



Australian Government
International Air Services Commission

DECISION

The Route: Japan
The Applicant: Qantas Airways Limited (Qantas)
(ABN 16 009 661 901)

Decision: [2025] IASC 203
Variation Of: [2024] IASC 107
Public Register File: IASC/APP/202508

Decision: [2025] IASC 204
Variation Of: [2024] IASC 108
Public Register File: IASC/APP/202508

Decision: [2025] IASC 205
Variation Of: [2021] IASC 101
Public Register File: IASC/APP/202508

The Commission varies Determination [2024] IASC 107 and Determination [2024] IASC 108 to permit the use of capacity on the Japan (Tokyo-Haneda) route for joint services between Qantas Airways Limited and Finnair Plc and Société Air France, subject to certain conditions. The Commission also varies Determination [2021] IASC 101 to permit the use of the capacity on the Japan route (other than to Tokyo-Haneda) for joint services between Qantas Airways Limited and Finnair Plc, subject to certain conditions. The permission is valid for the duration of the determinations commencing from the date of issue of this decision.

1 The application

1.1 On 15 April 2025, the International Air Services Commission (the Commission) received an application from Qantas Airways Limited (Qantas) seeking to vary the following determinations, to permit Qantas to utilise the capacity to provide joint services with Finnair Plc (Finnair) and Société Air France (Air France) on the Japan route, from 30 May 2025:

- Determination [2024] IASC 107 which allocates to Qantas seven frequencies of passenger capacity per week in each direction, to serve Tokyo Haneda Airport, subject to certain conditions; and
- Determination [2024] IASC 108 which allocates to Qantas one daily frequency of passenger capacity per week in each direction, to serve Tokyo Haneda Airport, subject to certain conditions.

1.2 Qantas also requested variation of Determination [2021] IASC 101, which allocates to Qantas unlimited capacity to operate passenger services on the Japan route (other than to Tokyo Haneda Airport), to permit the airline to utilise the capacity to provide joint services with Finnair.

1.3 Qantas provided the Commission with copies of the code share agreements with Finnair and Air France, on a confidential basis.

1.4 In its application, Qantas specified that under the proposed arrangement:

- Air France plans to code share on Qantas operated services between Australia and Tokyo (Haneda) (vv). Qantas plans to place its code on Air France operated services between Tokyo (Haneda) and Paris (vv); and
- Finnair plans to code share on Qantas operated services between Australia and Tokyo (Haneda) and Tokyo (Narita). Qantas plans to place its code on Finnair operated services between Tokyo (Haneda) and Helsinki (vv) and Tokyo (Narita) and Helsinki (vv).

1.5 The airline submits that the proposed code share arrangements would enable Air France and Finnair to provide connectivity to Australia with each airline's operated flights to Japan. It notes that the ability for each of these airlines to expand their selling proposition by independently marketing and pricing services between Australia and Japan enhances the range of choices and benefits for consumers.

1.6 Qantas subsequently applied to the Commission on 21 May 2025 with a request to vary the aforementioned determinations to permit Qantas to utilise the capacity to provide joint services with EL AL Israel Airlines Ltd. (El Al) on the Japan route, from 1 July 2025. This application will be dealt with separately by the Commission.

1.7 On 29 May 2025, Qantas wrote to the Commission requesting approval of its amended code share agreement with Air France, as per the conditions of Renewal Determination [2025] IASC 106, which permits Qantas to utilise 250 one-way seats of code share capacity on the France Route 1 to offer code share services with Air France. The Commission notes the addition of a third country route, Tokyo (Haneda) - Paris, which is subject to this application, will use Australian capacity entitlements under the Australia-France air services arrangements. This matter has been addressed in Resolution [2025] IASC R03.

1.8 In accordance with section 22 of the *International Air Services Commission Act 1992* (the Act), the Commission published, on 17 April 2025, a notice inviting submissions about the application. No submissions were received.

1.9 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 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). Any variation made to an existing allocation of capacity should also not be contrary to any restrictions on capacity contained in a bilateral arrangement(s).

2.2 The Australia-Japan air services arrangements provide for unlimited frequencies and slots between any points in Australia and any points in Japan, except to or from Tokyo Haneda Airport.

2.3 Additionally, designated carriers of Australia may enter into code share services on the specified routes with a designated airline(s) of Australia, with a designated airline(s) of Japan or with an airline(s) of third countries, subject to approvals of the aeronautical authorities of both countries.

