



**Australian  
Competition &  
Consumer  
Commission**

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Dear Sir/Madam

**Reviews regarding whether to impose Capacity Growth Rates on Trans-Tasman airline alliances**

I refer to the authorisations granted by the Australian Competition and Consumer Commission (the ACCC) on 27 March 2013 to the Qantas Airways Limited and Emirates alliance (A91332 & A91333) and on 3 September 2013 to the Virgin Australia and Air New Zealand Limited trans-Tasman alliance (A91362 & A91363).

The authorisations imposed conditions requiring each alliance to maintain at least their pre-alliance aggregate capacity on the following routes of concern operated between Australia and New Zealand:

- Qantas/Emirates alliance - Sydney-Auckland, Melbourne-Auckland, Brisbane-Auckland, and Sydney-Christchurch routes
- Virgin/Air New Zealand alliance - Wellington-Brisbane, Queenstown-Brisbane, Auckland-Gold Coast, Christchurch-Brisbane, Christchurch-Melbourne, and Dunedin-Brisbane routes.

As you are aware, the ACCC has been undertaking a review, as required by the conditions of authorisation, to determine whether to require either alliance to increase capacity flown (in aggregate) on the routes of concern.

Having regard to the information provided by the alliances, interested parties and other relevant information available to the ACCC, the ACCC has decided not to require either alliance to increase their capacity flown on the routes of concern.

A copy of this letter has been placed on the ACCC's public register.

Should you have any queries in relation to this matter, please do not hesitate to contact Gavin Jones on (03) 9290 1475.

Yours sincerely

Baethan Mullen  
A/g General Manager  
Adjudication