



Australian Government

International Air Services Commission

DECISION

Decision: [2004] IASC 208
Variation of: [2004] IASC 106
The Route: Philippines
The Applicant Qantas Airways Limited
(ACN 009 661 901) (Qantas)
Public Register File: IASC/APP/200424

1 The application

1.1 On 6 September 2004, Qantas applied to vary Determination [2004] IASC 106 which allocates 229 seats per week on the Philippines route. Qantas is seeking an allocation of an additional 50 seats per week.

1.2 Qantas currently holds allocations for 1,316 seats per week on the route and operates three services per week using 422-seat B747-300 aircraft. From the end of October 2004, Qantas proposes to use 450-seat B747-300 aircraft on the route and hence will require a total allocation of 1,350 seats. According to the Register of Available Capacity there are 1,184 seats available for immediate allocation on the Philippines route.

1.3 The Commission published a notice on 9 September 2004 inviting submissions about the application. No submissions were received. All public material supplied by the applicant is filed on the Register of Public Documents.

2 Delegate's assessment

2.1 In accordance with section 27AB of the *International Air Services Commission Act 1992* (the Act) and regulation 3A of the *International Air Services Commission Amendment Regulations 2003 (No.1)*, the delegate of the Commission considers the Qantas application.

2.2 When considering applications to vary determinations, the Commission (or its delegate) must decide whether the determinations, as varied, would be of benefit to the public. Under section 6.3 of the Minister's policy statement, where a carrier requests a variation of a determination to allow it flexibility in operating its capacity and no submission is received about the application, only the criteria in paragraph 4 of the policy statement are applicable. Under paragraph 4, the use of entitlements by Australian carriers under a bilateral arrangement is of benefit to the public. For an established

international carrier such as Qantas, this means that there is public benefit arising from the use of the entitlements.

2.3 The delegate notes that Determination [2004] IASC 106, a renewal determination, comes into effect on 6 December 2004. There is, therefore, a gap of several weeks between the intended commencement of the new services and the date of effect of the capacity increase. It would be necessary for the Department of Transport and Regional Services to give temporary timetable approval to Qantas to cover the revised operations for this short period.

2.4 The delegate, on behalf of the Commission, will vary the determination as requested by Qantas.

3 Decision [2004] IASC 208

3.1 In accordance with section 24 of the Act, the delegate, on behalf of the Commission, varies Determination [2004] IASC 106 by replacing paragraph 3.1 of the Determination with:

“3.1 The Commission makes a determination in favour of Qantas Airways Limited, allocating 279 seats per week in each direction between Australia and the Philippines.”

Dated: 20 September 2004

Michael Bird
Executive Director
Delegate of the IASC Commissioners