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Travel Daily First with the news

Monday 30th Jan 2023





Travel Daily

on location on the Sunshine Coast

Today's issue of Travel Daily is coming to you courtesy of Bonza, which takes off tomorrow for the first time.

WE'RE heading north today ahead of the inaugural flight of Australia's newest airline.

Bonza's highly anticipated first departure will leave Sunshine Coast Airport early tomorrow morning, carrying a contingent of VIPs, media and industry stakeholders to Airlie Beach for a celebratory lunch.

Tonight a preview dinner will see delegates from Sunshine Coast Airport, Boeing and financier 777 Partners joining with Bonza executives to discuss the future of aviation, the airline's low-cost model and the importance of investing in regional Australia.

AFTA raises ACCC concerns

EXCLUSIVE

THE Australian Federation of Travel Agents (AFTA) has drawn a line in the sand in relation to three key applications lodged with the Australian Competition and Consumer Commission (ACCC) by Qantas, along with Emirates, China Eastern Airlines and Jetstar.

Submissions from AFTA lodged late last week push back on key elements of the wide-ranging requests for airline cooperation, highlighting issues around the "continuation of coordination on distribution strategies for passengers and agents".

"Aligning these activities appears to have the impact of limiting choices for consumers on how they shop and book travel," the AFTA submissions note.

Qantas and Emirates are seeking a ten-year extension of their existing long-standing pact (TD 07 Dec 2022) which expires in Mar.

The airlines also wish to

have a condition of previous authorisations removed, so they no longer have to report passenger numbers on certain routes.

AFTA's submission notes that airlines are already withholding some of their fares from competitive distribution, with the "Proposed Conduct" in the applications increasing the cohort of fares that QF, MU, EK and JQ can reserve for their direct channels, "to deprive consumers of the reduced costs they experience when travel agents are afforded a fair opportunity to compete on distribution".

The Federation is also urging that full and equal rights should be provided to travel agents for customer refunds and cancellations, "so that airlines cannot discriminate against agents by disabling access to the refund system for their customers as they did during the pandemic". More details on page four.

Today's issue of TD

Travel Daily today features six pages of the latest news and a cover wrap from Virgin Australia.

VA corporate push

VIRGIN Australia is ramping up its offer for corporate travellers booking via travel agencies, with included fare discounts, Velocity points, lounge access and Premium Entry.

See the cover page for details.

Archbold to Crystal

CRYSTAL Cruises will shortly release its 2023 and 2024 sailings, with past passengers to be offered early access to itineraries effective from 13 Feb.

The move comes as Tony Archbold was on Fri revealed as the relaunched cruise line's new Asia-Pacific Vice President of Sales (TD breaking news) - for all the details see today's issue of Cruise Weekly.





Floods cause AKL chaos

AUCKLAND Airport is asking travellers to avoid coming to the international terminal unless they have a scheduled flight, after it was forced to close for 37 hours on Fri night due to flooding.

The severe and widespread deluge caused chaos for the airport's flights, impacting its terminals and the surrounding roads, until the aviation hub was able to resume international flights around midday on Sat.

Operations continue to pick back up, with around 25,000 international travellers expected to arrive or depart Auckland Airport today on 61 inbound and 61 outbound flights.

"Our goal remains to get people home as soon as possible, but the reality is there is a huge backlog of flights to get through following the impact of severe flooding," said Auckland Airport CEO Carrie Hurihanganui.

International flight operations may continue to be disrupted for several days, with the airport telling travellers to allow extra time for check-in, and to contact their airline or check airline apps or websites to reschedule flights.

Air New Zealand also provided an update, revealing it expects to take a few days to recover from the overnight closure, which saw 12 of its international services that were due into Auckland divert to other ports.

"This will cause significant flow-on effects while the airline works through getting customers on those services to their original destinations and our crew and planes back where they need to be," the carrier said.

Air New Zealand has also added further capability to its 'manage booking' function, which lets customers booked on a service rebook their cancelled international flight over the next 20 days.

Additionally, Air New Zealand customers can either hold their fare in credit or rebook in between 28 Jan-13 Feb without fare difference, penalty or service fees.

Also affected by Auckland Airport's closure, Qantas has put in place a waiver for passengers impacted by the floods and are reaccommodating passengers on the next available services as well as rerouting some on services out of Christchurch.

MO to Mallorca

MANDARIN Oriental Hotel Group has announced a new management deal for a beach resort in Costa d'en Blanes on the Spanish island of Mallorca.

