

THE SCHEDULE—continued.

NOW THIS AGREEMENT WITNESSETH that it is agreed by and between the parties to this agreement as follows:

1. The Commission, the Company and Ansett Transport Industries Limited, and all airline companies or firms in which Ansett Transport Industries Limited has a controlling interest (all of which Commission, companies and firms are in this agreement collectively referred to as "the airline operators") will take immediate steps to review and will keep under review at all times during the continuance of this agreement air routes, timetables, fares and freights and other related matters in respect of routes (in addition to the routes specified in sub-clause (1.) of clause 7 of the Civil Aviation Agreement) on which both the Commission and any one of the other airline operators operate, or propose to operate, so as to avoid unnecessary overlapping of services and wasteful competition, to provide the most effective and economical services with due regard to the interests of the public and to bring earnings into a proper relation to over-all costs. Extension of rationalization.
2. The provisions of sub-clauses (2.), (3.) and (4.) of clause 7 and clause 14 of the Civil Aviation Agreement shall apply in respect of clause 1 of this agreement in the same manner, *mutatis mutandis*, as they apply in respect of sub-clause (1.) of clause 7 of the Civil Aviation Agreement. Extended application of certain provisions of Civil Aviation Agreement.
3. The parties will take immediate steps to establish a Rationalization Committee (in this agreement referred to as "the Committee") which shall be constituted from time to time by— Establishment of Rationalization Committee.
 - (a) a person nominated by the Minister who shall be known as the Co-ordinator;
 - (b) a member nominated by the Commission; and
 - (c) a member nominated by the Company.
- 4.—(1.) If the airline operators concerned are unable to agree on any matter arising under sub-clause (1.) of clause 7 of the Civil Aviation Agreement or clause 1 of this agreement, the matter in dispute may be referred to the Committee by any one of those airline operators. Functions of the Committee.
 - (2.) The Commonwealth and the airline operators will each, upon being required so to do by the Co-ordinator, furnish or produce to the Committee all information, documents, books, papers and accounts which the Co-ordinator considers necessary to enable the Committee to consider any matter referred to the Committee under this clause.
 - (3.) The Committee will consider the matter and, if the members nominated by the Commission and the Company are, after such consideration, still unable to agree, the Co-ordinator shall decide the matter and, subject to the next succeeding sub-clause, his decision shall be final and binding on the airline operators.
 - (4.) Where the Co-ordinator pursuant to this clause makes a decision on a matter referred to in this clause—
 - (a) the Commission or the Company, in the case of a matter arising under sub-clause (1.) of clause 7 of the Civil Aviation Agreement; or
 - (b) one of the airline operators, in the case of a matter arising under clause 1 of this agreement,
may elect to have the matter decided in accordance with sub-clause (2.) of clause 7 of the Civil Aviation Agreement, in its application by virtue of that agreement or by virtue of clause 2 of this agreement, as the case may be.
 - (5.) The Co-ordinator shall give reasons in writing for each of his decisions and, where a matter is to be determined in accordance with sub-clause (2.) of clause 7 of the Civil Aviation Agreement, whether applying by virtue of that agreement or by virtue of clause 2 of this agreement, the Co-ordinator shall furnish those reasons to the Chairman appointed in pursuance of clause 14 of the Civil Aviation Agreement.
5. As soon as practicable, and in any case not later than twenty-five months after the date of this agreement, Ansett Airways Proprietary Limited will cease to operate airline services and will not, during the continuance of this agreement, resume the operation of an airline service or services. Ansett Airways to cease operation of airline services.
6. Ansett Transport Industries Limited will do everything within its power to ensure that the airline companies or firms in which it has a controlling interest will do all such acts and things as this agreement provides that they will do and that those companies and firms will not do anything inconsistent with the provisions or purposes of this agreement. Compliance with agreement.
7. For the purposes of the Civil Aviation Agreement any act or omission on the part of the Company prior to the date of this agreement shall be deemed not to constitute a breach of the Civil Aviation Agreement or a default in the repayment of moneys secured by a guarantee or guarantees given by the Commonwealth pursuant to the provisions of the Civil Aviation Agreement. Past omissions of company.