

# Chapter 1

## Introduction

### Background

1.1 The Qantas Sale (Keep Jetstar Australian) Amendment Bill 2007 was introduced into the Senate on 27 February 2007 by the Leader of the Family First Party (Senator Fielding).

1.2 On 1 March 2007, on the recommendation of the Selection of Bills Committee, the Senate referred the bill to the Standing Committee on Economics for inquiry and report by 20 March 2007.<sup>1</sup>

1.3 Senator Fielding told the Senate that the legislation is 'to protect Jetstar from foreign ownership and help stop jobs and operations from going offshore'.<sup>2</sup> The bill proposes to amend the Qantas Sale Act to place additional obligations on Qantas to ensure that:

- Qantas and associated entities (ie Jetstar) continue to locate their head offices and facilities such as catering and maintenance in Australia;
- two thirds of the boards of Qantas and associated entities are Australian citizens; and
- an Australian citizen presides over any meetings of the boards of directors.

1.4 The bill would also prohibit Qantas and associated entities from seeking to avoid these requirements.

### Conduct of the inquiry

1.5 The committee advertised the inquiry in the *Australian* newspaper on 7 March 2007 and invited written submissions by 9 March 2007. Details of the inquiry were placed on the committee's website. The committee also wrote to a number of organisations and stakeholder groups inviting written submissions.

1.6 The committee received ten submissions. These are listed in Appendix 1. A public hearing was held in Canberra on 13 March 2007. Witnesses who presented evidence at this hearing are listed in Appendix 2.

1.7 The committee thanks those who participated in this inquiry.

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1 Selection of Bills Committee, *Report No. 3 of 2007*, dated 1 March 2007.

2 Senator Fielding, Second Reading Speech.

## **Structure of the report**

1.8 Chapter 2 of the report provides background information to the bill and the Qantas Sale Act. It also canvasses contemporary media reports and comment relating to the proposed sale of Qantas. Chapter 3 covers the evidence received by the committee in submissions and at the public hearing.