

DECISION

DETERMINATION:	IASC/DEC/9931
VARIATION OF:	IASC/DET/9902
THE ROUTE:	INDONESIA
THE APPLICANT:	QANTAS AIRWAYS LIMITED (ACN 009 661 901)
PUBLIC REGISTER:	IASC/APP/99034

1 The application

1.1 Qantas Airways Limited (Qantas) has applied to the Commission for a variation of Determination IASC/DET/9902 on the Indonesia route. The variation sought would increase the allocation of capacity beyond Indonesia by 0.95 B747 equivalent units per week. The additional capacity is being sought as a result of the substitution of some larger aircraft on services via Indonesia to Singapore.

1.2 The Commission published a notice inviting other applications for all or any part of the available capacity and submissions from interested parties about the Qantas application. None were received.

1.3 All non-confidential material supplied by the applicant is filed on the Register of Public Documents.

2 Provisions of relevant air services arrangements

Indonesia

2.1 Under the Australia – Indonesia air services arrangements, the designated airlines of Australia are entitled to operate up to a total of 27 B747 equivalent services weekly between Australia and Indonesia. On services beyond Indonesia, Australian carriers are

“entitled to exercise full traffic rights between Jakarta/Denpasar/an additional point in Indonesia and Singapore, points in Malaysia and a point in Thailand with up to seventeen frequencies weekly using 10.6 B747 equivalent services weekly in each direction beyond Jakarta/Denpasar/an additional point in Indonesia, provided that no more than four frequencies per week each way using any aircraft type may be operated beyond Denpasar”.

2.2 Qantas’ current allocation (Minister’s section 54B and IASC/DET/9902) of capacity beyond Indonesia is 5.85 B747 equivalent services and 10 frequencies (four of which must operate via Denpasar).

2.3 Accordingly, there is available for allocation seven frequencies per week beyond Jakarta and/or an additional point in Indonesia to Singapore and 4.75 B747 equivalent services beyond Jakarta, Denpasar and/or an additional point in Indonesia are available for allocation.

Singapore

2.4 The applicant has sufficient capacity on the Australia - Singapore route to undertake the proposed services. The Australia – Singapore bilateral arrangements entitle Australian carriers to operate between Australia and Singapore via intermediate points in Indonesia.

3 Commission's assessment

3.1 Under paragraph 6.3 of the policy statement, in the absence of submissions about or opposing an application, the Commission need only satisfy itself that the proposed application does not adversely affect the application of the criteria in paragraph 4 of the policy statement. Paragraph 4 states that the use of Australian entitlements is of benefit to the public. For an established international carrier such as Qantas, which is already providing services on the route, this means that there is a public benefit arising from the utilisation of the capacity.

3.2 The Commission therefore concludes that it would be appropriate for Determination IASC/DET/9902 to be varied as requested.

4 Decision (IASC/DEC/9931)

4.1 In accordance with section 24 of the *International Air Services Commission Act 1992*, the Commission varies Determination IASC/DET/9902 on the Indonesia route by *adding* 0.95 B747 equivalent units of capacity per week in each direction beyond Indonesia.

Dated: 30 November 1999

Russell Miller
Chairman

Michael Lawriwsky
Member

Stephen Lonergan
Member