



Australian Government
International Air Services Commission

DECISION

The Route:	France-Route 1
The Applicant:	Qantas Airways Limited (ABN 16 009 661 901)
Decision:	[2025] IASC 206
Variation Of:	[2023] IASC 134
Public Register File:	IASC/APP/202509

The Commission varies Determination [2023] IASC 134 to permit the use of the capacity on France-Route 1, for code sharing between Qantas Airways Limited and Société Air France, subject to certain conditions. The permission is valid for the duration of the Determination commencing from the date of issue of this decision.

1 The application

1.1 On 5 May 2025, Qantas Airways Limited (Qantas) applied to the International Air Services Commission (the Commission) seeking to vary Determination [2023] IASC 134 (the Determination), to permit the utilisation of the capacity for Société Air France (Air France) to offer code share services, as marketing carrier, on flights operated by Qantas on France-Route 1, under a free sale arrangement. Qantas provided the Commission with a copy of the code share agreement with Air France, on a confidential basis.

1.2 The application seeks approval for Air France to market services operated by Qantas between Perth and Paris (vv). In its application, Qantas submits that the proposed arrangements will provide additional connectivity to Australia via Qantas' non-stop services. It further submits that the ability for the airlines to expand their selling proposition by independently marketing and pricing services between Australia and France enhances the range of choices and benefits for consumers.

1.3 Determination [2023] IASC 134 allocates to Qantas two (2) units of capacity per week in each direction on France-Route 1.

1.4 In accordance with section 22 of the *International Air Services Commission Act 1992* (the Act), the Commission published, on 8 May 2025, a notice inviting submissions about the application. No submissions were received.

1.5 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-France air services arrangements provide that the designated airline(s) of Australia may operate 3.0 units of capacity per week from Australia to Paris and one additional point in France. According to the Register of Available Capacity there is 1.0 unit of capacity per week available for allocation to Australian carriers to operate services on France-Route 1, with Qantas holding an allocation for 2.0 units of capacity.

2.3 Additionally, Australian designated airlines 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.

2.4 The total traffic carried 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. Qantas has been allocated 250 one-way code share seats and Virgin Australia has been allocated 150 one-way code share seats on France-Route 1. There are currently no seats available for allocation.

3 The Commission's consideration

3.1 Qantas' application seeks to vary the Determination 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 route in question, and therefore finds that the airline is reasonably capable of obtaining the necessary regulatory approvals and of using the capacity allocated under the Determination.

3.8 Qantas is the only carrier that offers nonstop services on the Australia-France Route 1, operating up to three direct weekly services between Perth and Paris (vv) in the current 2025 Northern Summer IATA scheduling period¹. It also offers indirect services on the route via mid-points in Asia, Europe and the Middle East, by offering code share services on flights operated by Air France (via Asia), British Airways and Emirates.

3.9 Air France serves the Paris-Australia route indirectly, via midpoints in Asia, East Africa, USA and the Middle East, through its code share partners including: Air Mauritius, China Eastern Airlines, Delta Air Lines, Etihad Airways, Korean Air, Qantas (via Asia), Singapore Airlines and Vietnam Airlines².

3.10 A number of third country carriers also offer indirect services between Australia and France via a range of midpoints in Asia and the Middle East.³

3.11 The Commission considers that the proposed arrangement will enhance connectivity and provide additional options and choice for consumers through access to wider networks. Travellers booking with Air France will have a greater choice of onward connections and itineraries with fewer stops, including direct services between Europe and Australia, marketed through Air France’s distribution channels.

3.12 As previously noted, Qantas is the only carrier offering direct services between Australia and France. The market is also served by a number of third country carriers offering indirect services. The Commission therefore considers that the nature of the arrangements is unlikely to have a detrimental impact on competition.

¹ [NS25 Timetable Summary](#), France route, Qantas entry

² [NS25 Timetable Summary](#), France route, Air France entry

³ Data sourced from FlightConnections.com.

3.13 The Commission notes that it has received no submissions opposing the variation sought in Qantas' transfer application. This means that the variation sought by Qantas has not been contested.

3.14 In these circumstances, there is nothing before the Commission to indicate 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. The Commission considers that there is unlikely to be any lessening of public benefit through authorising the code sharing arrangement in relation to France-Route 1..

3.15 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-France Route 1.

3.16 Having considered the criteria set out in section 18 of the Policy Statement, the Commission is satisfied that the allocation, as proposed to be varied, permitting Air France to code share, as marketing carrier, on flights operated by Qantas on France- Route 1, would be of benefit to the public. Therefore, in accordance with section 25 of the Act, the Commission must make a decision varying the Determination in a way that gives effect to the variation requested in Qantas' transfer application.

3.17 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.

3.18 The Commission has decided to add conditions permitting the use of the capacity for the provision of code share services between Qantas and Air France on France-Route 1. 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.

3.19 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 [2023] IASC 134 which allocates capacity to Qantas Airways Limited on France Route 1 ([2025] IASC 206)

4.1 In accordance with section 25 of the Act, the Commission varies Determination [2023] IASC 134 which allocates capacity to Qantas Airways Limited on France-Route 1, by:

adding the following conditions to the Determination:

- The capacity may be used by Qantas Airways Limited to provide code share services with Société Air France in accordance with the code share agreement between Qantas Airways Limited and Société Air France, dated 23 May 2018, as amended, and the air services arrangements between Australia and France.
- 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 and 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 [2023] IASC 134.

Dated: 6 June 2025



GENEVIEVE BUTLER
Chairperson



JANE MCKEON
Commissioner