



INTERNATIONAL AIR SERVICES COMMISSION

DETERMINATION

DETERMINATION: [2002] IASC 119
THE ROUTE: THAILAND
THE APPLICANT: QANTAS AIRWAYS LIMITED
(ACN 009 661 901)
PUBLIC REGISTER FILE: IASC/APP/200211

1 The application

1.1 On 18 April 2002, Qantas Airways Limited (Qantas) applied for an allocation of one all-cargo service per week on the Thailand route. Qantas intends to commence operating a weekly freighter service between Sydney and Thailand, via Singapore, using a wet leased MD11 aircraft. Qantas plans to start its 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 – Thailand air services arrangements, designated airlines of each Contracting Party may operate up to seven all cargo services per week with any type of aircraft via intermediate points between Australia and Thailand.

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. There are seven weekly all cargo services per week available for allocation. The Commission concludes that an allocation to Qantas of one all cargo service per week in each direction on the Thailand route would be of benefit to the public.

4 Determination allocating capacity on the Thailand route to Qantas ([2002] IASC 119)

4.1 The Commission makes a determination in favour of Qantas, allocating one all cargo service per week in each direction on the Thailand route under the Australia - Thailand 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 - Thailand 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 - Thailand air services arrangements.

Dated: 7 May 2002

Ross Jones
Chairman

Stephen Lonergan
Member

Michael Lawriwsky
Member