

7 November 2024

Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2601

Via email: exemptions@acc.gov.au

Dear ACCC

RE: Virgin Australia and Qatar Airways Application for Authorisation AA1000679

The Council of Australian Tour Operators (CATO) appreciates the opportunity to provide a submission to the ACCC in relation to the above application.

CATO represents the land-supply side of the Australian travel industry. Our members consist of the tour operators and wholesales that create, market and deliver the land-based holidays sold through travel agents and clients direct that enable Australians to safely explore the world and their own country. Whilst many of our members do not directly book airfares and flights for their customers, they all rely on sufficient air capacity into and out of Australia at affordable prices to enable their businesses to operate.

CATO is supportive of the Qatar Airways investment in Virgin Australia.

Our view is that this investment and the proposed wet-leasing of Qatar Airways aircraft to enable Virgin Australia to recommence long-haul international flying will have a positive impact through increased competition and flight capacity which will put downward pressure on airfares.

CATO support is subject to the ACCC taking into consideration the following:

- Ensuring there is no reduction in the ports or number of flights Qatar Airways currently flies into Australia. CATO does not support 'hubbing' through Melbourne, Sydney or Brisbane at the expense of direct flights to other cities.
- No constraints are placed on Virgin Australia's ability to enter code-share agreements with other airlines to Europe, Africa and the Middle East. Each of these markets is of vital importance to CATO members and thus Australian travellers so any restrictions that reduce competition should be reduced.

Thank you for the opportunity to contribute to this consultation. Should you require any additional information please do not hesitate to contact either myself or CATO managing director Brett Jardine.

Yours sincerely

Dennis Bunnik
CATO Chair