



Our ref: AA1000478
Contact officer: Isabelle Mauleon-Wells
Contact phone: 07 3811 9218

23 Marcus Clarke Street
Canberra ACT 2601
GPO Box 3131
Canberra ACT 2601
tel: (02) 6243 1111

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adjudication@acc.gov.au
www.acc.gov.au

Dear Applicant,

Regional Express Pty Ltd's application for authorisation AA1000478 – request for update

Background

On 26 March 2020, the Australian Competition and Consumer Commission (the **ACCC**) granted interim authorisation to Regional Express Pty Ltd (**Rex**), Qantas Airways Limited (**QantasLink**), and Virgin Australia Holdings Limited (**Virgin Australia**) (the **Relevant Parties**) to coordinate as necessary to reduce capacity on ten regional routes and enter into agreements to share revenue on those routes as a result of the COVID-19 pandemic (the **Proposed Conduct**).

The interim authorisation has been granted to allow your organisation and the other Relevant Parties to immediately engage in the Proposed Conduct while the ACCC progresses its assessment of the substantive application for authorisation. Further information, including a copy of the application and the ACCC's interim authorisation decision, is available on the [public register](#).

Next steps

The ACCC is interested in your views on how the interim authorisation is working so far. In particular:

- Has your organisation engaged in the Proposed Conduct as described in the application and the interim authorisation decision? If so, please provide details. If not, why not?
- Is the Proposed Conduct working as expected?
- Are there any particular benefits or detriments that the Proposed Conduct is resulting in?

We would be grateful for your response by **11 May 2020** to isabelle.mauleon-wells@acc.gov.au. Alternatively, if you would like to provide feedback orally, please contact Isabelle Mauleon-Wells on 07 3811 9218.

The ACCC will continue to monitor engagement in the Proposed Conduct to inform its assessment of the application for authorisation. We would therefore appreciate fortnightly updates from you in addition to your response to this request for update.

Submissions, including oral submissions, will be placed on the ACCC's public register subject to any request for exclusion. Please see the ACCC's [Guidelines for excluding confidential information from the public register for authorisation and notification processes](#).

Yours sincerely

Sophie Ward
Director
Adjudication

Number: 1 Author: Ikh Subject: Sticky Note Date: 5/05/2020 4:27:58 PM
Rex has not entered into any discussions at all with QantasLink. [REDACTED]

Under the current funding, the Cwth fully funds some limited services to the regional routes and so it is to the advantage of all carriers to fly the maximum possible under the funding even if there are almost not passengers on the flights.

The funding makes consideration of optimisation irrelevant. Once funding ends, there could be a need to collaborate to optimise operations.

As for Virgin Australia, it is a moot point.

Number: 2 Author: Ikh Subject: Sticky Note Date: 5/05/2020 4:28:02 PM
not now but perhaps when the funding ends at the end of June.

Number: 3 Author: Ikh Subject: Sticky Note Date: 5/05/2020 4:28:20 PM
none currently

Number: 4 Author: Ikh Subject: Sticky Note Date: 5/05/2020 4:23:55 PM
request to update end June as nothing will change in the meantime.