The property is a redesign of the former H10 Punta Negra Hotel, and will be called Mandarin Oriental Punta Negra.

Designed and constructed with a strong sustainability focus, it will feature three hectares of landscape clifftops and gardens cascading down to the sea, offering access to two coves.

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Flybe grounded

BRITISH carrier Flybe has shut down for the second time in three years, with almost all of its 321 staff made redundant and administrators confirming all flights have been suspended.

The airline operated scheduled services from London Heathrow, Belfast City and Birmingham to airports across the UK as well as Amsterdam and Geneva.

Britain's Civil Aviation Authority (CAA) is advising customers who paid with a credit card that they may be able to make a claim through their card provider.

Those who booked through a third party are being urged to contact their agent, who the CAA says "may have provided travel insurance that includes Scheduled Airline Failure cover".

Several other carriers have stepped in to offer discounted rescue fares including British Airways, Ryanair and easyJet.

In its previous incarnation Flybe ceased trading in early 2020 (TD 06 Mar 2020) and relaunched under new ownership just over 12 months ago (TD 19 Nov 2021).

Cook Islands appts

COOK Islands Tourism has named Brad Kirner as its Director of Destination Development.

Kirner, who has already been working with the organisation to formulate the new Cook Islands Tourism Development Strategy, takes over the role from Christian Mani, who will resume his position as GM North America.

Chinese students to return immediately

AUTHORITIES in China have issued an edict ordering any of its citizens who are studying overseas to resume face-toface education before the new academic year begins.

An official announcement from the Chinese Service Centre for Scholarly Exchange said academic qualifications will no longer be recognised, certified or accredited in China if the study is undertaken online.

"Whether the school/university term/semester has begun or not. students must return as soon as possible," the Government body announced, according to the AFR.

Education bodies have urged the Australian Government to prioritise visa processing for all international students.

MEANWHILE outbound leisure travel from China is also ramping up, with the Ministry of Culture and Tourism announcing that from 06 Feb group tours can resume as part of a pilot program.

Twenty nations are part of the trial, including Fiji, Thailand, Indonesia, Sri Lanka, the Philippines, Malaysia, Singapore, the UAE, Russia, Switzerland and New Zealand - but not Australia.

Travel agencies will also be allowed to offer flight and hotel packages to outbound travellers on the same date, the notice said.

Tour organisers are required to strictly obey official COVID-19 measures at home and abroad, the Ministry noted.

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*T&Cs apply







ENTREPRENEURS are trying to cash in on the enthusiasm of diehard Disney fans, in the wake of the extended closure of the iconic Splash Mountain ride at Walt Disney World in Florida last week.

The ride is set for a major makeover, with Disney confirming it will relaunch with a Princess & the Frog theme as "Tiana's Bayou Adventure" in late 2024.

While some queued for hours to take a final ride, others apparently reached over the side with a bucket, with multiple sellers listing "genuine Splash Mountain water" on eBay this week.

The merchants claim the water was collected during the final ride, with one sample listed for US\$1,000.

Topdeck, Back-Roads gift cards

BACK-ROADS Touring and Topdeck Travel will this week launch an incentive offering two \$1,000 Coles Myer gift cards for retail travel advisors.

The top-selling agent for each brand between 01 Feb & 31 Mar will win the top prize, with the runner-up to receive a \$500 card.

Global Touring Head of Sales, Dylan Hearne, said the incentive aimed to recognise the hard work of retail advisors, giving them a "tangible reward that they can spend on themselves".

AA back in black

AMERICAN Airlines has posted a US\$803 million profit for the 12 months to 31 Dec, with the carrier's fourth quarter revenue of US\$13.2 billion being its highest ever result - despite capacity being down 6% on 2019.

AA's average load factor for the year was a very healthy 83.9%.



VA offers status match

VIRGIN Australia has today launched a major new bid for the loyalty of the country's SMEs, with businesses offered 150,000 bonus Velocity Points and a status match to their corresponding tier with other airlines.

The offers are available to businesses which join the Virgin Australia Business Flyer scheme by 31 Mar (CLICK HERE) and meet eligible flight spend (\$10,000 or more) within the first 90 days of being part of the program.

The program, which launched last year (*TD* 05 Apr 2022), now boasts tens of thousands of members, offers reductions of up to 6% on base airfares, discounted lounge memberships and points earnings for the business which can be transferred to any personal Velocity account.