2.4 Under the Australia-France air services arrangements, the designated airline(s) of Australia may enter into arrangements with other airlines, including airlines of third countries, to undertake services through code share, blocked space or other joint venture arrangements.

2.5 The total traffic carried, on the Australia-France route, through code share or other joint venture arrangements by the Australian designated airline(s) will not exceed 400 one-way seats daily in each direction averaged over 12 months. Currently, all 400 one-way seats of capacity entitlements have been allocated to Australian carriers (250 one-way seats to Qantas and 150 one-way seats to Virgin Australia).

3 The Commission's consideration

3.1 Qantas' application seeks to vary the determinations to include a condition of a kind referred to in paragraph 15(2)(e) of the Act. In view of this, the application is a transfer application as so defined in subsection 4(1) of the Act. The Commission has assessed the application in accordance with section 25 of the Act.

3.2 Subsection 25(1) of the Act provides that the Commission must make a decision varying the determination in a way that gives effect to the variation requested, subject to subsection 25(2). Subsection 25(2) states that the Commission must not make a decision varying the determination in a way that varies, or has the effect of varying an allocation of capacity if the Commission is satisfied that the allocation, as so varied, would not be of benefit to the public.

3.3 Under section 26 of the Act, in assessing the benefit to the public of a variation of an allocation of capacity, the Commission is required to apply the criteria set out in any policy statement issued by the Minister under section 11 of the Act.

3.4 Under section 11 of the Act, the Minister made 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.

3.5 Section 18 of the Policy Statement specifically deals with 'transfer applications' such as this one. It provides that, in assessing whether the variation requested would not be of benefit to the public for the purpose of subsection 25(2) of the Act, the Commission is to have regard to the 'reasonable capability criterion' set out in section 8 of the Policy Statement and may have regard to any of the additional criteria set out in section 9 that

the Commission considers to be relevant. The Commission is also to have regard to the matters specified in paragraph 18(2)(b) of the Policy Statement to the extent that they are relevant to the variation under consideration.

3.6 ‘Reasonable capability criterion’ is defined in section 8 of the Policy Statement to mean the extent to which Australian carriers are reasonably capable of: a) obtaining the necessary approvals to operate on and service the route; and b) using the capacity allocated under the determination. The ‘additional criteria’ to which the Commission may have regard are set out in section 9 of the Policy Statement.

3.7 The Commission notes that Qantas is an established Australian international carrier currently operating services on the Australia-Japan route, and therefore finds that the airline is reasonably capable of obtaining the necessary regulatory approvals and of using the capacity allocated under the determinations.

3.8 The Commission notes it has received no submissions opposing the variations sought in Qantas’ transfer application.

3.9 The Commission considers that the public benefits associated with Qantas’ application relate to travel between Australia and Europe (vv). It is noted that these markets are contested by a large number of carriers which operate between Australia and Europe through connecting points in the Middle East and Asia, e.g. Dubai, Doha, Singapore and Hong Kong.

3.10 The Commission notes that Air France, Japan Airlines Co. Ltd. (JAL) and All Nippon Airways Co. Ltd. (ANA) offer daily services between Tokyo (Haneda) and Paris, with Air France offering double daily flights.

3.11 The Commission also notes that Finnair offers a daily service between each of Tokyo (Haneda) and Tokyo (Narita) and Helsinki, with Japan Airlines and British Airways plc (British Airways) code sharing on these services. Japan Airlines also operates a daily service between Tokyo (Haneda) and Helsinki with Finnair and British Airways code sharing on this service.

3.12 For the Northern Summer 2025 IATA scheduling season¹, Qantas is the largest airline on the route, operating up to 28 direct services per week between Australia and Japan (Brisbane-Narita (vv), Melbourne-Narita (vv) and Sydney-Haneda (vv)). Qantas’ wholly-owned subsidiary, Jetstar Airways Pty Limited (Jetstar) operates up to 25 direct services per week between Australia and Japan (Cairns-Kansai (vv), Cairns-Narita (vv), Brisbane-Narita (vv), Brisbane-Kansai (vv) and Sydney-Kansai (vv)). Japanese carriers operate up to 41 services per week, with All Nippon Airways operating up to 18 services per week (Haneda-Sydney (vv), and Narita-Perth (vv)) and Japan Airlines operates up to 23 services per week (between Narita-Melbourne (vv) and Haneda-Sydney (vv)).

3.13 The Commission further notes that Jetstar and Finnair currently offer code share services on a range of services between Helsinki and points in Australia (vv). Finnair and Japan Airlines also offer code share services between Helsinki and points in Australia (vv).

