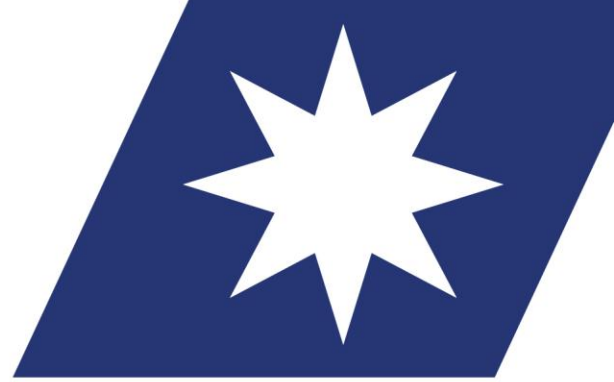


ROBBIE KATTER

Member for Traeger



MEDIA RELEASE

March 5, 2019

QANTAS DEAL IS AN ASSAULT ON COMPETITION

State KAP Leader and Traeger MP Robbie Katter has lashed out at moves by Qantas Group to take control of Brisbane-based charter operator Alliance Airlines.

Mr Katter said the deal, estimated to cost around \$60 million, could have drastic impacts on the already sub-standard air travel services in North West Queensland.

Early last month Qantas announced it had acquired a 19.9 per cent stake in Alliance.

Qantas also announced it aims to get regulatory approval from the Australian Competition and Consumer Commission (ACCC) to increase its shares and ultimately take a majority position in Alliance.

The deal has during the past month been subject to an ACCC review into whether or not there has been a breach of Section 50 of the Competition and Consumer Act – this is the section that deals with unfairly impacting market competition.

Submissions closed on Tuesday.

Alliance often carries out flights on behalf of both Qantas and Virgin Airlines, among other carriers.

It also has a sizable stake in the resource charter market (notably within North West Queensland), and also flies often on behalf of government agencies and tour operators.

Mr Katter said he failed to see how consumers or communities in rural and remote Queensland, and Australia, would benefit by Qantas increasing its control over Alliance.

“Qantas is the dominant carrier to and from Mount Isa, and a lack of competition on the route has had drastic and at times deeply personal effects on the city and the broader North Western region,” he said.

“I have always advocated ultimately for re-regulation of the route by the State Government but failing that, I have been determined to facilitate ways for competition to be increased so travellers can have a fair go.

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“We are not asking for much – people just want to be able to go away on holidays with their family without having to take out a personal loan to afford to do so.

“They want to be able to fly to the funeral of a loved one without having to cough up a couple of thousands of dollars due to flights being booked at the last minute, for quite obvious reasons.

“Our businesses, our tourism sector and our whole economy is hurt by this – it is often cheaper to fly overseas than it is to fly to Mount Isa.”

Mr Katter said Qantas’ moves on Alliance were a step in the wrong direction.

“There is absolutely no way that this can be spun as anything other than an assault on competition in a market that is already ripe with price-gouging,” he said.

“I speak specifically to the Mount Isa route when I say this will be damaging but I am confident that statement can be extrapolated to many other regional routes in similar circumstances.

“We need more carriers in these regional markets, not less, and with the ones we do have operating we certainly don’t need Qantas breathing down their necks or getting their hands on things.”

—ENDS—

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