

2 March 2017

Ms Marlene Tucker
Executive Director
International Air Services Commission
GPO Box 630
Canberra ACT 2601

Via email: Marlene.Tucker@infrastructure.gov.au

Dear Ms Tucker,

Application for Capacity Allocation – China

Following the recent conclusion of revised air services arrangements between Australia and China, Qantas requests an allocation of unlimited capacity for passenger services on the China route.

For flexibility, the ability for another Australian carrier which is a wholly-owned subsidiary of Qantas, such as Jetstar Airways Pty Limited, to utilise capacity on the route is requested.

Allocation Sought

Qantas seeks an allocation of unlimited capacity on the China route on the following basis:

- the allocation is requested for a period of ten years from the date of the determination;
- the capacity will be fully utilised by 30 June 2017;
- the capacity may be utilised by Qantas or another Australian carrier which is a wholly-owned subsidiary of Qantas;
- the capacity may be used by Qantas to provide joint services with any wholly-owned subsidiary and by any wholly-owned subsidiary of the Qantas Group to provide joint services with Qantas; and
- the capacity may be used by Qantas to provide services jointly with China Eastern.

IASC Act and Policy Statement Considerations

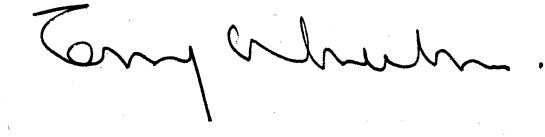
This application should be considered against the general criteria for assessing the benefit to the public in paragraph 4 of the Minister's Policy Statement.

These state that the use of entitlements by an Australian carrier under a bilateral arrangement is of benefit to the public, provided that it is reasonably capable of obtaining the necessary approvals and implementing the proposal.



We would be pleased to provide any further information the Commission may require in support of this application.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Tony Wheelens", followed by a period.

Tony Wheelens
Executive Manager, Industry and International Affairs