



TOURISM NEW ZEALAND – MANAAKITANGA AOTEAROA  
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26 March 2014

Richard Cross  
Senior Adviser - Ministry of Transport  
89 The Terrace  
Wellington 6140

Dear Richard

**Re: Air New Zealand and Singapore Airlines Alliance Application**

Tourism would like to make a small amendment to our previous submission (dated 21 February) on the above alliance. In the exec summary of our original submission, we would like to clarify that our comment around a minimum threshold for South Island non-stop services is not meant to prejudice the airlines ability to manage their business where a significant event occurs, as such, we would like to amend the third paragraph on our submissions as follows.

*Whilst it is Tourism New Zealand's understanding that capacity expansion is also planned for SIA operated South Island non-stop services; consideration should be given to minimum capacity thresholds, **notwithstanding the airlines ability to manage their business in the event of a significant event impacting on the economics of the route, on this route being a condition of approval of the Alliance.***

Secondly, since the time of our original submission, Tourism New Zealand notes announcements by 1 - Garuda International confirming that they will not proceed with a direct Indonesia/Auckland service in the near term, and 2 - Jetstar withdrawing from the Auckland/Singapore route from July 2014. Tourism New Zealand notes, that while the Jetstar announcement will result in AirNZ/SIA with a monopoly on the Auckland/Singapore route (if the alliance is approved), the overall projected capacity increase resulting from the alliance will have a significant benefit to NZ. Conversely, if the alliance is not approved, New Zealand risks being significantly underserved in terms of direct access to the important and growing ASEAN region.

Thank you again for the opportunity to comment on this proposed alliance.

Yours Sincerely,

Graeme Howard  
Business Planning & Evaluation Manager  
TOURISM NEW ZEALAND