

DECISION

DECISION:	[2000] IASC 216
VARIATION OF:	IASC/DET/9716
THE ROUTE:	UNITED STATES
THE APPLICANT:	QANTAS AIRWAYS LIMITED
	(QANTAS) (ACN 009 661 991)

1 The application

1.1 On 4 October 2000, Qantas applied to the Commission to vary IASC/DET/9716, allocating capacity on the US route, to allow Qantas to code share, on a free sale basis, on three weekly services operated by Air Tahiti Nui services between Papeete and Los Angeles.

1.2 Qantas and Air Tahiti Nui propose to commence code share services with effect from 29 October 2000.

1.3 The Commission published a notice on 12 October 2000 inviting submissions from interested parties about the Qantas application. No submissions were received.

1.4 All non-confidential material supplied by the applicant is filed on the Register of Public Documents. Confidential material supplied by the applicant is filed on the Commission's confidential register.

2 Provisions of relevant air services arrangements

2.1 The Australia – US air services arrangements allow the designated airlines of Australia to enter into cooperative arrangements with any airline to operate services between Australia and the United States.

3 Commission's assessment

3.1 When considering applications to vary determinations the Commission must determine whether the determination, as varied, would be of benefit to the public. Under paragraph 4 of the Minister's policy statement the use of Australian entitlements 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 capacity.

4 Decision [2000] IASC 216

4.1 In accordance with section 24 of the Act, the Commission varies Determination IASC/DET/9716 as requested by Qantas by:

adding the following conditions

- “the capacity may be used by Qantas to provide services jointly with Air Tahiti Nui in accordance with the Amendment Agreement to the code share agreement of 12 May 2000 between the carriers or, with the prior approval of the Commission, variations to that agreement or any new arrangements (whether or not it replaces the existing agreement) which relate to the United States route,

subject to the following conditions:

- Qantas must price and sell its services on the route independently;
- Qantas must not share or pool revenues; and
- Qantas must take all reasonable steps to ensure that passengers are informed of the carrier actually operating the flight at the time of booking;”

Dated: 20 October 2000

Ross Jones
Chairman

Michael Lawriwsky
Member

Stephen Lonergan
Member