



16 September 2010

*MB 19/9*  
Mr Michael Bird  
Executive Director  
International Air Services Commission  
GPO Box 630  
Canberra ACT 2601

Dear Mr Bird

### South Africa Decision

I refer to the Commission's second draft decision on the South Africa route, confirming its intention to continue authorisation of the Qantas/South African Airways (SAA) code share arrangements for a further 12 months, through to 31 December 2011.

Qantas intends to ensure the continuation of the public benefits of this arrangement. We will continue to closely review the performance indicators of our South Africa services, including pricing, and advise you in due course of any plans to increase capacity on the South Africa route that may materialise over the course of the authorisation period.

Qantas will continue to submit to the Commission reports each quarter on its yields per revenue passenger kilometre for all passenger classes on these services, and the number of code share seats available for sale and sold by it on each of SAA's operated services and by SAA on each of Qantas' operated services.

We also note the Commission's inclusion in its decision of a requirement for Qantas and SAA to expand the combined minimum number of weekly frequencies from 12 to 14. Qantas has no objection to this proposed condition.

Yours sincerely

**DAVID EPSTEIN**  
Group Executive  
Government and Corporate Affairs

