

Australian Government

International Air Services Commission

RENEWAL DETERMINATION

Determination: [2008] IASC 130 Renewal of: [2004] IASC 121 The Route: Solomon Islands

The Applicant: HeavyLift Cargo Airlines Pty Ltd

(ACN 102 571 746) (HeavyLift)

Public Register File: IASC/APP/200820

1 The application for renewal

- 1.1 On 8 November 2004, the Commission issued Determination [2004] IASC 121 (the Determination) allocating 25 tonnes of capacity per week to HeavyLift on the Solomon Islands route.
- 1.2 Under the *International Air Services Commission Act 1992* (the Act) the Commission must start its consideration of the renewal of a determination at least 12 months before the expiry of the determination. The Determination expires on 7 November 2009.
- 1.3 HeavyLift applied to the Commission for a renewal of the Determination. The Commission published a notice on 18 September 2008 inviting applications for an allocation of the capacity subject to renewal. No other applications were received.
- 1.4 All material supplied by the applicant is filed on the Register of Public Documents.

2 Commission's consideration

- 2.1 Under the Minister's Policy Statement (No. 5), of 19 May 2004, there is a rebuttable presumption in favour of the carrier seeking the renewal. The Commission notes that:
 - HeavyLift has been fully utilising the capacity;
 - there are no other applicants seeking capacity on the route; and
 - there is no evidence that HeavyLift has failed to service the route effectively.

- 2.2 In these circumstances, the Commission concludes that the renewal of Determination [2004] IASC 121 would be of benefit to the public.
- 2.3 The wording of the fresh determination below reflects the view of the Commission that determinations which renew original determinations should contain updated terms and conditions consistent with the Commission's current practice and current air services arrangements. Under the Act, the Commission may make changes to the terms and conditions included in the original determination where warranted by changes in circumstances since the original determination was made.

Determination for renewal of Determination [2004] IASC 121 allocating capacity on the Solomon Islands route to HeavyLift ([2008] IASC 130)

- 3.1 The Commission makes a determination in favour of HeavyLift, allocating twenty-five tonnes of capacity per week in each direction on the Australia Solomon Islands route, in accordance with the Australia Solomon Islands air services arrangements.
- 3.2 The determination is for five years from 8 November 2009.
- 3.3 The determination is subject to the following conditions:
 - HeavyLift is required to fully utilise the capacity;
 - only HeavyLift is permitted to utilise the capacity;
 - HeavyLift 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 HeavyLift are permitted except to the extent that any change:
 - results in the designation of the airline as an Australian carrier under the Australia – Solomon Islands 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 HeavyLift or be in a position to exercise effective control of HeavyLift, without the prior consent of the Commission; and
 - changes in relation to the management, status or location of operations and head office of HeavyLift are permitted except to the extent that any change would result in the airline ceasing to be an airline designated by the

[2008] IASC 130 Page 2 of 3

Australian Government for the purposes of the Australia – Solomon Islands air services arrangements.

Dated: 8 October 2008

John MartinPhilippa StoneIan SmithChairmanMemberMember

[2008] IASC 130 Page 3 of 3