

14 June 2022

Ms Jo Perry
Acting Head of Performance and Understanding
Regulation Branch
Commerce Commission

Via email: infrastructure.regulation@comcom.govt.nz

Dear Ms Perry,

RE: WELLINGTON AIRPORT PRICE SETTING EVENT REVIEW

The Qantas Group appreciates the opportunity to provide feedback on the Commerce Commission's consultation paper relating to Wellington Airport's (WIAL) fourth price setting event (PSE4) for the period 1 April 2019 to 31 March 2024.

The coronavirus pandemic and the border and quarantine restrictions imposed by governments globally have had an unprecedented effect on the aviation industry. While travel continues to recover and return to pre-pandemic levels, the operating environment remains challenging for the aviation sector. Pricing shocks associated with monopoly infrastructure providers seeking to recoup losses pose a macroeconomic risk to the New Zealand economy and the post-pandemic recovery.

Contrary to the December 2020 Readjustment Item 84 and FPD Item 60, Qantas did not agree to the recovery of COVID losses arising from the extension. Following discussions with WIAL, we do not seek to pursue this issue further at this time.

Qantas and Jetstar are members of the Board of Airline Representatives New Zealand (BARNZ) and we support its response to the consultation paper. BARNZ's comments on the approach taken in PSE4 are relevant to the Commerce Commission's consideration of whether WIAL is sharing risk appropriately with its major customers.

We welcome the opportunity to discuss this submission with you further. Should you have any questions about this submission, please contact me on [REDACTED]

Yours sincerely,

[REDACTED]

Matthew Hudson
Executive Manager, Commercial Airport, Fuel, Leasing

