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(by fax & post)
Fax No: 2978 7569

The Honorable Andrew Leung Kwan-yuen, GBS, JP
Chairman, Bills Committee on Competition Bill
c/o Clerk to Bills Committee on Competition Bill
(Attn: Ms. Michelle Lee)
Legislative Council Complex
1 Legislative Council Road, Central
Hong Kong

Dear Sirs

Re: Bills Committee on Competition Bill -- Invitation for Submissions

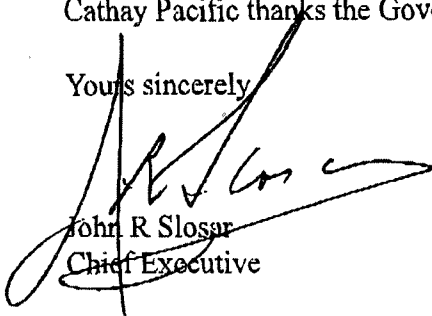
On behalf of Cathay Pacific Airways Limited ("Cathay Pacific"), and in response to your invitation to give views dated 15 February 2012 on the Administration's proposed exemption arrangements for statutory bodies under the Competition Bill (the "Bill"), I am pleased to provide Cathay Pacific's comments.

We reiterate our objections to the automatic exemption for statutory bodies. We are disappointed that the Administration has not made proposed amendments to allow statutory bodies to make their case for being excluded from competition law coverage rather than making this the default position. We believe that all entities -- private and governmental -- that are engaged in commercial activity should be subject to the competition laws unless they can affirmatively make a case for exemption or immunisation on the individual merits.

Notwithstanding our standing objections, we welcome the Administration's first step to identify the exempted statutory bodies, and the general bases for the exemptions. However, for those bodies that are clearly engaged in economic activity, we recommend the government conduct a full, proper and transparent consultation and allow views from all stakeholders before making any determinations.

Cathay Pacific thanks the Government for considering our views.

Yours sincerely



John R Slosar
Chief Executive



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