



Australian Government
International Air Services Commission

DETERMINATION

The Route:	Philippines
The Applicant:	Qantas Airways Limited (ABN 16 009 661 901)
Determination:	[2025] IASC 111
Public Register File:	IASC/APP/202523

The Commission makes a determination allocating to Qantas Airways Limited one frequency per week to operate passenger services on the Philippines route. The capacity may be used by either Qantas Airways Limited or its wholly-owned subsidiary, Jetstar Airways Pty Limited. The determination is valid for five years from 23 September 2025.

1 The application

1.1 On 27 August 2025, Qantas Airways Limited (Qantas) applied to the International Air Services Commission (the Commission) for an allocation of 297 seats per week on the Philippines route. Qantas stated in its application that it plans to operate a fifth weekly service between Brisbane and Manila from 27 October 2025, using Airbus A330 aircraft configured with 297 seats.

1.2 Qantas has requested the capacity allocation on the following basis:

- the allocation is requested for a period of five years from the date of the determination;
- the capacity will be fully utilised by 30 November 2025;
- the capacity may be utilised by Qantas, or Jetstar Airways Pty Limited (Jetstar) or another Australian carrier which is a wholly-owned subsidiary of Qantas; and
- the capacity may be used by Qantas to provide joint services with any wholly-owned subsidiary of the Qantas Group and by any wholly-owned subsidiary of the Qantas Group to provide joint services with Qantas.

1.3 In accordance with section 12 of the International Air Services Commission Act 1992 (the Act), on 29 August 2025, the Commission published Qantas' application on the Commission's website inviting other applications for capacity. No other applications were received.

1.4 On 11 September 2025, the Government authorities of Australia and the Philippines agreed to amend the air services arrangements between the two countries to

increase and convert the passenger capacity available to Australian designated airlines to 60 services per week to and from Manila and Bulacan.

1.5 In response to these changes, on 19 September 2025, Qantas wrote to the Commission to update its application for capacity to one (1) frequency per week on the Philippines route.

1.6 All non-confidential material supplied by the applicant is available on the Commission's website (www.iasc.gov.au).

2 Air services arrangements

2.1 Under paragraph 7(2)(aa) of the Act provides that the Commission must not allocate available capacity contrary to any restrictions on capacity contained in a bilateral arrangement(s).

2.2 According to the Register of Available Capacity, there are 46 frequencies per week available for allocation to Australian designated airlines to operate passenger services to/from Manila and Bulacan.

2.3 Under the Australia-Philippines air services arrangements, Australian designated airline(s) have the right, over all or any part of their route, to enter into code share, blocked space or other cooperative marketing arrangements, as the marketing and/or operating airline, with another Australian airline(s), a Philippine airline(s) or with an airline(s) of a third country.

3 Commission's consideration

3.1 Subsection 12(3) of the Act allows any person to apply to the Commission for a determination allocating capacity to enable an Australian carrier to operate international air services.

3.2 Qantas is seeking the allocation of 1 frequency per week in each direction on the Philippines route. As part of its application, Qantas requested permission for the capacity to be used by either Qantas, its wholly-owned subsidiary, Jetstar, or another Australian carrier which is a wholly-owned subsidiary of the Qantas Group.

3.3 Currently, Qantas has a total capacity allocation on this route of 14 frequencies, which are being utilised to operate up to 4 frequencies per week from Brisbane to Manila and up to 7 frequencies per week from Sydney to Manila.¹ The Commission further notes that Qantas' wholly-owned subsidiary, Jetstar, plans to utilise 3 frequencies per week to launch services between Perth and Manila from November 2025.²

3.4 The additional capacity is intended to be used by Qantas to enable the airline to operate a fifth weekly service between Brisbane and Manila from 27 October 2025, using

¹ See Philippines, Qantas entry - [Northern Summer 2025 Timetable Summary](#)

² [Jetstar expands into the Philippines with two new direct routes from Brisbane and Perth](#)

Airbus A330 aircraft configured with 297 seats.

3.5 Subsection 7(1) of the Act empowers the Commission to make a determination allocating available capacity. Subsection 7(2) requires, in part, that the Commission's determination must not allocate capacity unless the Commission is satisfied that the allocation would be of benefit to the public and would not be contrary to any restrictions on capacity contained in bilateral arrangements, or combination of bilateral arrangements.

3.6 Further, subsection 7(3) of the Act provides that in assessing the benefit to the public of an allocation of capacity, the Commission must apply the criteria set out in the policy statement made by the Minister pursuant to section 11 of the Act.

3.7 Pursuant to section 11 of the Act, the Minister issued the International Air Services Commission Policy Statement 2018 (the Policy Statement) which came into effect on 28 March 2018. The Policy Statement sets out the criteria which the Commission is required to apply in assessing the benefit to the public of allocations of capacity.

