

# RENEWAL DETERMINATION

**DETERMINATION NO:** [2000] IASC 120  
**RENEWAL OF:** DETERMINATION IASC/DET/9602  
**THE ROUTE:** ITALY  
**THE APPLICANT:** QANTAS AIRWAYS LIMITED  
(QANTAS) (ACN 009 661 901)  
**PUBLIC REGISTER FILE:** IASC/APP/200023

## 1 The application for renewal

1.1 On 19 January 1996, the Commission issued Determination IASC/DET/9602 (the determination) allocating one B747 terminating service per week in each direction between Australia and Italy. The Determination expires on 18 January 2001.

1.2 Qantas has applied to the Commission for a renewal of the determination. The Commission published a notice on 16 November 2000 inviting submissions about the application, and other applications for an allocation of the capacity subject to renewal. No submissions or other applications were received.

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

## 2 Commission's consideration

2.1 Under the Minister's policy statement (No. 3), of 23 April 1997, as amended on 9 March 1999, there is a rebuttable presumption in favour of the carrier seeking the renewal.

2.2 The Commission notes that:

- Qantas has been fully utilising the relevant capacity;
- there are no other applicants seeking capacity on the route; and
- there is no evidence that Qantas has failed to service the route effectively.

2.3 The Commission therefore concludes that the renewal of Determination IASC/DET/9602 would be of benefit to the public.

2.4 The wording of the fresh determination below reflects the view of the Commission that determinations which renew original determinations should contain updated terms and conditions consistent with the Commission's current practice and current air services arrangements. Under the *International Air Services Commission Act 1992*, the Commission may make changes to the terms and conditions included in

the original determination where warranted by changes in circumstances since the original determination was made.

### **3 Determination for renewal of Determination IASC/DET/9602 allocating capacity on the Italy route to Qantas ([2000] IASC 120)**

3.1 The Commission makes a fresh determination in favour of Qantas, allocating 1 frequency per week with any type of aircraft except supersonic aircraft between Australia and Italy.

3.2 The determination is for 5 years from 19 January 2001.

3.3 The determination is subject to the following conditions:

- Qantas is required to fully utilise the capacity from 19 January 2001 or from such other date approved by the Commission;
- only Qantas is permitted to utilise the capacity;
- the capacity may be used by Qantas to provide services jointly with British Airways in accordance with:
  - the code share agreement dated 5 October 1997; or
  - any new code share agreement, whether or not it replaces the existing agreement, with the prior approval of the Commission;
- Qantas may only price and market its services, or share or pool revenues/profits on the route, jointly with British Airways as long as such practices are authorised under the *Trade Practices Act 1974* or otherwise authorised by the Australian Competition Tribunal, in the event of review by that Tribunal;
- Qantas must take all reasonable steps to ensure that passengers are informed of the carrier actually operating the flight at the time of booking;
- changes in relation to the ownership and control of Qantas are permitted except to the extent that any change:
  - results in the designation of the airline as an Australian carrier under the Australia – Italy Air Services Agreement being withdrawn; or
  - has the effect that another Australian carrier, or a person (or group of persons) having substantial ownership or effective control of another Australian carrier, would take substantial ownership of Qantas or be in a position to exercise effective control of Qantas, without the prior consent of the Commission; and
- changes in relation to the management, status or location of operations and Head Office of Qantas are permitted except to the extent that any

change would result in the airline ceasing to be an airline designated by the Australian Government for the purposes of the Australia – Italy Air Services Agreement.

Dated: 7 December 2000

Ross Jones  
Chairman

Michael Lawriwsky  
Member

Stephen Lonergan  
Member