



## Australian Government

### International Air Services Commission

## RENEWAL DETERMINATION

**Determination:** [2009] IASC 124  
**Renewal of:** [2005] IASC 107  
**The Route:** Hong Kong  
**The Applicant:** Qantas Airways Ltd  
(ACN 009 661 901) (Qantas)  
**Public Register File:** IASC/APP/200930

### 1 The application for renewal

1.1 On 14 July 2005, the delegate of the Commission issued Determination [2005] IASC 107 (the Determination), allocating one all-cargo frequency per week on the Hong Kong route to Qantas.

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 13 July 2010.

1.3 Qantas applied to the Commission on 11 September 2009 for a renewal of the Determination. The Commission published a notice on 12 October 2009 inviting other 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.

2.2 The Commission notes that:

- Qantas has been fully utilising the relevant capacity;
- according to the Register of Available Capacity, there is one frequency per week of capacity available for all-cargo services between Sydney, Melbourne, Brisbane and Perth and Hong Kong, although the

designated airlines of Australia may freely convert and reconvert capacity for the operation of passenger and all-cargo services;

- there are no other applicants seeking capacity on the route; and
- there is no evidence that Qantas has failed to service the route effectively;

2.3 In these circumstances, the Commission concludes that the renewal of Determination [2005] IASC 107 would be of benefit to the public.

2.4 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.

### **3 Determination for renewal of Determination [2005] IASC 107 allocating capacity on the Hong Kong route to Qantas ([2009] IASC 124)**

3.1 The Commission makes a determination in favour of Qantas, allocating one all-cargo frequency per week in each direction between any points in Australia and Hong Kong under the Australia – Hong Kong air services arrangements.

3.2 The determination is for five years from 14 July 2010.

3.3 The determination is subject to the following conditions:

- Qantas is required to fully utilise the capacity;
- only Qantas or another Australian carrier which is a wholly owned subsidiary of Qantas is permitted to utilise the capacity;
- neither Qantas nor another Australian carrier which is a wholly owned subsidiary of Qantas is 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 - Hong Kong 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 - Hong Kong air services arrangements.

Dated: 20 October 2009

John Martin  
Chairman

Philippa Stone  
Member

Ian Smith  
Member