

21 April 2020

MEDIA STATEMENT

Future of Virgin Australia

Comments by Australian Tourism Industry Council (ATIC) Executive Director Simon Westaway.

Today's placement of Virgin Australia by its Board of Directors into voluntary administration represents a further significant challenge for Australian tourism facing off against the already massive impacts of the COVID-19 pandemic and previously the summer bushfire crisis.

This is also a historic but also difficult moment for Australian aviation and for thousands of airline personnel and many associated businesses that will be severely impacted. Those obviously also include in tourism.

These are the most challenging of times. The uncertainty around what level of future lost volume of flights and seat capacity that came from a second airline group is obvious in its negative impact.

The year is however no longer 2001 when Ansett first fell. Before the COVID-19 pandemic, Australia's skies were statistically and arguably never busier including record levels of domestic and international air travellers and tourism visitors. Australian airlines strongly competed within this environment. The future for our aviation market cannot be overly speculated as lacking opportunity.

Australian tourism is best delivered in terms of its optimum performance, economic outputs and supporting 1 million direct local jobs and hundreds of thousands of tourism businesses when our competitive aviation market continues to foster these outcomes across our domestic, regional and international skies.

It is logical and important that our Australian based airlines maintain sustainable operations in order to help achieve this.

It is also important that we oversee operating and regulatory conditions to ensure a strong sustainable and competitive Qantas Group into the future. This creates opportunity for whatever the future structure of Virgin Australia may ultimately become or for any future prospective Australian-based airline entrant that may emerge.

Australian tourism and our greater visitor economy need ongoing support. That argument is only made even louder today!

ATIC represents thousands of local tourism enterprises, where a feature of our industry is over 90% of registered tourism businesses are small to medium enterprises and sole traders that collectively employ 1 million people.

Further Details:

Simon Westaway

Executive Director, ATIC

M: 0401 994 627

swestaway@qualitytourismaustralia.com

www.qualitytourismaustralia.com