



AIR PACIFIC LIMITED
 PRIVATE MAIL BAG
 NADI AIRPORT FIJI
 TELEPHONE: (679) 672 0777
 WEBSITE: www.airpacific.com
 FAX: (679)
 EMAIL:

05 January 2010

Ms Teresa Nowak
 Acting Director, Adjudication Branch
 Australian Competition and Consumer Commission
 GPO Box 3131
 CANBERRA ACT 2601
AUSTRALIA

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Dear Ms Nowak:

Board of Airline Representatives of Australia Inc application for revocation and substitution of an authorisation A91200

I refer to your invitation to make a submission in relation to the above application by the Board of Airline Representatives of Australia (BARA).

Air Pacific understands that, since 2005 and under its existing authorisation, BARA has engaged in numerous negotiations with aeronautical and aeronautical related service providers on behalf of its member airlines. Air Pacific believes that the negotiations undertaken by BARA have resulted in improved commercial outcomes for airlines. They have also reduced Air Pacific's transaction costs through savings in resources and staff time that would otherwise have to be allocated by Air Pacific to the detailed review of commercial agreements and proposed aeronautical infrastructure developments. Acting under the terms of the existing authorisation, BARA has been in a position to present to the suppliers of aeronautical and aeronautical related services a collective view of the services and facilities required by airlines.

The international aviation market is highly competitive. Air Pacific maintains that the improved commercial outcomes achieved through BARA's collective negotiation activities have generated consequential savings for Air Pacific's passengers.

Air Pacific considers that BARA should be granted a new authorisation to undertake collective negotiations with aeronautical and aeronautical related service providers in order to facilitate more efficient capital, price and service quality outcomes for airlines and consumers. International air transport markets will benefit from the efficiencies generated, while there are few or no anti-competitive effects.

Yours sincerely,

Martin White

Executive General Manager Commercial

AUST. COMPETITION &
 CONSUMER COMMISSION

cc: Victor Sharan, Regional General Manager - Australia

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