3.14 Air France plans to code share, as marketing carrier, on Qantas operated

¹ [Northern Summer 2025 Timetable summary - Japan](#)

services: Sydney - Haneda (vv). Qantas plans to place its code, as marketing carrier, on Air France operated services between Haneda and Paris (vv).

3.15 Finnair plans to code share, as marketing carrier, on the following Qantas operated services: Brisbane-Narita (vv), Melbourne-Narita (vv), and Sydney-Haneda (vv). Qantas plans to place its code, as marketing carrier, on Finnair operated services between Haneda-Helsinki (vv) and Narita-Helsinki (vv).

3.16 The Commission considers that the proposed expanded arrangement between Qantas and Air France will provide additional options and choice for consumers and tourists travelling between Sydney and Paris (vv), via Tokyo-Haneda (vv), marketed through Air France's distribution channels.

3.17 With respect to the proposed expanded arrangement between Qantas and Finnair, the Commission considers that this arrangement will provide additional options and choice for consumers and tourists travelling between Helsinki and Brisbane, Melbourne and Sydney via Tokyo (Haneda and Narita) (vv), marketed through Finnair's distribution channels.

3.18 Noting the scope of cooperation proposed, the Commission does not consider that its assessment of benefit to the public for the purpose of subsection 25(2) of the Act would be assisted by having regard to the additional criteria in section 9 of the Policy Statement.

3.19 The Commission considers that the proposed arrangement will enhance connectivity and provide additional options and choice for travellers through access to wider networks. Travellers will have a greater choice of routes between Australia and Europe (vv) with the option to go via Japan and access to connections on Air France and Finnair's networks to/from Paris or Helsinki.

3.20 The Commission finds that the matters specified in subsection 18(2)(b) of the Policy Statement are not relevant to the variation under consideration. The Commission does not have information to suggest that Qantas' transfer application involves speculative activity. Qantas is an established international carrier that currently holds multiple determinations and other regulatory approvals enabling the carrier to operate scheduled international air services on various routes, including the Australia-Japan route.

3.21 The Commission notes that Qantas has been allocated 250 one-way seats of code share capacity per day on the Australia-France route (averaged over 12 months) through Determination [2021] IASC 106. The Commission has given authorisation for Qantas to code share with Air France on the Australia-France route, on a free sale basis. The conditions of Determination [2021] IASC 106 specify that Qantas must apply to the Commission for approval of any proposed variations to the code share arrangement with Air France if Qantas proposes to add third country routes on which the airlines will code share, which would require the use of Australian capacity entitlements. The Commission has approved the utilisation of capacity for the Tokyo (Haneda) – Paris service through Resolution [2025] IASC R03.

3.22 Having considered the criteria set out in section 18 of the Policy Statement, the Commission is satisfied that the allocations, as proposed to be varied, would be of benefit to the public. The Commission considers that there is unlikely to be any lessening of

public benefit through authorising the proposed code sharing arrangements in relation to the Japan route. Therefore, in accordance with section 25 of the Act, the Commission must make a decision varying the determinations in a way that gives effect to the variation requested in Qantas' 'transfer application'.

3.23 Subsection 15(1) of the Act empowers the Commission to include such terms and conditions in a determination as it thinks fit. Paragraph 15(2)(e) requires the inclusion of a condition stating the extent to which the carrier may use capacity allocated under a determination in joint services with another carrier.

3.24 The Commission has decided to add conditions permitting the use of the capacity for the provision of joint services between Qantas and Finnair, and Qantas and Air France on the Japan route, as requested.

3.25 As required by section 23 of the Policy Statement, the Commission has included a condition requiring the airlines to take all reasonable steps to ensure that passengers are informed of the carrier that is actually operating the flights.

3.26 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 Decision varying Determination [2024] IASC 107 which allocates capacity to Qantas Airways Limited on the Japan route ([2025] IASC 203)

4.1 In accordance with section 25 of the Act, the Commission varies Determination [2024] IASC 107 which allocates capacity to Qantas Airways Limited on the Japan route, to serve Tokyo-Haneda, by:

adding the following conditions to the Determination:

- The capacity may be used by Qantas Airways Limited to provide joint services with Finnair Plc in accordance with the code share agreement between Qantas Airways Limited and Finnair Plc, dated 23 December 2010, as amended, and the air services arrangements between Australia and Japan.
- The capacity may be used by Qantas Airways Limited to provide joint services with Société Air France, in accordance with the code share agreement made between Qantas Airways Limited and Société Air France, dated 23 May 2018, as amended, and the air services arrangements between Australia and Japan.
- Qantas Airways Limited must apply to the Commission for approval of any proposed variations to the code share agreement between Qantas Airways Limited and Finnair Plc which would change the relevant commercial aspects of the structure of the agreement from a free sale code share arrangement to a blocked space, or vice versa, or if the airlines propose to add third country routes on which the airlines will code share where Australian capacity will be used for services on that route.

