

13 November 2017

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Via E-mail: adjudication@accc.gov.au

Dear Mr Jones,

AA1000400 – QANTAS AIRWAYS LIMITED & EMIRATES - SUBMISSION

Thank you for providing Perth Airport Pty Ltd (**PAPL**) the opportunity to comment on the proposed re-authorisation of Qantas Airways Limited (**QF**) and Emirates' (**EK**) Restated Master Coordination Agreement (MCA).

In the application, the airlines have stated the re-authorisation will bring new and continued public benefits (Section 9), amongst which are as follows:

- Expanded network, improved connectivity and greater schedule choice;
- Reciprocal frequent flyer benefits;
- Enabling sustainable operations of QF's international network to Europe; and
- Increased tourism, promotion of international trade and business

PAPL agrees with all of the above points. EK's vast Dubai hub network connects to an array of destinations, which would be commercially impossible to serve otherwise purely on QF metal, as an end-of-line carrier. This has provided and will continue to provide a greater choice for the travelling public.

QF's partnership with EK has certainly placed it in a stronger position now than before the inception of the partnership, and competition in the Perth-Europe market has intensified further since this time. Qatar Airways launched Perth-Doha services in July 2012, with daily services by December 2012. Almost two years later, Etihad Airways launched daily Perth-Abu Dhabi services. The QF/EK agreement has ensured that QF has stayed relevant in the Perth-Europe market at the same time as the airline has gradually rebuilt its international presence from Perth.

QF will soon be expanding its international network with the first ever non-stop flights between Australia and Europe, when it launches the Perth-London route in March 2018. However, the Perth-London traffic is only 30% of the overall Perth-Europe market. For passengers bound for countries in continental Europe travelling via the Middle East, Dubai included, will still be the most straight-forward option as routing via London involves back-tracking. Hence, the ongoing partnership with EK is still vital in providing QF access to these other markets.

On this basis, PAPL supports the reauthorisation of the Qantas and Emirates Restated Master Coordination Agreement.

Please advise if PAPL can be of further assistance.

Yours faithfully



Kevin Brown
CHIEF EXECUTIVE OFFICER