



INTERNATIONAL AIR SERVICES COMMISSION

DETERMINATION

DETERMINATION: [2002] IASC 118
THE ROUTE: SINGAPORE
THE APPLICANT: QANTAS AIRWAYS LIMITED
(ACN 009 661 901)
PUBLIC REGISTER FILE: IASC/APP/200210

1 The application

1.1 On 18 April 2002, Qantas Airways Limited (Qantas) applied for an allocation of unlimited capacity and frequency for all-cargo services on the Singapore route. Qantas plans to introduce a weekly freighter service between Sydney and Singapore, then beyond to Bangkok, using a wet leased MD11 aircraft. Qantas plans to commence services on 17 May 2002.

1.2 The Commission published a notice on 26 April 2002 inviting other applications for capacity and submissions from interested parties about the Qantas application. No applications or submissions were received.

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

2 Provisions of relevant air services arrangements

2.1 Under the Australia – Singapore air services arrangements, in operating cargo services, the designated airlines of Australia may determine the frequency, capacity and aircraft type to be operated between Australia and Singapore and beyond to any points. The designated airlines may also operate cargo services using their own aircraft or aircraft leased from other companies.

3 Commission's assessment

3.1 Under paragraph 6.2 of the Minister's Policy Statement, in the absence of submissions about or opposing an application, the Commission is required only to apply the criteria in paragraph 4 of the Policy Statement. Under paragraph 4 the use of Australian entitlements by a carrier that is reasonably capable of obtaining the necessary approvals and of implementing its proposals 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. Therefore, the Commission concludes that an

allocation to Qantas of unlimited freight capacity and frequency in each direction on the Singapore route would be of benefit to the public.

4 Determination allocating capacity on the Singapore route to Qantas ([2002] IASC 118)

4.1 The Commission makes a determination in favour of Qantas, allocating unlimited freight capacity and frequency in each direction on the Singapore route under the Australia - Singapore air services arrangements.

4.2 The determination is for five years from the date of the determination.

4.3 The determination is subject to the following conditions:

- Qantas is required to fully utilise the capacity from no later than 30 May 2002 or from such other date approved by the Commission;
- only Qantas is permitted to utilise the capacity;
- 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 - Singapore 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 - Singapore air services arrangements.

Dated: 7 May 2002

Ross Jones
Chairman

Stephen Lonergan
Member

Michael Lawriwsky
Member