foster a more competitive, dynamic, and consumer-focused aviation ecosystem, directly benefiting Australian travellers and businesses.

The Australian Airports Association urges the International Air Services Commission to approve this application in full, recognising its transformative potential for the Australian aviation sector and its consumers. Approving this application will deliver much-needed capacity, foster competition, and enhance Australia's connectivity to key global markets.

Yours sincerely,



Simon Westaway  
Chief Executive Officer