

File Number: OPAANZ-C

13 September 2006

Mr Grant David
Chapman Tripp
P.O. Box 993
WELLINGTON

Dear Mr David

Air New Zealand /Qantas s.88 Application - Tretheway Reports

As you know, the applicants have recently provided the Ministry of Transport with a report by Dr Michael Tretheway entitled "Evidence on the Impact of Market Structure on Average Air Fares in the trans-Tasman Market, 1999-2006". A public version of this report, attached to a letter from Bell Gully dated 1 September 2006, has been posted on the Ministry of Transport's web site at: <http://www.transport.govt.nz/international-air-carriage-competition/>

The applicants have now provided the Ministry with a response written by Dr Tretheway to LECG's report and a public version of this report (attached) is also being posted.

We wish to provide you with the opportunity to comment on Dr Tretheway's analysis.

In your letter of 8 September 2006 you have already indicated that you have asked LECG to prepare a response to the first report, and that you will be providing this to us shortly.

In order for us to take any views that you may have into account in our preparation of advice for the decision-making Minister, we would appreciate it if comments could be provided to the Ministry by CoP on Tuesday, 26 September 2006.

We would wish to post such comments on the Ministry's web site. In any reply, therefore, please indicate any parts of your comments that you consider confidential and indicate

the grounds under the Official Information Act that you would wish to be cited in withholding together with your reasoning.

Yours sincerely,

[Signed]

John Macilree
Principal Adviser, Air Services