



## Meeting with Jetstar CEO Stephanie Tully on 25 March 2026

<b>To:</b>	Hon Shane Jones <b>Associate Minister for Energy</b>		
<b>Date:</b>	25 March 2026	<b>Time:</b>	4.40pm–5.00pm
<b>Location:</b>	6.4EW	<b>Tracker number:</b>	BRIEFING-REQ-0029645

### Background

1. You are meeting with Jetstar Chief Executive Stephanie Tully (biography attached at **Annex One**). Jetstar has indicated that they wish to discuss these topics:
  - a. Fuel supply
  - b. Air connectivity
  - c. Airport charges.
2. Jetstar Group is a low-cost airline across Asia Pacific. The Jetstar Group consists of:
  - a. Jetstar Airways in Australia and New Zealand, owned by the Qantas Group. Qantas and Jetstar have the second largest market presence in New Zealand behind Air New Zealand.
  - b. Jetstar Asia, a Singapore-based low-cost airline that ceased operations in July 2025.
  - c. Jetstar Japan, a partnership between the Qantas Group, Japan Airlines and Tokyo Century Corporation.

### Fuel supply

3. New Zealand sources over 90 per cent of its refined fuels from Asia, while Asian refineries in turn rely on the Middle East for around 70–80 per cent of their crude oil supply.
4. The price of jet fuel continues to increase across Asia since the conflict in the Middle East began on 28 February 2026. In its latest update on 21 March 2026, the International Energy Agency (IEA) noted jet fuel is up 146% to \$230/barrel in Singapore.
5. Jet fuel refining margins in Asia rose sharply in March 2026 to over US\$52 per barrel, their highest level since June 2022.
6. Airline operations also rely on diesel-fuelled ground infrastructure and services, including ground handling equipment, baggage systems, catering vehicles, refuelling logistics, airport ground transport, and backup power generation at airports.
7. Disruptions to diesel supply or sustained high diesel prices can therefore affect airline operations indirectly by increasing operating costs, constraining ground services, and reducing resilience across the wider aviation system, even where jet fuel supply itself remains available.

### *Suggested discussion points*

- You may also wish to ask Jetstar for their views on upstream supply risks – including refinery disruptions or supply chain constraints in Asia – and how these risks could affect fuel availability and operational resilience in the New Zealand market.
- You may wish to discuss how Jetstar sources jet fuel for its New Zealand and trans-Tasman operations, including the extent to which supply is secured through long-term contracts versus spot purchasing.
- You may wish to ask Jetstar to outline its contingency arrangements for jet fuel supply, particularly in light of recent reporting on national fuel stocks, and whether current stock levels influence its short-term or longer-term planning assumptions.

### **Air connectivity**

8. Elevated jet fuel prices are placing increasing pressure on airline operations, contributing to capacity reductions, including Air New Zealand's decision to cut around 1,100 domestic flights, a reduction of approximately 5 per cent through to early May, affecting an estimated 44,000 passengers.
9. Jetstar operates a large domestic and trans-Tasman network linking major New Zealand centres with Australia, including high-frequency trunk routes such as the Auckland-Christchurch route.
10. Prior to the conflict, in September 2025, Jetstar and Qantas announced a significant expansion of their New Zealand capacity to provide more choices and lower fares for New Zealanders.

### *Suggested discussion points*

- You may wish to explore how fuel supply conditions and elevated fuel prices are affecting Jetstar's operations and connectivity across New Zealand and the trans-Tasman network.
- This could include discussing whether fuel price volatility is influencing route planning, capacity decisions, or schedule reliability.
- You may also wish to ask how sustained high fuel prices flow through to airfares, including the extent to which fuel costs can be absorbed versus passed on to consumers, and what this means for affordability and demand in the New Zealand aviation market.

### **Airport charges**

11. Jetstar has indicated that it wishes to discuss how airport charges are impacting prices.

### *Suggested discussion points*

- You may wish to ask Jetstar:
  - how sustained high jet fuel prices are interacting with airport charges to affect its overall cost base
  - whether rising non-fuel charges reduce its ability to absorb fuel price shocks without passing costs through to consumers

- whether current airport charging structures reflect sustained high fuel prices and supply risks
  - whether these settings affect Jetstar's operational resilience and contingency planning during fuel supply disruptions.
- You may wish to advise Jetstar that this matter sits within the transport portfolio and that Jetstar should engage directly with the Associate Minister of Transport, Hon James Meager, to discuss these issues.

## Annex One: Biography

 A circular portrait of Stephanie Tully, a woman with blonde hair, wearing a dark blazer, smiling. The background is slightly blurred, showing what appears to be an airport or office setting.	<p><b>Stephanie Tully, Jetstar Group Chief Executive Officer</b></p> <p>Stephanie was appointed to the role of CEO Jetstar Group in November 2022. During her almost 20 years with the Qantas Group, Stephanie has led teams across both operational and commercial areas of the organisation, from crewing to marketing, loyalty and product design.</p> <p>In the three years prior to joining Jetstar, Stephanie was the Qantas Group’s Chief Customer Officer where she was responsible for all aspects of the customer experience and strategy across the Group including digital, lounges, the inflight experience, and customer care. In this position Stephanie was also responsible for the Qantas brand, marketing and sponsorships.</p> <p>Stephanie was appointed as a Board Director of Aviation Aerospace Australia in September 2021, prior to which she was a Board Director of The Association for Data-driven Marketing and Advertising for six years.</p> <p>Stephanie holds a Bachelor of Commerce (Honours) from the University of Melbourne.</p>
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