

Gold Airways.

Dr Richard Chadwick (via email)
General Manager,
Adjudication Branch Australian Competition and Consumer Commission
Marcus Clarke Street
CANBERRA ACT 2601

24 March 2012

<u>Virgin Australia and Skywest Airlines -Applications for Interim Authorisation, Full Authorisation and Notification under section 93(1) of the Competition and Consumer Act 2010</u>

Dear Mr Chadwick,

Gold Airways is an aspirant Australian domestic and international airline venture proposing to venture into the Australian regional domestic and FIFO air passenger markets in the future, subject to funding of its business plans.

Gold Airways opposes the application on the grounds that it believes that, whilst the corporate alliance will bring some benefits to FIFO corporate travellers generally, it shares the concern of the Western Australian Government that the arrangement has the potential to lessen competition for FIFO bidding which could result in the collapse of smaller but important FIFO carriers.

There is nothing in this scheme of arrangement to prevent it being applied across the board by Virgin Australia to other larger FIFO carriers such as Alliance Airlines thereby being able to manipulate competition for FIFO services.

Accordingly we propose that the final authorisation be based on a strict set of rules that Virgin Australia be limited to an alliance with only one major FIFO carrier at a time, in this instance Skywest, and that Virgin Australia offer a <u>non-exclusive</u> corporate alliance to smaller FIFO carriers throughout the region, excluding Alliance Airlines, during the authorisation period. That would, in our, produce a fairer playing field.

Yours faithfully



Jens Buche

Director