

**Correction to the report of the Economics Committee  
on the Qantas Sale (Keep Jetstar Australian) Amendment Bill 2007  
—Senator Joyce's Comment (page 25)**

QANTAS is not just another airline, it's an airline which has grown out of the benefaction and support of the Australian Government and the Australian people over a long period of time and the benefaction from the Australian people continues in the protections that are afforded QANTAS on such things as the trans-Pacific route and the fact it has a virtual monopoly on so many regional routes.

The inception of QANTAS becoming a public company was based in full knowledge of the premise of the QANTAS Sales Act. Any purchase of shares, or an investment in the company, which ignores this fact ignores the whole history of how the right to purchase shares in QANTAS came about.

Keeping QANTAS with its subsidiaries wholly based and operated in Australia is, quite obviously, in the national interest. Any ability for the new owners of QANTAS to circumvent this process would be pursued as it would allow greater cost cutting measures and therefore a greater return on their investment.

This position is exacerbated by the fact that on conclusion of a purchase by a private equity company the control exerted by those who provided the finance will be far in excess of any nominal share holding. The reason for this is that provision of such a gigantic amount of debt, on what is predominantly an asset built on goodwill and cash flow, requires the integrity of the value of the asset to be maintained by its return on investment rather than a valuation of a bricks and mortar asset, which would be in the case of many other securitisations of debt.

I agree with the findings of the report which states the current context of the bill is confusing and needs to be improved. However, I absolutely agree with the intent of the bill which is to capture the possible diminution of the Qantas Sales Act by the utilisation of subsidiaries which are not technically under the QANTAS Sales Act although they are covered as an 'airline' under other acts.

My strong belief is that if you truly believe in the authenticity of intent of the QANTAS Sales Act you must believe that it would cover airlines that were progenitors of and controlled by QANTAS.

In summary, I would support any competent piece of legislation which brought this outcome about and I conclude where I started; the genesis of QANTAS, the reason there are shares to purchase in QANTAS is by reason of the QANTAS Sales Act so the argument that requirements which make them conform in their entirety with the QANTAS Sales Act is an inhibitor is an anomaly because it is not historically correct.



**Barnaby Joyce**  
**The Nationals Senator for Queensland**