VA Group Chief Commercial Officer, Dave Emerson, said the airline remained committed to "industry-leading value, choice and award-winning service for both leisure and business travellers".

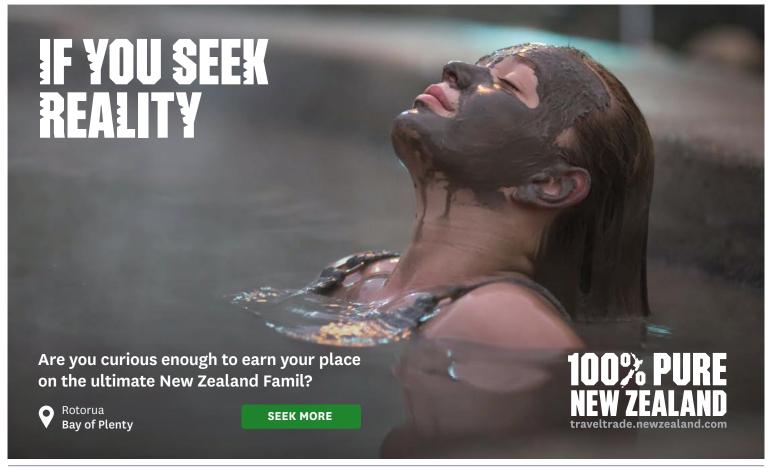
"We're proud to be announcing a market-leading offer for business travellers, supporting the many wonderful Australian businesses across the country as they make a strong return to travel this year," Emerson said, noting record SME growth for the airline with bookings reaching over 110% of pre-COVID levels.

The carrier also today launched a major fare sale, with over 500,000 economy tickets priced from \$55 one way.

Railbookers role

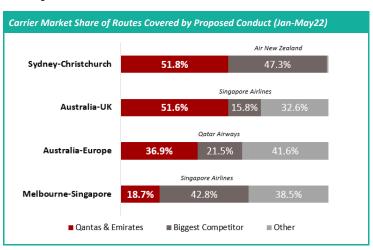
ELIZABETH Krstevski has joined Railbookers as Inside Sales Manager for Australia and NZ.

Her appointment comes alongside the recent recruitment of Lachlan Burnet as BDM for Australia/NZ (*TD* 19 Jan).





QF, EK dominate UK route



AFTA'S submission to the Australian Competition and Consumer Commission (ACCC) on the proposed extension of Qantas and Emirates' long-standing alliance (see page 1) highlights the market dominance enjoyed by the combined carriers, which would together hold 51.6% of the Australia-UK market.

The proposed Restated Master Coordination Agreement allows them to consolidate 51.8% of the Sydney-Christchurch route and 18.7% of Melbourne-Singapore, as well as 36.9% of the Australia-Europe market, AFTA noted.

"While AFTA acknowledges some of the benefits from a continuation of the Qantas and Emirates relationship and this codeshare arrangement,

Lounge benefits overstated - AFTA

ONE of the key benefits cited in the Qantas and Emirates ACCC application for expanded cooperation (*TD* 07 Dec 2022) is reciprocal lounge access.

However AFTA's submission notes that Qantas passengers with Gold status (Oneworld Sapphire) "already have access to a variety of Oneworld lounges in 15 of the 17 locations where Emirates has a lounge, thereby limiting the extent of the suggested benefit conferred by the Proposed Conduct".

Commission authorisation would facilitate a significant entrenchment of market power on routes that are often the most highly sought after by Australian consumers," the Federation's submission states.

AFTA suggested careful consideration of the benefits and detriments of the proposed pact, with the organisation saying it was unable to identify any past authorisations or ACCC decisions which would consolidate such a level of market power.

Slot constraints are also likely to impact efforts by competitors to boost supply, the Federation said.

China capacity already returning

AFTA'S ACCC submission to the proposed authorisation of the Qantas and China Eastern Airlines Extended Joint Coordination Agreement (*TD* 09 Dec 2022) questions how the proposed conduct is contributing to the reinstatement of capacity.

The airlines have asked for an additional year of cooperation to allow them to rebuild their networks between Australia and China, with AFTA noting that "other carriers servicing China are reinstating capacity at the same speed, if not faster than, Qantas and China Eastern - in the absence of a similar authorisation".



Less competition in distribution

THE proposed Restated Master Coordination Agreement between Qantas and Emirates (see page one) will generate less competition on the distribution of airfares, according to AFTA's submission to the ACCC.

