6 July 2021

Mr Gavin Jones
Director – Competition Exemptions
Australian Competition and Consumer Commission
23 Marcus Clarke Street
CANBERRA ACT 2601

Via email: gavin.jones@accc.gov.au

Dear Mr Jones

RE: SUPPORT FOR QANTAS AND JAPAN AIRLINES JOINT BUSINESS AGREEMENT (JBA)

COVID-19 and the consequential travel and border restrictions have brought the international tourism to all but a full stop. Domestic tourism has also not yet recovered to pre-COVID levels let alone grown to levels to compensate for the loss of international arrivals.

The Australian Chamber – Tourism is the peak body representing national associations and leading businesses in the tourism, accommodation and events industries. At the outset of the COVID pandemic, the Australian Chamber – Tourism formed a Tourism Restart Taskforce to frame the restart of domestic and international tourism. These plans recognise that the reopening process will not be linear. It will require a graduated reopening that considers the vaccination progress in Australia, the status in other countries and the vaccination of travellers.

As we exit COVID-19, it is clear there will be some hesitancy to travel. We saw this post-SARS where high- yielding markets like Japan had a longer recovery tail. As a market we need to do everything to accelerate the rebuild and ensure airlines are reestablishing their city-pairs and reducing the risks associated with the launch of new initiatives.

Post COVID-19, Japan will be a critical market for Australia's inbound tourism sector, particularly as we seek to better balance source markets for visitors to Australia. In CY19, the market grew by 6.2% to 499,000 – out-performing the market average of 2.4%.

The Australian Chamber – Tourism membership has reviewed the Qantas and JAL application and consider it to be in the overall best interests Australia as an



ABN 85 008 391795
T: +612 6270 8000
info@australianchamber.com.au
www.australianchamber.com.au



Commerce House Level 2 24 Brisbane Avenue Barton ACT 2600 PO Box 6005 Kingston ACT 2604

Melbourne

Level 2 150 Collins Street Melbourne VIC 3000

Sydney

Level 15 140 Arthur Street North Sydney NSW 2060 Locked Bag 938 North Sydney NSW 2059









international tourism destination. Our membership has pointed to a range of benefits for travellers to and from Japan in the JBA.

The tourism sector is looking at an ongoing period of constrained capital and it needs efficient airline partners to promote Australia. The Chamber members have indicated that Qantas and JAL will be incentivised under this agreement to leverage their assets to stimulate the Australia-Japan market.

Australia's international tourism sector needs certainty post-COVID and it appears that the proposed JBA helps deliver that. It allows the tourism industry to work with the airline partners to leverage the opportunities that flow from Japan with increased certainty and build back this critical inbound market, but also provides the national carrier additional confidence to build back its broader global network sooner.

Yours sincerely

John Hart OAM
Executive Chair
Australian Chamber - Tourism