



Australian Government

International Air Services Commission

RENEWAL DETERMINATION

Determination:	[2004] IASC 105
Renewal of:	IASC/DET/9910
The Route:	Japan
The Applicants:	Qantas Airways Ltd (ACN 009 661 901) (Qantas)
Public Register File:	IASC/APP/200318

1 The application for renewal

1.1 On 17 May 1999 the Commission issued Determination IASC/DET/9910 (the Determination) allocating one B767-200 unit week in each direction on the Japan route to provide services to and from Kansai. The Determination was subsequently varied to remove the Kansai restriction, to permit operations by Australian Airlines and to permit joint services between Qantas and Australian Airlines for cargo sales only.

1.2 Under the *International Air Services Commission Act 1992* (the Act) the Commission must start its consideration of the renewal of a determination at least 12 months before expiry of the Determination. The Determination expires on 5 December 2004.

1.3 Qantas applied to the Commission for a renewal of the Determination. The Commission published a notice on 13 October 2003 inviting submissions about the application, and other applications for an allocation of the capacity subject to renewal. No submissions or other applications were received.

1.4 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. 5), of 19 May 2004, 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,
- according to the Register of Available Capacity there are 15.8 B767-200 units available for immediate allocation; and
- there is no evidence that Qantas has failed to service the route effectively.

2.3 In these circumstances, the Commission concludes that the renewal of Determination IASC/DET/9910 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 Act, 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/9910 allocating capacity on the Japan route to Qantas ([2004] IASC 105)

3.1 The Commission makes a determination in favour of Qantas Airways Limited, allocating one B767-200 unit per week in each direction between Australia and Japan.

3.2 The determination is for 5 years from 6 December 2004.

3.3 The determination is subject to the following conditions:

- Qantas is required to fully utilise the capacity;
- only Qantas or another Australian carrier which is a wholly owned subsidiary of Qantas is permitted to utilise the capacity;
- neither Qantas nor another Australian carrier which is a wholly owned subsidiary of Qantas is permitted to utilise the capacity to provide services jointly with another Australian carrier or any other person without the approval of the Commission;
- the capacity may be used by Australian Airlines to provide joint services with Qantas and vice versa for cargo sales only between Australia and Japan.
- 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 - Japan air services arrangements 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 – Japan air services arrangements.

Dated: 3 June 2004

John Martin
Chairman

Stephen Lonergan
Member

Michael Lawriwsky
Member