

M/s Janet Whiteside,
Chief Adviser,
Marketing Structure Group
Business Competition Branch,
Commerce Commission
PO Box 2351
Wellington

21B, Beaumont Place,
Parklands,
Christchurch 9.
21st Jan 03.
Copy to Hon Paul Swan

Dear Sir/Madam,

Submission
Proposed merger QANTAS - AIR N.Z

We are a retired couple with limited income, who travel occasionally to Queensland, in our winter, which is good for my arthritis.

All the indications are that the proposed merger Trans Tasman air fare will increase because we will have a monopoly structure and not have a fair competitive model.

On the international and internal routes they will have a dominate position and air travel analysed state categorically that all air fares will increase considerably.

The Commission should take into consideration the track record of QANTAS since the demise of Ansett within Australia.

less flights available and high increase in fare structures where there has been no opposition from Virgin Blue.

I have been awaiting patiently for the Government/Commerce Commission to allow Virgin Blue to enter the trans Tasman routes, which would then truly introduce a fair equitable competitive model.

It is interesting to note, until we had competition between Air NZ and QANTAS internal air fares within New Zealand were prohibitive.

The question is why are so many of the general public now travelling within NZ - the reason is lower air fares.

The most successful airlines today are the no frill airlines, Ryan air, Easy air who give the opportunity for a wider range of people to travel.

In actual fact, currently they together

with Virgin Blue, are financially viable, strong passenger loadings and buying new aircraft, which indicate public support and demand.

If the proposed amalgamation is successful it will be detrimental to us, ordinary people, because inevitably it will mean an increase in fares:

I think Virgin Blue should be given landing rights within N.Z. and Trans Tasman routes if we truly believe in the competitive model.

I hope this Submission will receive favourable consideration

Yours sincerely

Alan Burdton

BURDTON.