- Qantas Airways Limited must apply to the Commission for approval of any proposed variations to the code share agreement between Qantas Airways Limited and Société Air France which would change the relevant commercial aspects of the structure of the agreement from a free sale code share arrangement to a blocked space, or vice versa, or if the airlines propose to add third country routes on which the airlines will code share where Australian capacity will be used for services on that route.
- To the extent that the capacity is used to provide code share services on the route, the airlines must take all reasonable steps to ensure that passengers are informed, at the time of booking, of the carrier actually operating the flight.
- Nothing in this Determination exempts airlines from complying with Australian Consumer Law.

4.2 This decision comes into effect from the date of issue and is valid for the duration of Determination [2024] IASC 107.

5 Decision varying Determination [2024] IASC 108 which allocates capacity to Qantas Airways Limited on the Japan route ([2025] IASC 204)

5.1 In accordance with section 25 of the Act, the Commission varies Determination [2024] IASC 108 which allocates capacity to Qantas Airways Limited on the Japan route, to serve Tokyo-Haneda, by:

adding the following conditions to the Determination:

- The capacity may be used by Qantas Airways Limited to provide joint services with Finnair Plc in accordance with the code share agreement between Qantas Airways Limited and Finnair Plc, dated 23 December 2010, as amended, and the air services arrangements between Australia and Japan.
- The capacity may be used by Qantas Airways Limited to provide joint services with Société Air France, in accordance with the code share agreement made between Qantas Airways Limited and Société Air France, dated 23 May 2018, as amended, and the air services arrangements between Australia and Japan.
- Qantas Airways Limited must apply to the Commission for approval of any proposed variations to the code share agreement between Qantas Airways Limited and Finnair Plc which would change the relevant commercial aspects of the structure of the agreement from a free sale code share arrangement to a blocked space, or vice versa, or if the airlines propose to add third country routes on which the airlines will code share where Australian capacity will be used for services on that route.
- Qantas Airways Limited must apply to the Commission for approval of any proposed variations to the code share agreement between Qantas Airways Limited and Société Air France which would change the relevant commercial aspects of the structure of the agreement from a free sale code share arrangement to a blocked

space, or vice versa, or if the airlines propose to add third country routes on which the airlines will code share where Australian capacity will be used for services on that route.

- To the extent that the capacity is used to provide code share services on the route, the airlines must take all reasonable steps to ensure that passengers are informed, at the time of booking, of the carrier actually operating the flight.
- Nothing in this Determination exempts airlines from complying with Australian Consumer Law.

5.2 This decision comes into effect from the date of issue and is valid for the duration of Determination [2024] IASC 108.

6 Decision varying Determination [2021] IASC 101 which allocates capacity to Qantas Airways Limited on the Japan route ([2025] IASC 205)

6.1 In accordance with section 25 of the Act, the Commission varies Determination [2021] IASC 101 which allocates capacity to Qantas Airways Limited on the Japan route (other than to Tokyo-Haneda), by:

adding the following conditions to the Determination:

- The capacity may be used by Qantas Airways Limited to provide joint services with Finnair Plc in accordance with the code share agreement between Qantas Airways Limited and Finnair Plc, dated 23 December 2010, as amended, and the air services arrangements between Australia and Japan.
- Qantas Airways Limited must apply to the Commission for approval of any proposed variations to the code share agreement between Qantas Airways Limited and Finnair Plc which would change the relevant commercial aspects of the structure of the agreement from a free sale code share arrangement to a blocked space, or vice versa, or if the airlines propose to add third country routes on which the airlines will code share where Australian capacity will be used for services on that route.
- To the extent that the capacity is used to provide code share services on the route, the airlines must take all reasonable steps to ensure that passengers are informed, at the time of booking, of the carrier actually operating the flight. Nothing in this Determination exempts airlines from complying with Australian Consumer Law.

6.2 This decision comes into effect from the date of issue and is valid for the duration of Determination [2021] IASC 101.

Dated: 30 May 2025



GENEVIEVE BUTLER
Chairperson



JANE MCKEON
Commissioner