

## **Submission by Justin Thomas-30 October 2024**

If approved, I believe this application will have a net negative impact to the Australian travelling public, particularly members of VA's Velocity program. As it stands, VA is significantly disadvantaged compared to Qantas' many international partners including the oneworld alliance. As a Qantas frequent flyer, passengers can choose from a number of airlines to travel to Europe and Africa, including those sold by Qantas (including Qantas itself, Emirates, Air France codeshare, KLM Codeshare) as well as booking with other competing oneworld airlines whilst still receiving status for Qantas FF membership (including BA, Finnair, JAL, Cathay Pacific, Sri Lankan and even Qatar). With so many Australians in the QF FF program, this means passengers are not locked into booking through Qantas and can obtain the best deal through a large number of airlines while still in the QF FF ecosystem. Virgin's network of partners is much smaller, however there are still several partners for travelling to Europe and Africa. The removal of Etihad, Virgin Atlantic and South African Airways (and a reduction with Singapore) in order to accommodate this agreement with Qatar means that Velocity members will effectively be locked into booking with Virgin and travelling on Qatar services. If they choose to fly with another airline, they would forgo FF status benefits and points. With this being a major factor in airline selection, I believe this will have the effect of cannibalising Etihad, South African and Singapore services in order to support the new Qatar services, which could well result in fewer seats and increased fares. It should be clear that this strategy of exclusive geographic partners is a detriment and not conducive to improving competition. Virgin should be encouraged to expand its network of partners to maintain choice for passengers, not become a subsidiary of a single foreign airline.