3.8 The Commission notes that there are no other applicants seeking capacity on the route and no opposition to the application. Section 12 of the Policy Statement provides, in part, that in circumstances where there is only one applicant for allocation of capacity on a route, and there is no opposition to the application, the Commission is to have regard to the 'reasonable capability criterion' in section 8 of the Policy Statement and need not have regard to any other matter.

3.9 Under the reasonable capability criterion in section 8 of the Policy Statement, the Commission is required to assess the extent to which all Australian carriers that are, or would be, permitted to use the capacity allocated under a determination are reasonably capable of: (a) obtaining any licenses, permits or other approvals required to operate on and service the route to which the determination relates; and (b) using the capacity allocated under the determination.

3.10 The Commission notes that Qantas is an established international carrier which currently operates scheduled international services between Australia and the Philippines. The Commission therefore finds that Qantas is reasonably capable of obtaining the necessary regulatory approvals to operate on the route and of using the proposed capacity allocation.

3.11 Accordingly, the Commission has concluded that Qantas satisfies the criteria under section 8. The Commission, therefore, has decided to allocate the capacity as requested by Qantas.

3.12 Qantas requested the Commission to permit the capacity to be used by Qantas to provide joint services with any wholly-owned subsidiary of the Qantas Group and by any wholly-owned subsidiary of the Qantas Group to provide joint services with Qantas. The Commission considers that the proposed joint services on the Philippines route between Qantas and a wholly-owned subsidiary of the Qantas Group would have minimal impact on competition. The Commission, therefore, has decided to include such conditions, as requested by Qantas.

3.13 Subsection 15(1) of the Act empowers the Commission to include such terms and conditions as it thinks fit. Paragraph 15(2)(e) requires the inclusion of a condition stating the extent to which the carrier may use that capacity in joint services with another carrier. As required by section 23 of the Policy Statement, where the Commission authorises a carrier to utilise the allocated capacity to provide joint or code share services with another carrier, the Commission will include a condition requiring the airlines concerned to take all reasonable steps to ensure that passengers are informed of the carrier that is actually operating the flight. In light of this, the Commission has decided to issue this determination subject to the conditions set out in item 4 below.

3.14 Paragraph 15(2)(a) of the Act requires a determination to specify the period during which it is to be in force. Subsection 15(3) of the Act effectively provides that if the Policy Statement sets out how the period of validity of the determination is to be fixed, then the period of validity is as so fixed. In any other case, an interim determination is to be in force for three years while a determination that is not an interim determination is to be in force for five years.

3.15 Section 20 of the Policy Statement sets out how the Commission is to fix the period during which a determination is to be in force. The Commission considers that this application is within the scope of subsection 20(4) and has decided that this determination is to be in force for a period of five years.

3.16 Nothing in this decision should be taken as indicating either approval or disapproval by the Australian Competition and Consumer Commission (ACCC). This decision is made without prejudicing, in any way, possible future consideration of code share operations by the ACCC.

4 Determination allocating capacity on the Philippines route to Qantas Airways Limited Determination [2025] IASC 111

4.1 In accordance with section 7 of the Act, the Commission makes a determination in favour of Qantas Airways Limited, allocating one frequency per week in each direction on the Philippines route, in accordance with the Australia – Philippines air services arrangements.

4.2 The determination is valid for five years from 23 September 2025.

4.3 The determination is subject to the following conditions:

- a) Qantas Airways Limited is required to fully utilise the capacity no later than 30 November 2025 or such other date approved by the Commission.
- b) The capacity may be utilised by:
 - Qantas Airways Limited; or
 - Jetstar Airways Pty Limited, as long as it remains a wholly-owned subsidiary of the Qantas Group; or

- such other wholly-owned subsidiary of the Qantas Group that the Commission approves in writing, as long as it remains a wholly-owned subsidiary of the Qantas Group.
- c) Neither Qantas Airways Limited nor another Australian carrier which is a wholly-owned subsidiary of the Qantas Group is permitted to utilise the capacity to provide services jointly with another Australian carrier or any other person unless approved by the Commission.
- d) Subject to the preceding condition, the capacity may be used by Qantas Airways Limited to provide joint services with any wholly-owned subsidiary of the Qantas Group and by any wholly-owned subsidiary of the Qantas Group to provide joint services with Qantas Airways Limited.
- e) To the extent that the capacity is used to provide joint services on the route, the airlines must take all reasonable steps to ensure that passengers are informed of the carrier actually operating the flight at the time of the booking. Nothing in this determination exempts the airlines from complying with Australian Consumer Law.
- f) Changes in relation to the ownership and control of Qantas Airways Limited and/or its wholly-owned subsidiary authorised to utilise the capacity are permitted except to the extent that any change:
- results in the designation of the airline as an Australian carrier under the Australia – Philippines 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 Airways Limited and/or its wholly-owned subsidiary or be in a position to exercise effective control of Qantas Airways Limited and/or its wholly-owned subsidiary, without the prior consent of the Commission.

Dated: 23 September 2025



GENEVIEVE BUTLER
Chairperson



JANE MCKEON
Commissioner