The Federation calls out the cuts of up to 80% to commission paid to Australian travel agents - despite the QF/EK application noting that the airlines continue to "drive their local distribution model via travel agents".

The travel industry has been forced to realign its business models to adapt to the New Distribution Capability (NDC), which has "both diminished agents' profitability and seen more costs passed onto consumers through increased service fees, without any lowering of prices by airlines to the end consumer," AFTA said.

"The airline industry is using the additional control they have in an NDC world to continue benefiting from travel agent marketing investments, while consolidating their direct distribution channels.

"It is clear that Qantas and Emirates' commitment to the local distribution model is not as strong as it was at the time of their previous authorisations... this is impacting the benefits Australian consumers are used to enjoying from travel agents who can often advertise and distribute airfares more efficiently than carriers," the Federation added.

Competitors grow

AFTA'S ACCC submissions on the various Qantas proposed alliance renewals (see page one) note that key competitors without equivalent authorisations have "demonstrated a more discernible commitment to increase capacity".

Qatar Airways is back to 100% of pre-pandemic levels, while Singapore Airlines is at 82%, the AFTA documents note.

Jetstar pact impact

THE proposed coordination of activities between Qantas and Jetstar will facilitate a "significant entrenchment of market power in Australia", according to AFTA's ACCC submission on the issue (see page one), urging the Commission to closely review the "existing aggressive approach in reducing costs of distribution".

AFTA notes that allowing QF and Jetstar's Pan-Asia Strategy will impact domestic legs of multistop codeshare journeys (e.g. SIN-SYD-HBA) where the QF group already has a large market share.

QF NDC channel causes "distortion"

THE introduction of the NDCenabled Qantas Distribution Platform (QDP) has already led to a distortionary impact in the market for airfares, according to AFTA's submissions to the ACCC regarding Qantas' cooperation with Emirates, China Eastern Airlines and Jetstar (see page 1).

The documents note that in 2019 travel agents were effectively forced into the NDC channel, while previous QF payments to GDS operators were reduced resulting in the removal of segment rebates paid to agents to support Australian consumers.

"At the same time, Qantas introduced at \$17.50 channel fee for agents that did not participate in the new model," AFTA noted.

"However as the QDP did not go live until Nov 2022, the airline's dominant market position allowed them to effectively reduce the costs of their commissions for the three-year interim and divert more sales into their direct channel without any consumer benefit.

"The Proposed Conduct should not further enable the use of punitive measures to deprive consumers of the reduced costs they experience when travel agents are afforded a fair opportunity to compete on airfare distribution," AFTA said.

page 4



Travel & tourism in lights

THE Australia Day Honours list for 2023 has shone an important spotlight on the professional efforts of several names in the travel and tourism space.

Among the esteemed list of honourees was WA-based George Alexander Booth, who was awarded a Medal of the Order of Australia (OAM) for his services to the community and tourism.

Booth (pictured below) was part of a cohort of travel agency owners in Perth in the 70s who set up the first tour wholesaler/ GSA in WA called Vacations Unlimited, in the process helping to secure Perth's International Airport status.



Also recognised was the late Stephen Gregg for his significant service to the Qld tourism industry in leadership roles, earning a Member of the Order of Australia (AM) for his efforts.

Gregg was a major force in the state's tourism sector, having held the CEO role of theme park company Ardent Leisure between 1996 and 2004, the Chair of Tourism and Events Queensland for three years, the leader of Tourism Queensland for eight

years, and the CEO of North Queensland Airports for two years, among many others.

The list also heralded the efforts of Helen Edwards for her services to the tourism industry in South Australia with an AM, while musician and event producer Gregory Hood picked up an OAM for his services to the tourism and hospitality industry, among his career highlights the job of producing the Sport Presentations for the 2000 Sydney Olympics.

Wendy Cutting was also awarded an OAM for her contributions to the tourism and hospitality industry in Noosa, having worked in the volunteering space since 2006, assisting travellers with information on where to stay, what experiences and tours to do, as well as valuable insider tips.

New TEQ campaign

TOURISM & Events Queensland (TEQ) has launched a new campaign called Queensland is calling, a \$5 million marketing push calling on travellers to discover something new in Queensland this year.

The campaign will target travellers in key markets such as NSW, Victoria, and NZ, including those who love visiting the state and those who think "they have seen it all before".

