



19 April 2023

ACCC re-authorises coordination between Jetstar's Asian brands

The ACCC has decided to grant re-authorisation for five years until 11 May 2028 to Qantas Airways Ltd and Jetstar Airways Pty Ltd for the continued coordination of two Jetstar Asian-based joint ventures and, in certain circumstances, between Jetstar Japan and Japan Airlines.

Qantas and Jetstar Airways sought authorisation to continue coordinating with each other and the Jetstar joint ventures, Jetstar Asia and Jetstar Japan, on matters such as flight scheduling, sales and marketing, and pricing. Jetstar also sought to coordinate with its shareholding airlines including Qantas and Japan Airlines on passenger and cargo services within Asia in certain circumstances.

The decision continues the ACCC's previous authorisations made in 2013 and 2018.

"We believe the coordination is likely to result in public benefits by providing consumers with a wider choice of products, enhanced services, and more convenient flight times," ACCC Commissioner Anna Brakey said.

"The conduct permitted under this authorisation is likely to result in little, if any, lessening of competition, particularly given Qantas and Jetstar offer complementary services and face competition from a number of other airlines in the region."

"We have decided to grant re-authorisation for five years, instead of the 10 years sought, given the dynamic and rapidly evolving nature of the travel industry," Ms Brakey said.

The re-authorisation does not allow coordination between Qantas and Japan Airlines.

Further information, including the application, public submissions and the ACCC's decision can be found at Qantas Airlines Limited & Jetstar Airways Pty Ltd.

Background

On 3 March 2023, the ACCC granted interim authorisation to allow the coordination to continue while the ACCC completed its assessment of the substantive application. At the same time, the ACCC also issued a draft determination proposing to grant re-authorisation for the arrangements for a period of five years.

The Qantas Group has established the Jetstar Asia and Jetstar Japan joint ventures because in some international jurisdictions the regulatory environment makes it difficult for airlines to wholly or majority own airlines outside their own country. As both involve minority Qantas shareholdings, ACCC authorisation enables coordination to continue without risk of breaching Australian competition law.

Notes to editors

ACCC authorisation provides statutory protection from court action for conduct that might otherwise raise concerns under the competition provisions of the Competition and Consumer Act.

| Broadly, the ACCC may grant authorisation when it is satisfied that the likely public benefit from the conduct outweighs any likely public detriment. |
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