



Hospitality Association of New Zealand  
**100 YEARS OF LEADERSHIP**

20 June 2003

The Chairman  
NZ Commerce Commission  
PO Box 2351  
WELLINGTON

Dear Sir

**Air New Zealand and Qantas Co-operation Agreement**

Thank you for the opportunity to further comment on the Commerce Commission's draft determination. The Association supports the Commission in its continued questioning of matters raised in the draft determination.

The Association remains concerned about two key issues, being capacity and price, on both domestic and Trans-Tasman routes.

The key seems to be to find a mechanism to ensure that genuine would-be competitors are not frustrated in their attempts to provide a genuine competitive alternative to the proposed alliance.

The issues which the Association believes need to be taken into account in looking at matters which might frustrate competition are the level of the influence that the alliance's infrastructure partners will have on frustrating competition. This includes, but is not restricted to, the airport infrastructure and access to ticketing, gates, cargo handling, aircraft maintenance, refuelling services, etc.

The Commission, if they are to approve this alliance, must be confident that there is a genuine opportunity for a new entrant to effectively compete.

The Association is not in a position to judge or comment on the technical questions asked by the Commission. We however commend the Commission in its approach and ask that it be satisfied on the above issues of capacity, price and access, in making a final determination.

Yours sincerely

**Bruce H Robertson**  
**Chief Executive**

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