



Our ref: AA1000540
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17/08/2021

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Michele Laidlaw
Head of Legal - Competition
Qantas Airways Limited

Via email: [redacted]; and [redacted]

Dear Ms Laidlaw

Qantas Airways Limited (Qantas) and Japan Airlines Co. Ltd (JAL) application for authorisation AA1000540 — request for information

I refer to the Applicants' submission of 1 June 2021 in response to the ACCC's draft determination which proposed to deny authorisation in relation to the application for authorisation of the proposed Joint Business Agreement (**JBA**) between Qantas and JAL for the coordination of their operations between Australia/New Zealand and Japan.

As you are aware, the ACCC is currently considering all submissions received in preparing the final determination in this matter before 17 September 2021. In this regard, the ACCC seeks further information from the Applicants about the issues attached to this letter.

We request a response to the issues raised by **Tuesday, 24 August 2021**.

This letter and the Applicants' response will be placed on the ACCC's public register, subject to the ACCC's consideration of any request from the Applicants' to exclude information from the public register.

Please contact Tom Whitby on (02) 6243 1012 (or tom.whitby@acc.gov.au) or myself on (03) 9290 1477 (or jaime.martin@acc.gov.au) should you have any questions about the issues raised in this letter.

Yours sincerely

Jaime Martin
A/g Director
Competition Exemptions

Qantas and JAL application for authorisation AA1000540 — ACCC request for information – 17 August 2021

1. At page 8 (Figure 4) of the Applicants' submission in response to the draft determination, the Applicants relied on an extract from an August 2020 survey conducted by the Japan Travel Bureau Foundation (**JTBF**) about Japanese consumers' willingness to travel. There appears to be more recent surveys results on JTBF's website, (for example, Part 8 dated 13/1/2021 and Part 10 dated 7/4/2021).
 - a) Given the full reports are in Japanese, we are not able to easily compare data in these more recent surveys to the data submitted by the Applicants. Are you able to provide an equivalent (translated) table to that provided in Figure 4 utilising the more recent survey results?
 - b) If not, are you able to explain the more recent survey results and whether Figure 4 represents JTBF's most current measure of Japanese consumer confidence or willingness to undertake overseas travel in the future?
2. Subsequent to the Applicants' submission in response to the draft determination, the Australian Government has announced a four phase National Plan to transition Australia's National COVID Response.
 - a. Can you please outline whether and how the Government's announcement, including the references to potential measures for international travel in future phases, has impacted the Applicants':
 - i. forecasts of future passenger demand for services between Australia and Japan?
 - ii. planning of capacity reinstatement on routes between Australia and Japan with and without authorisation of the proposed JBA?
3. Pages 12 – 13 of the Applicants' submission in response to the draft determination detail Qantas and JAL's plans to reinstate capacity, including on the Sydney – Tokyo and Melbourne – Tokyo routes under the proposed JBA when borders re-open and demand recovers. The Applicants submit the re-instatement of capacity will be faster under the proposed JBA than without the proposed JBA.
 - a) Can you please outline whether the Applicants are currently selling tickets for travel between Sydney-Tokyo and Melbourne – Tokyo? If so, please outline when the Applicants commenced selling these tickets, and how far out any forward sales program is?
 - b) Can you please confirm whether the Applicants intend to supply Sydney-Tokyo and Melbourne-Tokyo services to customers who purchase these tickets if the ACCC does not authorise the proposed JBA?