

Australian Government

International Air Services Commission

DECISION

Decision:	[2007] IASC 209
Variation of:	[2001] IASC 123 and [2006] IASC 110
The Route:	Thailand
The Applicant:	Qantas Airways Limited (Qantas)
	(ACN 009 661 901)
Public Register:	IASC/APP/200713

1 The application

1.1 On 29 May 2007, Qantas applied for a variation to Determinations [2001] IASC 123 (which expires on 30 June 2007) and [2006] IASC 110 (which renews [2001] IASC 123) for an allocation of a fourth weekly third country airline code share service on the Thailand route. This is to enable an expansion of Qantas' existing code share arrangements with Malev Hungarian Airlines (Malev).

1.2 Qantas proposes to code share on a fourth weekly Malev service between Budapest and Bangkok between 8 January and 27 March 2008, with Malev code sharing on a fourth weekly Qantas service between Bangkok and Sydney for the same period.

1.3 The Commission published a notice on 4 June 2007, inviting submissions about the application. No submissions were received. 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, Australian carriers are limited to a total of 28 weekly services when entering into code share arrangements as the non-operating carrier with third country airlines. There are 11 third-country code share weekly frequencies currently available.

2.2 Code sharing by Qantas on Malev services between Hungary and Germany does not involve the use of Australian capacity, so no allocation of capacity is required for those routes.

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3 Delegate's consideration

3.1 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.

3.2 The Explanatory Statement to the Minister's policy statement provides guidance to the Commission in relation to requests to vary determinations to add minor increases in capacity. A minor increase in capacity would not generally exceed one B747 equivalent frequency per week. In this case the capacity involved is for code share sales on one service per week. The determinations as previously varied already permit the capacity to be used in joint services.

3.3 The delegate, on behalf of the Commission, will vary the determinations as requested by Qantas.

4 Decision [2007] IASC 209

4.1 In accordance with section 24 of the Act, the delegate, on behalf of the Commission, varies Determinations [2001] IASC 123 and [2006] IASC 110, which allocate capacity on the Thailand route by:

removing the following from paragraph 3.1 of Determination [2001] IASC 123, as varied

"allocating the equivalent of seven weekly B747 services in each direction and three third country airline code share services per week in each direction on the Thailand route under the Australia - Thailand air services arrangements"

and *replacing* it with

"allocating the equivalent of seven weekly B747 services in each direction and four third country airline code share services per week in each direction on the Thailand route under the Australia - Thailand air services arrangements"

removing the following from paragraph 3.1 of Determination [2006] IASC 110, as varied

"allocating the equivalent of seven weekly B747 services in each direction and three third country code share services in each direction on the Thailand route under the Australia - Thailand air services arrangements"

and

and *replacing* it with

"allocating the equivalent of seven weekly B747 services in each direction and four third country code share services in each direction on the Thailand route under the Australia - Thailand air services arrangements"

Dated: 13 June 2007

Michael Bird Executive Director Delegate of the IASC Commissioners