

Submission concerning the proposed Strategic Alliance between Air NZ and Qantas made by:-

Margaret R. Hicks a regular customer of Air New Zealand since 1986 and a member of the airlines frequent flyer programme with Star Alliance Ref. T5633.

Statement - Such an alliance is NOT in the interests of the flying public.

Main points

- 1) This proposal must reduce competition, it reduces flying options and logically this can only lead to fare increases.
- 2) The proposed interchangeability of flight bookings will almost certainly lead to a loss of Air New Zealand's identity as a quality airline which provides one of the very best economy class services currently operating on the international market.
- 3) For Air New Zealand frequent flyers members of the Star Alliance there is the distinct possibility we could be transferred to the smaller, inferior airline grouping of which Qantas is a member, thereby providing fewer airline options for international travel.

DETAIL International flights.

- 1 a) In the past, if one had been unable to book a particular flight at the time required with Air NZ, there has invariably been a flight available with Qantas.
- b) Moreover both airlines periodically make special offers for a limited season providing the customer with a choice of additional benefits.
- c) Because both airlines are in direct competition on the Auckland/London, Europe service this has helped to keep air fares at competitive levels.
- Remove the competition between the 2 airlines and the flying public must lose out on the various benefits outlined.

2 Very real problems will develop for the travelling public on the Auckland - London/Europe service if the 2 airlines form an alliance and establish an interchangeable booking service. Presently a Qantas flight to Europe is shared with British Airways.

The latter, while I concede provides a high quality First & Business class service, offers arguably one of the most cramped and uncomfortable economy classes with inferior toilet facilities. A number of seats do not even recline.

There is a very real possibility that if one booked a flight to London with Air NZ one could find that one was travelling with BSA for the second stage of the flight from L.A. to Heathrow.

Personally I am not prepared to accept this. There is NO way I will fly with BSA. I can envisage a decline in Air NZ's bookings by travellers unwilling to accept BSA's inferior seating arrangements. There has already been considerable adverse publicity re 'Economy Class Syndrome'.

Such booking arrangements, could seriously impact on Air NZ's reputation for a quality economy class and lead to a loss of identity if the stages of long haul flights were to be divided between 2/3 airlines. To be realistic, the

majority of passengers fly economy class.

5/ Air New Zealand is presently a member of the Star Alliance - one of the largest airline associations incorporating many reputable international airlines. For frequent fliers such as myself it provides a worldwide web of services eligible for air points. Qantas on the other hand belongs to a much smaller association with far fewer options.

Personally none of these are suitable to my needs if the Qantas association was chosen over Star Alliance. I would therefore cease to travel with Air New Zealand & would join up with another Star Alliance Member such as Thai Airlines.

CONCLUSION

From the travelling public's perspective an alliance between Air New Zealand and Qantas has the potential to be disastrous for Air New Zealand & could very well lead to its demise:

It is counter productive to join up with Qantas to strengthen Air NZ financially if the travelling public then opt not to travel with Air New Zealand.

because its separate identity &
level of service had been effectively
destroyed.

Signed

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12th February 2003.