



## SOUTH AFRICAN AIRWAYS

04 January 2010

SYD/TK/ch

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

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).

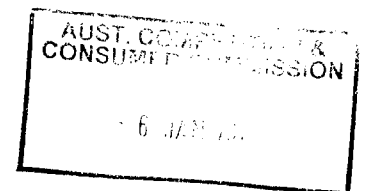
South African Airways understands that, since 2005 and under its existing authorisation, BARA has engaged in numerous negotiations with aeronautical and aeronautical related service providers on behalf of its member airlines. South African Airways believes that the negotiations undertaken by BARA have resulted in improved commercial outcomes for airlines. They have also reduced South African Airways' transaction costs through savings in resources and staff time that would otherwise have to be allocated by South African Airways 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. South African Airways maintains that the improved commercial outcomes achieved through BARA's collective negotiation activities have generated consequential savings for South African Airways' passengers.

South African Airways 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,

Thevan Krishna  
Head of Australasia



#### Directors

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Ruth Kibuuka Company Secretary