The campaign is tipped to support generating \$9b of overnight spend from Jan to Jun.



Trade enjoys the Sydney Breeze



WINDSTAR Cruises invited a number of its travel partners on a ship tour and cocktail party last Fri aboard Star Breeze during her inaugural season in Australia.

The vessel was docked in Sydney overnight ahead of her departure the next day for Mooloolaba.

After wandering Breeze, guests then headed to her top deck for a cocktail party in the afternoon Sydney sun.

During Breeze's time in Australia, Windstar and its General Sales Agent Travel The World, have been hosting the travel trade on board the all-suite ship (TD 24 Jan), which recently completed renovation as part of the US\$250 Million Star Plus Initiative.

The modernisation has provided Breeze with new public areas, including two new dining venues, a new spa, an infinity pool, and a fitness area, and all new bathrooms in every suite.

Breeze's renovation also saw her stretched, with a new category of Star suite introduced, featuring a new layout.

She now carries 312 guests, around 100 more than prior to the renovation, but still allows her to tuck into small ports like Sanary-sur-Mer and Wrangell or narrow waterways like the Corinth and Kiel Canals.

Pictured above enjoying the ship tour is the local Windstar/ Travel The World team, and pictured inset experiencing some of the cruise line's first-class services are Creative Cruising Product Executive Astrid Maier, Windstar Business Development Manager Rob Shaw, and Creative Cruising General Manager Caroline Hitchen & Head of Product Carina Mullen.



Travel Daily

Monday 30th Jan 2023

BROCHURES

WELCOME to Brochures of the Week, *Travel Daily*'s Monday feature. brochures@traveldaily.com.au.

My Cruises - A New Way To Cruise

My Cruises' first fully interactive brochure promises an easy way for travellers to discover the agency's atest 2024 cruise holiday packages, with the Mediterranean in particular being highlighted. The 40-page brochure also covers new trends in cruising from the cruise experts, and the option to combine two cruises with a scenic rail journey in Europe. The digital edition offers details of the package inclusions and destinations as well as clickable links

to the web page for more information about optional upgrades, sail dates and the full cruise itinerary. There's also an opportunity for readers to enter to win a 14-night Celebrity Cruise from Singapore to Sydney.



GPT - New Zealand Coach Holidays 2023/24 Grand Pacific Tours (GPT) has launched its new 68-page brochure showcasing its small and mid-size group coach tours across New Zealand for the 2023/24 season. There are a range of itineraries on offer to suit any travellers' desired length of holiday, interests, and budget, such as

itinerary includes four scenic rail journeys including Glenbrook Vintage Railway; visits to a number of attractions plus city sights tours of Auckland, Wellington, Christchurch and Dunedin; and a Doubtful Sound Overnight Cruise.

Dusseldorf strikes

AROUND 100 flights due to come in and out of Germany's Dusseldorf Airport on Fri were cancelled due to a one-day warning strike by baggage and aircraft handling employees.

The industrial action was held against the airport's decision to reallocate handling tasks to other providers, which trade union Verdi claimed puts around 700 jobs at Aviapartner at risk.

Dusseldorf's flights resumed normal operations on Sat.

NSW hikes interest

NSW is set to gain 13 new multi-day walks across its national parks, after the State Government announced the launch of the NSW Great Walks Strategy in order to attract more visitors to rural and regional areas.

The strategy will help deliver more than 630km of durable walking tracks, protect environmentally sensitive areas, withstand severe weather, and provide infrastructure to meet population growth.

Cunard hosts first post-COVID event



CUNARD Line held its first onboard event in Australia in three years, aboard Queen Elizabeth on Fri.

Guests were treated to lunch in the ship's Steakhouse at The Verandah speciality restaurant, as well as a performance by contemporary Australian circus company Circa, which will take up residency aboard Queen Elizabeth in Feb 2024.

The ship was in Sydney preparing to depart on her highly anticipated Great Australian Culinary Voyage (TD 22 Feb).

The voyage will see celebrity chef Matt Moran as the headline talent, joined by Mark Olive, Darren Purchese, Huon Hooke, Terry Durack and Jill Dupleix.

Departing from Sydney, the sailing will also feature some of Australia's most acclaimed winemakers and food critics, and will make calls at both Melbourne and Burnie in Tasmania.

In celebration of Cunard's return to Australian, the cruise line also recently invited Delta Goodrem aboard to film a new TVC for the line (TD 16 Jan).





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