



Australian Government

International Air Services Commission

DETERMINATION

Determination: [2025] IASC 108
The Route: Canada
The Applicant: Qantas Airways Limited
(ABN 16 009 661 901)
Public Register File: IASC/APP/202515

The Commission makes a determination allocating to Qantas Airways Limited four frequencies of capacity per week in each direction, to be operated on the Canada route, subject to certain conditions. The determination is valid for five years from 14 August 2025.

1 The application

1.1 On 27 May 2025, Qantas Airways Limited (Qantas) applied to the International Air Services Commission (the Commission) for an allocation of four frequencies per week to operate passenger services on the Canada route 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 31 January 2026;
- 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;
- the capacity may be used to provide joint services with American Airlines, Inc. (American Airlines);
- the capacity may be used to provide joint services with Alaska Airlines, Inc. (Alaska Airlines); and
- the capacity may be used to provide joint services with WESTJET, an Alberta Partnership (WestJet Airlines).

1.2 In its application, Qantas stated that it will utilise the capacity to expand its services operated from three to seven services per week, between Sydney and Vancouver (vv), using Boeing 787 Dreamliner aircraft configured with 236 seats. The services will be operated throughout the January 2026 busy period, before reducing to four services per week throughout February and March 2026.

1.3 On 13 August 2025, Qantas advised the Commission that the carrier is no longer requesting the ability to use the additional capacity for joint services with Alaska Airlines.

1.4 In accordance with section 12(1)(a) of the *International Air Services Commission Act 1992* (the Act), on 30 May 2025, the Commission published Qantas' application on the Commission's website inviting other applications for capacity. No other applications 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).

2.2 According to the Register of Available Capacity, 97 services per week remain available for allocation to Australian designated airlines to operate services to and from Brisbane, Melbourne, Perth, Sydney and Western Sydney. The Commission notes that from the Northern Summer 2025 IATA scheduling season (29 March 2026¹), Australian designated carriers will be able to operate unrestricted capacity on the route.

2.3 Under the Australia-Canada air services arrangements, Australian designated airlines may enter into cooperative arrangements for the purpose of code sharing on flights operated by airline(s) of Australia, or Canada and/or of any 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 Currently, Qantas has a total capacity allocation of three services per week in each direction under Determination [2023] IASC 133² on the Australia-Canada route. The determination permits Qantas to utilise the capacity to provide code share services with American Airlines, Alaska Airlines and WestJet Airlines.

3.3 Qantas is seeking the allocation of four services per week on the Australia-Canada route, to enable the carrier to operate up to seven services per week, between Sydney and Vancouver (vv) throughout the January 2026 peak travel period, before reducing to four services per week throughout February and March 2026.

3.4 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

¹ [IATA Calendar of Coordination Activities – Worldwide airport slot guidelines](#)

² Varied by [Decision \[2024\] IASC 212](#) converting the capacity type allocated under Determination [2023] IASC 133 from 708 seats to 3 services per week.

contained in bilateral arrangements, or combination of bilateral arrangements.

3.5 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 statements made by the Minister pursuant to section 11 of the Act. 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.

3.6 Section 12 of the Policy Statement provides, in part, that in circumstances where there is only one application 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.

3.7 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 licences, 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.

3.8 The Commission notes that there are no other applicants seeking capacity on the route and no opposition to the application. The Commission further notes that Qantas is an established international carrier which currently operates scheduled international services between Australia and Canada, and as such, is reasonably capable of obtaining the necessary regulatory approvals to operate on the route and of using the capacity allocated under the determination. Accordingly, the Commission has concluded that Qantas satisfies the criteria under section 8. The Commission, therefore, has decided to allocate the capacity sought by Qantas.

3.9 Qantas also requested the Commission permit the capacity to be utilised by the carrier to offer code share services with American Airlines and WestJet Airlines. Qantas submits that the ability for these carriers to provide code share services is being requested for the additional four services, to enhance the range of choices and benefits for consumers.

3.10 The Commission notes it has received no submissions opposing Qantas’ request.

3.11 The Commission considers that the public benefits associated with the proposed code share arrangements relate to travel between Australia and the United States (vv).

Australia-Canada route

3.12 In relation to the Canada route, Qantas and Air Canada are the only carriers operating direct services in the Northern Summer 2025 IATA scheduling season³. Qantas operates up to 3 services per week between Sydney and Vancouver (vv). Air Canada operates up to 5 services per week between Vancouver and Brisbane (vv) and up to 7 services per week between Vancouver and Sydney (vv). Virgin Australia and Air New Zealand code share on

³ [NS25 TT Summary](#), Canada route

Air Canada's services.

Australia-United States route

3.13 In relation to the United States route, 6 carriers are operating direct services to/from major gateway airports in Australia in the Northern Summer 2025 IATA scheduling season⁴. Qantas and Jetstar operate up to 54 services per week to/from Los Angeles, San Francisco, Dallas-Fort Worth, New York and Honolulu. American carriers operate up to 50 services per week, with United Airlines operating up to 31 services per week to/from Los Angeles and San Francisco; American Airlines operating up to 7 services per week to/from Los Angeles, Delta Air Lines operating up to 7 services per week to/from Los Angeles and Hawaiian Airlines operating up to 5 services per week to/from Honolulu. Several third country airlines code share with these airlines. Virgin Australia code shares on United Airlines operated services. Alaska Airlines code shares on Qantas, Hawaiian Airlines and American Airlines operated services.

