

Vietnam Airlines To Increase Domestic Airfare Again

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Vietnam Airlines will officially increase airfare for flights within Vietnam from 15-20% from 15Dec2011, announced Le Hoang Dung - Vietnam Airlines' spokesman. This decision is to follow the new airfare ceilings approval by Vietnam Ministry of Transport on 14Sept2011.



With the new airfare policies, ticket prices for different flights are to increase as follows:

1/Airfare for the air distances of less than 500km is to be increased not exceeding 20% compared to earlier airfare ceilings for these routes. These routes include: Ho Chi Minh City - Nha Trang, Ho Chi Minh City - Buon Ma Thuot, Ho Chi Minh City - Pleiku, Hanoi - Vinh, Hanoi - Dien Bien Phu..

2/Airfare for the air distances from 500km to less than 850km is to be increased not exceeding 15% compared to earlier airfare ceilings for these routes. These routes include: Hanoi - Da Nang, Hanoi - Hue, Ho Chi Minh City - Da Nang, Ho Chi Minh City - Hue...

3/Airfare for the air distances from 850km to less than 1,000km is to be increased not exceeding 20% compared to earlier airfare ceilings for these routes. These routes include: Hanoi - Pleiku, Hanoi - Quy Nhon, Ho Chi Minh City - Dong Hoi...

4/Airfare for the air distances from 1,000km to less than 1,280km is to be increased not exceeding 15% compared to earlier airfare ceilings for these routes. These routes include: Hanoi - Ho Chi Minh City, Ho Chi Minh City - Hai Phong, Ho Chi Minh City - Vinh...

Also, Vietnam Airlines may have up to 10 different prices for tickets on each Vietnam domestic flights from half of the ceiling price to the ceiling price, depending on time of booking and cancellation policies. This is the second hike of airfare by Vietnam Airlines in 2011; the early increase was in April 2011 with increases of 22-25%.

Currently, there are 4 airlines in Vietnam: Vietnam Airlines (which has a subsidiary called Vasco), Jetstar Pacific, Air Mekong and VietJetAir; of which Vietnam Airlines has over 80% of market-share, Jetstar Pacific has 17%. Other airlines have not announced and news of hiking the airfare for now.

In a recent meeting of Vietnam Ministry of Transport on 2Dec2011, it is submitting to the Vietnamese Government a plan for transferring Jetstar Pacific to Vietnam Airlines. SCIC, an investment fund owned by the Vietnamese Government, has the major shares in Jetstar Pacific at the moment. With the transfer, Vietnam Airlines will have nearly 100% of the market-share for air [travel in Vietnam](#). On 5Dec2011, Vietnam Ministry of Transport canceled the business license of two privately-owned air firms: Indochina Airlines and Trai Thien Air Cargo.