



## Australian Government

### International Air Services Commission

#### DETERMINATION

**Determination:** [2008] IASC 119  
**The Route:** Thailand  
**The Applicant:** Qantas Airways Limited (Qantas)  
(ACN 009 661 901)  
**Public Register:** IASC/APP/200825

#### 1 The application

1.1 On 8 September 2008, Qantas applied for an allocation of unlimited capacity and frequency for all-cargo services on the Thailand route. The application follows the recent conclusion of revised air services arrangements between Australia and Thailand, which removed restrictions on capacity, frequency and routes for all-cargo services. At the same time, Qantas sought revocation of its existing determination on the Thailand route allocating all-cargo capacity – see Decision [2008] IASC 217. Qantas asked that the new determination be made for a period of ten years.

1.2 On 18 September 2008, the Commission published a notice inviting other applications for an allocation of the capacity sought by Qantas. No applications were received.

1.3 All public material supplied by the applicant is filed on the Commission's Register of Public Documents.

#### 2 Provisions of relevant air services arrangements

2.1 The air services arrangements between Australia and the Thailand permit the designation of multiple Australian airlines. According to the Register of Available Capacity, designated Australian carriers can operate all-cargo services without limitation on the capacity/frequency or type of aircraft on their specified route schedule between Australia and Thailand.

#### 3 Delegate's consideration

3.1 In accordance with section 27AB of the Act and regulation 3A of the *International Air Services Regulations 1992*, the delegate of the Commission considers the Qantas application.

3.2 Under paragraph 6.2 of the Minister's policy statement, the Commission is required only to apply the criteria in paragraph 4 of the policy statement. Under paragraph 4, the use of entitlements by an Australian carrier that is reasonably capable of obtaining the necessary approvals and of implementing its proposals is of benefit to the public.

3.3 For an established carrier such as Qantas, this means there is public benefit arising from the use of the entitlements. Accordingly, the delegate will allocate the capacity sought to Qantas. As sought by Qantas, the delegate will concurrently revoke Qantas' existing determination allocating all-cargo capacity on the Thailand route –see Decision [2008] IASC 217.

3.4 Under paragraph 11.1(b) of the Minister's policy statement, where capacity and routes are unrestricted, Commission determinations are to be for a period of ten years.

#### **4 Determination allocating capacity on the Thailand route to Qantas ([2008] IASC 119)**

4.1 The delegate, on behalf of the Commission, makes a determination in favour of Qantas, allocating unlimited capacity for all-cargo services on the Thailand route in accordance with the terms of the Australia – Thailand air services arrangements.

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

4.3 The determination is subject to the following conditions:

- Qantas is required 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 - 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: 26 September 2008

Michael Bird  
Executive Director  
Delegate of the IASC Commissioners