



Australian
Shareholders'
Association

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Mr Stephen Borthwick
General Manager
Aviation Industry Policy
Department of Infrastructure and Regional Development
GPO Box 594
Canberra ACT 2601

By email

ASA RESPONSE TO QANTAS SALE AMENDMENT ACT 2014 POST IMPLEMENTATION REVIEW

Dear Mr Borthwick

The Australian Shareholders' Association (ASA) represents its members to promote and safeguard their interests in the Australian equity capital markets. The ASA is an independent not-for-profit organisation funded by and operating in the interests of its members, primarily individual and retail investors, self-managed superannuation fund (SMSF) trustees and investors generally seeking ASA's representation and support. ASA also represents those investors and shareholders who are not members, but follow the ASA through various means, as our relevance extends to the broader investor community.

We refer to your letter dated 23 September 2016 regarding the post implementation review of the Qantas Sale Amendment Act 2014 (**Amendment Act**). Our comments below relate only to the impact of the Amendment Act on shareholders. We make no comment on the competition implications and any impact on other stakeholders.

In our view, the removal of specific sub-limits on foreign shareholding in Qantas under the Amendment Act has had favourable impact on shareholders. However, we consider the impact has not been significant, partially because other restrictions on foreign holdings continue to apply such as the 49% cap on foreign ownership and FIRB regulations.

We acknowledge Qantas' share price has increased significantly since implementation of the Amendment Act, however it is difficult to quantify how much of this increase, if any, can be attributed to the Amendment Act, as the timing has coincided with lower fuel prices and the implementation by Qantas of a significant transformation program.

If you have any questions, please do not hesitate to contact me on (02) 9252 4244.

Yours sincerely

A handwritten signature in cursive script, appearing to read 'Diana D'Ambra'.

Diana D'Ambra
Chairman
Australian Shareholders' Association