

Submissions  
Australian Competition & Consumer Commission  
Via email: [adjudication@acc.gov.au](mailto:adjudication@acc.gov.au)

28 September, 2012

To whom it may concern,

**RE: Qantas Airways Limited & Emirates Authorisations – A91332 & A91333**

### **About ATEC**

The Australian Tourism Export Council (ATEC) is the peak national industry body that exclusively represents Australia's \$26 billion tourism export sector. As an organisation, our views are informed by the broadest cross-section of the Australian tourism industry by virtue of our comprehensive membership composition.

We represent nearly 900 members across Australia ranging from large national and multinational corporations in the transport and accommodation sectors through to many small and medium-sized tourism enterprises that operate across regional Australia.

Our members also include inbound tour operators, global online travel companies and destination management organisations that coordinate and deliver travel arrangements for consumers to engage with Australia.

ATEC also plays a significant role on a national level in advocating for and shaping the development of critical policy positions that affect the performance of the tourism industry in Australia.

### **Tourism 2020**

In December 2011, the Government announced its new national strategy, Tourism 2020, with a goal of doubling the value of tourism from its current \$70 billion to \$140 Billion by 2020. This is an aggressive target that will require focused consideration on both the demand and supply side issues facing the industry.

One of the key factors that will dictate the success or failure of the industry to meet its goals will be the ability of airlines to increase inbound capacity and successfully connect Australia with the international visitor. ATEC supports any airline partnership that will enable greater connection, destination access and competition which will help drive visitors to Australia. We see the additional capacity created through these partnerships as being vital to achieving our industry goals and, consequentially, broader benefits to the Australian economy.

## **New Markets**

The ability of international visitors to access Australia through easy and direct routes is an important element in opening up new and existing markets. Making new connections with Europe, via hubs in the Middle East, will help strengthen and rebuild some of the decline we have seen in our traditional markets more recently.

Visitation to Australia from the traditional markets of the West, particularly UK and Europe, has seen serious declines over the past three years since the onset of the Global Financial Crisis. New connections, routes and interlining can be the catalyst to turning around these declining markets and our industry can benefit from a renewed ability to access visitors from these important geographic regions.

These connections will also support and build growth out of lucrative alternative markets in the Middle East region which have, as yet, been out of our reach from the perspective of convenient access connections to Australia.

## **Timing and Dispersal**

In building schedules that meet the European curfews, airlines are often forced to set flights to arrive and depart Asian hubs at inconvenient times for travellers around South East Asia. Having services that are focused solely on Asia allows for schedules to be built that meet the preferences and needs of our fastest growing markets, making Australia a more desirable and accessible destination for these growth regions.

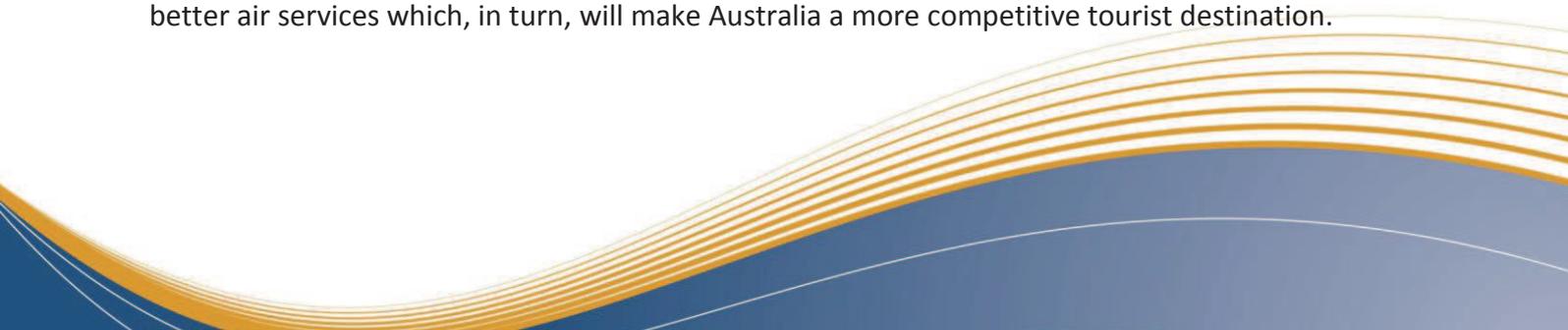
In addition, the Middle East hubs provide better flight timings that meet the needs of the European markets and greater connectivity to diverse markets, flowing through to our local networks to deliver important regional dispersal.

## **Conclusion**

ATEC fully supports movements within the aviation sector that will enable greater access, more convenience, connection to new markets and greater competition. The proposed alliance between Qantas and Emirates, we believe, will achieve that.

While Qantas currently code shares to only 5 one-stop destinations in Europe, this will increase to over 60 destinations in Europe, North Africa and the Middle East. The new alliance will assist greatly in providing Australia with a much stronger presence in these important markets.

This alliance will also allow Qantas to dedicate services to the local Asian market, rather than timing their services to meet European curfews. This shift will ensure Asian visitors are offered better air services which, in turn, will make Australia a more competitive tourist destination.



ATEC also sees significant regional tourism benefits resulting from this alliance. An improved schedule of inbound services from Emirates will support dispersal of international visitors to key regional and remote parts of Australia.

Through the Qantas domestic network, regional destinations which are not serviced by Emirates, such as the Gold Coast, Cairns, Alice Springs, Broome and Darwin, will now have the ability to connect directly with international visitors arriving with Emirates. This will be an important boost to regional centres that are currently under significant pressure in attracting overseas visitors who find connections to some of these areas too difficult.

Services to New Zealand will also benefit through the integration of Emirates services into the Qantas network. As our single largest tourism market, we believe positive outcomes will be achieved that create a more tourist friendly service.

Finally, ATEC believes that Australian tourism needs to be supported by a strong, viable and locally-based carrier with interests in supporting the long term aims of the industry and a well-serviced and extensive network both domestically and internationally.

We look forward to the outcomes of this consideration.

With regards,



**Felicia Mariani**  
Managing Director

