

RENEWAL DETERMINATION

DETERMINATION NO: [2000] IASC 117
RENEWAL OF: DETERMINATION IASC/DET/9509
THE ROUTE: INDONESIA
THE APPLICANT: QANTAS AIRWAYS LIMITED
(QANTAS) (ACN 009 661 901)

1 The application for renewal

1.1 On 13 September 1995, the Commission issued Determination IASC/DET/9509 (the determination) allocating the equivalent of 3 B747 units per week to Qantas on the Indonesia route. The Determination expires on 12 September 2000.

1.2 Qantas has applied to the Commission for a renewal of the Determination as to the equivalent of 1 B747 unit per week. The Commission published a notice inviting submissions about the application as it then stood in respect of 3 units per week. No submissions or other applications were received.

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 not been fully utilising all of its allocated capacity on the route. It has however handed back 2 units and plans to increase utilisation in the next scheduling period;
- 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/9509 on the basis sought 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.

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/9509 allocating capacity on the Indonesia route to Qantas ([2000] IASC 117)

3.1 The Commission makes a fresh determination in favour of Qantas, allocating 1 B747 equivalent unit weekly in each direction between Australia and Indonesia.

3.2 The determination is for 5 years from 13 September 2000.

3.3 The determination is subject to the following conditions:

- Qantas is required to fully utilise the capacity;
- only Qantas is permitted to utilise the capacity;
- Qantas is not permitted to utilise the capacity to provide services jointly with another Australian carrier or any other person without the approval of the Commission;
- 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 - Indonesia 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 – Indonesia Air Services Agreement.

Dated: 6 September 2000

Ross Jones
Chairman

Michael Lawriwsky
Member

Stephen Lonergan
Member