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2 March 2018

Ms Marlene Tucker
Executive Director
International Air Services Commission
GPO Box 630
Canberra ACT 2601

E: iasc@infrastructure.gov.au

Dear Ms Tucker

RE Qantas and Papua New Guinea Code Share Proposal

Townsville Enterprise is the principal economic peak body and Regional Tourism Organisation (RTO) representing Townsville North Queensland, which includes the five Local Government areas of Townsville, Charters Towers, Hinchinbrook, the Burdekin and Palm Island. Townsville Enterprise is the primary engine for economic development, charged with leveraging the region's assets and strengths to drive jobs, growth, infrastructure investment and quality of life.

Townsville Enterprise is aware Qantas is seeking to expand its codeshare agreement with Air Niugini on the Townsville-Port Moresby route and that the airline has applied to Australia's International Air Services Commission (IASC) to add its QF code on Air Niugini's nonstop Townsville-Port Moresby services.

Townsville Enterprise is supportive of this proposal on the basis that Air Niugini would benefit from a Qantas codeshare through access to Qantas' distribution capability, marketing and airline support.

It is also important to note that there is no competitor airline on this route.

Townsville's role as a key economic hub under the Federal Government's Northern Australia White Paper (2015), not only established its strategic importance to the development of the region and its connection to the Indo-Pacific, but also the long-term prosperity of the nation.

Port Moresby, Papua New Guinea, is Townsville's oldest Sister City with over \$500M trade between Townsville North Queensland and Port Moresby. Air Niugini launched the Townsville to Port Moresby direct service in March 2016. The commencement of this route presents significant trade and investment prospects and further potential to strengthen those relationships that already exist. This

direct air route is an important catalyst to strengthening this relationship and a code share arrangement between Qantas and Air Niugini will support the long-term sustainability of the route.

Yours sincerely



Patricia O'Callaghan
Chief Executive Officer