

SUPPORTING COMMERCE GROWTH - NEW QANTAS FREIGHT AND AUSTRALIA POST AGREEMENT

News / Airlines



Australia Post and Qantas have announced an expanded domestic and international air freight agreement to support the growing demand for parcels.

Marking nearly a century of partnership between the two brands, it will benefit online shoppers and businesses across Australia by increasing capacity and providing greater network flexibility to meet customer expectations.

The seven-year agreement valued at over \$1 billion will give Australia Post customers access to Qantas Freight's dedicated freighter aircraft and priority access to the cargo space on up to 1,500 Qantas and Jetstar passenger flights to over 110 destinations each day, in addition to space on partner airlines globally.

It will also see the introduction of up to three Airbus A321P2Fs (Passenger to Freighter) to the freighter network used for Australia Post. Qantas will be the first airline in the world to operate the A321 as a freighter aircraft.

Each A321P2F will add nearly 50 per cent more capacity – or an additional nine tonnes – compared to the existing Boeing 737 freighters, with the first A321P2F due to enter the fleet in October 2020.

Christine Holgate, CEO and Managing Director, Australia Post, said the strategic alliance with Qantas means Australia Post and its customers can continue to power the eCommerce engine that's driving Australian trade domestically and internationally.



"Australia Post plays a critical role connecting Australian businesses and communities to each other and the rest of the world, and with the continued growth in online shopping, we can now take it to new heights," Ms Holgate said.

"This agreement will further boost our unrivalled, dedicated air freighter network with newer aircraft and more capacity right up until the opening of the new Western Sydney airport in 2026.

"The enhanced air freighter network complements \$900 million in investment across our network through automation and infrastructure, and provides the speed, flexibility and reliability customers expect.

"It means that we can build flexibility into the air freight network to manage increased volumes and demand in the lead-up to Christmas. Last year we flew more than 400 tonnes of mail on our busiest night, and more than 40 million parcels during December; this year, we expect to exceed both those targets."

Qantas Group CEO, Alan Joyce, said the seven-year agreement was a vote of confidence in the future growth in eCommerce and will support the rising demand for next-day delivery.

"This builds on the longstanding partnership between Australia's national carrier and the nation's postal service to deliver for customers," said Mr Joyce.

"Consumer preferences and expectations are rapidly changing and together with Australia Post we're responding by growing our dedicated freighter fleet to provide a better experience for consumers and businesses," added Mr Joyce.

The partnership between Australia Post and Qantas dates back to when the national carrier first started flying airmail for the postal service in 1922.

11 AUGUST 2019

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