



8 October 2009

Mr Michael Bird *MB*
Executive Director
International Air Services Commission
PO Box 630
Canberra ACT 2601



Dear Mr Bird *Mike*

RENEWAL OF COMMISSION DETERMINATIONS

Thank you for your letter of 27 August 2009 seeking a formal expression of interest in the renewal of Determination [2005] IASC 109 which allocates 360 seats of capacity on the Tonga Route and Determination [2005] IASC 111 which allocates 180 seats of capacity on the Cook Islands Route.

Determination [2005] IASC 109

Pacific Blue Airlines (Australia) Pty Ltd (PBA) has an allocation of 540 seats in total on the Tonga Route. PBA currently operates 360 seats weekly between Sydney and Tonga extending to Auckland. The Commission will be aware that the Global Financial Crisis has had a significant impact on small regional destinations in the South West Pacific, including Tonga. In the current circumstances of the market we believe PBA continues to service the route effectively. Retention of the full allocation of capacity will enable Pacific Blue to progressively expand its services to Tonga as the market recovers.

Determination [2005] IASC 111

PBA has an allocation of 540 seats in total on the Cook Islands Route and currently operates its full capacity entitlement. PBA intends to maintain this level of service. PBA continues to service the route effectively

We request that the Commission favourably consider a renewal of Determinations [2005] IASC 109 and [2005] IASC 111. We believe PBA has effectively served both markets and a renewal of both Determinations is in the public interest. We would be pleased to provide any further information the Commission may require in support of this application.

Yours sincerely

Tony Wheelers
Manager Government Relations
Virgin Blue Group