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Our ref: AA1000615 Contact officer: Alex Cicchini Contact phone: (03) 9910 9552

8/06/2022

Dear Sir/Madam

Virgin Australia & Alliance Airlines application for authorisation AA1000615 AA1000615 – interested party consultation and interim authorisation decision

On 27 May 2022, the Australian Competition and Consumer Commission (the **ACCC**) received an application for authorisation from Virgin Australia Regional Airlines Pty Ltd, Virgin Australia Airlines Pty Ltd, Alliance Airlines Pty Limited and Alliance Aviation Services Limited (together, the **Applicants**). This letter is to invite you to comment. You are welcome to pass this letter on to others who may wish to make submissions.

The Applicants are seeking authorisation¹ under the *Competition and Consumer Act 2010* (Cth). Authorisation would give it legal protection from competition laws to enter into, and give effect to, an extension of their Charter Alliance Agreement which provides for the joint tender and supply of services to corporate customers, principally for fly-in fly-out employees (the **Conduct**). The Applicants are seeking authorisation for five years. A full copy of the application for authorisation is available on the ACCC's <u>authorisations public register</u>.

Interim authorisation

The Applicants requested urgent interim authorisation to allow them to engage in the Conduct prior to the expiration of existing authorisations A91552 and A91553 for the same conduct on 9 June 2022.

The ACCC has decided to grant interim authorisation in respect of the application for authorisation lodged by the Applicants. A copy of the ACCC decision is attached.

Interim authorisation protects the arrangements for which authorisation is sought from legal action under the relevant provisions of the *Competition and Consumer Act 2010* (Cth) while the ACCC considers and evaluates the merits of the application.

As noted in the attached decision, the ACCC may review its decision on interim authorisation at any time. In this regard the ACCC will reconsider this decision at the time of issuing its draft determination. The ACCC's decision in relation to interim authorisation should not be taken to be indicative of whether or not final authorisation will be granted by the ACCC

Making a submission

The ACCC invites you to make a submission on the substantive application for authorisation. In making your submission, please provide information, evidence and views about the likely

¹ For information about Authorisations, please see https://www.accc.gov.au/business/exemptions/authorisation

public benefits, effects on competition and any other public detriment that you consider will result from the proposed conduct.

If you intend to provide a submission, please do so by **29 June 2022**. If you wish to request an extension, please contact us on the details below as early as possible. Submissions after the due date (or after any extension granted) may not be taken into account.

Please use the coversheet that accompanied this letter and email your submission to exemptions@accc.gov.au, with the subject 'AA1000615 – Virgin Australia & Alliance Airlines – submission'. Alternatively, if you would like to provide comments orally, please contact Alex Cicchini via the details at the end of this letter.

Your submission **will** be placed on the ACCC's <u>authorisations public register on the internet</u> unless you have made a request (with reasons) for us to exclude part or all of the submission from the public register. (see <u>Guidelines for Excluding Information from the Public Register for more information on how to make a request and how we assess requests).</u>

Timetable

The ACCC will progress its assessment of the application in a timely manner. An indicative timetable is set out below for your information, and an up to date version (including any changes) will be posted on the public register.

| Indicative data | Stage in accessment process |
|------------------------|---|
| Indicative date | Stage in assessment process |
| 27 May 2022 | Lodgement of application and supporting submission. |
| 8 June 2022 | ACCC decision regarding interim authorisation and public consultation process begins. |
| 29 June 2022 | Closing date for submissions from interested parties on the substantive application and interim authorisation decision. |
| July 2022 | Applicant responds to issues raised in the public consultation process. |
| July/August 2022 | Draft determination. |
| July/August 2022 | Public consultation on draft determination including any conference if called. |
| September/October 2022 | Final determination. |

This letter has been placed on the ACCC's public register. If you have any questions or wish to discuss any aspect of this matter, please do not hesitate to contact Alex Cicchini on (03) 9910 9552 or exemptions@accc.gov.au.

Yours sincerely

Darrell Channing

Director

Competition Exemptions