



Australian  
Competition &  
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Commission

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# NEWS RELEASE

## ACCC AUTHORISES CORPORATE ALLIANCE BETWEEN VIRGIN AUSTRALIA AND SKYWEST AIRLINES

The Australian Competition and Consumer Commission has granted authorisation to a Corporate Alliance between Virgin Australia and Western Australian carrier, Skywest Airlines for five years.

The Corporate Alliance will allow the airlines to offer bundled air passenger transport services to corporate customers who seek an integrated suite of charter, domestic and international services, such as mining companies with large fly-in-fly-out workforces.

Virgin Australia and Skywest operate mostly complementary networks, with Virgin Australia mainly operating inter-state domestic and international services, and Skywest operating intra-state and charter services in Western Australia.

"The ACCC considers that the Corporate Alliance will promote competition by enabling Virgin Australia and Skywest to offer a more extensive integrated air service package to corporate customers in competition with Qantas and its affiliates," ACCC chairman Rod Sims said.

"This is likely to result in public benefits such as enhanced products and services available to corporate customers, increased choice of integrated service providers and potentially lower prices due to closer competition."

Authorisation provides immunity from court action for conduct that might otherwise raise concerns under the competition provisions of the *Competition and Consumer Act 2010*. Broadly, the ACCC may grant an authorisation when it is satisfied that the public benefit from the conduct outweighs any public detriment.

The ACCC granted Virgin and Skywest interim authorisation on 25 January 2012, allowing them to set up the corporate alliance and begin negotiating and tendering for corporate contracts.

Further information, including the application, public submissions and ACCC decisions can be found on the ACCC's public register at [www.accc.gov.au/AuthorisationsRegister](http://www.accc.gov.au/AuthorisationsRegister).

### Media inquiries

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### General inquiries

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