American Airlines

3.14 The Commission notes that on 25 March 2021⁵ the Australian Competition and Consumer Commission (the ACCC) granted re-authorisation, subject to certain conditions, of the alliance between Qantas (and Jetstar Airways Pty Ltd) and American Airlines for a further five years, to 16 April 2026. Under the authorised alliance, Qantas and American Airlines are permitted to coordinate their operations between Australia/New Zealand and the United States, Mexico and Canada.

3.15 The Commission further notes that American Airlines currently code shares on Qantas operated services between Sydney and Vancouver (vv), as permitted by Determination [2023] IASC 133. American Airlines plans to expand its code share, as marketing carrier, on the additional Qantas operated services between Sydney and Vancouver (vv). Relevantly, the carriers code share on each other's services on the Australia-United States route, as permitted by Determination [2008] IASC 103⁶. American Airlines operates an extensive network between points in the United States and Canada.

3.16 In the Commission's view, the proposed expanded arrangement would not have the effect of changing the number of airlines operating on the route or the number of airlines marketing services on the route, rather, it would expand existing arrangements to encompass additional services proposed to be operated by Qantas.

3.17 The Commission considers that while consumers and travellers already have access to the networks of each carrier to a range of points in North America, the expanded arrangement provides benefits to travellers accessing increased frequencies on the Sydney-Vancouver route (operated by Qantas), by providing greater schedule flexibility and connectivity through to points in the United States, on American Airlines operated services.

⁴ [NS25 TT Summary](#), United States of America route

⁵ [Qantas & American Airlines | ACCC](#)

⁶ [Determination \[2008\] IASC 103](#)

WestJet Airlines

3.18 The Commission notes that WestJet Airlines currently code shares on Qantas operated services between Sydney and Vancouver (vv) as permitted by Determination [2023] IASC 133. WestJet Airlines plans to expand its code share, as marketing carrier, on Qantas operated services between Sydney and Vancouver (vv). Relevantly, the carriers code share on each other's services on the Australia-United States route, as permitted by Determination [2008] IASC 103. WestJet Airlines operates an extensive network within Canada, and between Canada and several points in North America.

3.19 In the Commission's view, the proposed expanded arrangement would not have the effect of changing the number of airlines operating on the route or the number of airlines marketing services on the route, rather, it would expand existing arrangements to encompass additional services proposed to be operated by Qantas.

3.20 The Commission considers that while consumers and travellers already have access to the networks of each carrier to a range of points in North America, the expanded arrangement provides benefits to travellers accessing increased frequencies on the Sydney-Vancouver route (operated by Qantas), by providing greater schedule flexibility and connectivity through to points in Canada and North America, on WestJet Airlines operated services.

3.21 Subsection 15(1) of the Act empowers the Commission to include such terms and conditions as it thinks fit. Section 15 also provides for certain conditions to be included in a determination. In light of this, the Commission has decided to issue this determination subject to the conditions set out in Item 4 below.

3.22 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 Minister's 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.

3.23 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(3) and has decided that this Determination is to be in force for a period of five years.

3.24 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 Canada route to Qantas Airways Limited ([2025] IASC 108)

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

4.2 The determination is valid for five years from 14 August 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 31 January 2026 or such other date as approved by the Commission.
- (b) Only Qantas Airways Limited is permitted to utilise the capacity.
- (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 code share or joint services 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 code share or joint services with any wholly-owned subsidiary of the Qantas Group and by any wholly-owned subsidiary of the Qantas Group to provide code share or joint services with Qantas Airways Limited.
- (e) Subject to condition (c), the capacity may be used by Qantas Airways Limited to provide code share services with:
 - i. American Airlines, in accordance with the code share agreement between the airlines dated on or around 31 December 2016, as amended
 - ii. WestJet Airlines, in accordance with the code share agreement between the airlines which came into effect on 4 September 2014, as amended
- (f) Qantas Airways Limited must obtain the Commission's written approval before implementing any variation to the code share arrangements which would change the relevant commercial aspects of the code share arrangement from a free sale code share arrangement to a blocked space, or vice versa, or if Qantas Airways Limited propose to add third country routes on which the airlines will code share where Australian capacity will be used for services on that route.
- (g) To the extent that the capacity is used to provide code share (or joint) services on the route, the airlines must take all reasonable steps to ensure that consumers are informed, at the time of booking, of the carrier actually operating the flight. Nothing in this determination exempts the airlines from complying with Australian Consumer Law.
- (h) Changes in relation to the ownership and control of Qantas Airways Limited are permitted except to the extent that any change:
 - results in the designation of the airline as an Australian carrier under the Australia – Canada 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 Airways Limited or be in a position

to exercise effective control of Qantas Airways Limited without the prior consent of the Commission.

Dated: 14 August 2025

A handwritten signature in black ink, reading "Genevieve Butler". The script is cursive and fluid.

GENEVIEVE BUTLER
Chairperson

A handwritten signature in black ink, reading "Jane McKeon". The script is cursive and fluid.

JANE MCKEON
Commissioner