



# MediaRelease

## **QANTAS AIRLINES MATTER DISCONTINUED**

The Australian Competition and Consumer Commission and Qantas Airways Limited have resolved Federal Court litigation concerning allegations that Qantas misused its market power on the Brisbane-Adelaide route after Virgin Blue Airlines Pty Ltd's entry in December 2000.

"The ACCC will discontinue the action, following further legal advice and a further review of the domestic airlines market", ACCC Chairman, Mr Graeme Samuel, said today.

"Like all section 46 [misuse of market power] cases, final resolution in the courts of this matter would have been extremely difficult, lengthy and expensive. Experience in overseas jurisdictions where similar cases have been instituted shows the uncertainty and delays such litigation faces.

"The action's discontinuance follows discussions between the parties. Each party will bear its own costs.

Mr Samuel noted that since the action began, the airlines market had changed and competition has been enhanced. Consumers have benefited from the competition between Qantas and Virgin Blue on this and other routes.

"The new entrant, Virgin Blue, continues to operate on the Brisbane-Adelaide route.

"The ACCC will continue to closely monitor the competitiveness of airlines in the Australian domestic market".

### Further information

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