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www.accc.gov.au

Our ref: 62945 Contact officer: Luke Griffin Contact phone: 02 6243 1114

24/11/2017

By email

Dear Sir / Madam

Qantas Limited and Jetstar Pty Ltd application for revocation of authorisations A91314 & A91315 and substitution of new authorisations A91600 & A91601 – draft determination

The Australian Competition and Consumer Commission (the ACCC) has issued a draft determination in respect of the application for re-authorisation lodged on 12 September 2017.

The application for re-authorisation relates to coordination involving Qantas, Jetstar, the Jetstar branded low cost carriers, and as applicable, the Jetstar joint venture full service airline shareholders (Vietnam Airlines and Japan Airlines). These arrangements were authorised by the ACCC for five years in March 2013 (A91314 & A91315). Re-authorisation has been sought for a period of ten years.

Under the arrangements, Qantas and Jetstar propose to continue to coordinate all network, scheduling, pricing, marketing, purchasing, customer service and resourcing decisions between:

- Qantas, Jetstar Airways, Jetstar Asia, Jetstar Pacific and Jetstar Japan
- Jetstar Japan and Japan Airlines
- A Jetstar joint venture, its local partner airline and any other airline in the Jetstar Group to the extent they overlap or potentially overlap.

A copy of the application is available on the ACCC's website www.accc.gov.au/AuthorisationsRegister.

Draft determination

A copy of the ACCC's draft determination and summary of its reasons is attached.

For the reasons set out in its draft determination, the ACCC proposes to re-authorise the arrangements for a further five years.

Next steps

Once the ACCC issues a draft determination, the Applicant or any interested party may make a written submission and/or request that the ACCC convene a 'pre-decision conference'.

If you wish to make a submission in response to the ACCC's draft determination, please lodge your submission by **15 December 2017**. "Submissions should be emailed to adjudication@accc.gov.au with the subject "A91600 & A91601 – Qantas & Jetstar – submission".

A pre-decision conference provides the opportunity for interested parties to make oral submissions in relation to the draft determination. Conferences are conducted informally and while legal or professional advisers are able to attend they are not entitled to participate in the discussion.

If you wish the ACCC to hold a pre-decision conference in relation to the draft determination you must notify the ACCC in writing by **8 December 2017**.

The ACCC will consider any submissions it receives, including any oral submissions made should a pre-decision conference be called, and will then release a final determination in relation to these applications.

Submissions will be placed on the ACCC's public register subject to any request for exclusion. Please see the ACCC's publication <u>Guidelines for excluding information from the public register</u>.

Timetable

The ACCC will continue to progress its assessment of the application in a timely manner. An updated indicative timetable is set out below for your information.

Indicative date	Stage in assessment process
12 September 2017	Lodgement of application and supporting submission.
20 September 2017	Public consultation process begins.
24 November 2017	Draft determination.
November/December 2017	Public consultation on draft determination including any conference if called.
February 2017	Final determination.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter please do not hesitate to contact Luke Griffin on 02 6243 1114 or adjudication@accc.gov.au.

Yours sincerely

David Hatfield Director Adjudication

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