



Australian Government

International Air Services Commission

RENEWAL DETERMINATION

Determination:	[2025] IASC 115
Renewal of:	[2015] IASC 112
The Route:	New Zealand
The Applicant:	Tasman Cargo Airlines (ACN 073 412 272)
Public Register File:	IASC/APP/202526

The Commission makes a fresh determination allocating in favour of Tasman Cargo Airlines unlimited freight capacity on the New Zealand route for 99 years.

1 The application

1.1 On 22 October 2015, the International Air Services Commission (the Commission) issued Determination [2015] IASC 112 (the Determination), allocating, in favour of Tasman Cargo Airlines (Tasman Cargo), unlimited freight capacity on the New Zealand route.

1.2 Section 17 of the International Air Services Commission Act 1992 (the Act) requires the Commission to start its consideration of the renewal of a determination at least 12 months before the expiry of the original determination. The original Determination is due to expire on 27 August 2026. In view of this, the Commission sent, on 1 September 2025, a letter to Tasman Cargo inviting it to apply for renewal if it wished to renew the Determination.

1.3 On 18 September 2025, Tasman Cargo applied to the Commission for a renewal of the Determination for a further 99-year period from 28 August 2026, and requested the retention of existing conditions.

1.4 As required by sections 12 and 17 of the Act, the Commission published, on 19 September 2025 a notice on its website and subsequently sent a notification by email to stakeholders inviting other applications for capacity on the route. No other applications were received.

1.5 All non-confidential material supplied by the applicant is available on the Commission's website.

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 Under the Australia-New Zealand air services arrangements, Australian designated carriers may determine the frequency and capacity of services operated.

2.3 Additionally, the designated airlines of Australia that meet the Single Aviation Market airline criteria, as specified in the Australia-New Zealand air services arrangements, may determine the frequency and capacity of services operated.

3 Commission's consideration

3.1 Section 8 of the Act provides that the Commission may, at any time while a determination is in force, make a fresh determination allocating the capacity to which the original determination relates. Subsection 8(2) provides in part that the fresh determination must make the same allocation of capacity as the original determination unless the Commission is satisfied that the allocation is no longer of benefit to the public.

3.2 In assessing the benefit to the public of an allocation of capacity, the Commission must apply the criteria set out for that purpose in the policy statement made by the Minister under section 11 of the Act.

3.3 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.

3.4 Section 14 of the Policy Statement applies where the Commission is proposing to make a fresh determination under section 8 of the Act, and is considering whether the allocation of capacity in the original determination is no longer of benefit to the public for the purpose of section 8(2)(a)(i) of the Act. Section 14(2) of the Policy Statement provides that, without limiting the matters to which the Commission may have regard, an allocation is generally no longer of benefit to the public if:

- the carrier has failed to service the route effectively (s 14(2)(a)); and
- there are other applications for some or all of the capacity (s 14(2)(b)); and
- the Commission is satisfied that a different allocation of capacity would be of greater benefit to the public, having regard to the criteria set out in sections 8 and 9 of the Policy Statement (s 14(2)(c)).

3.5 The Commission notes that, under subsection 14(2) of the Policy Statement, an allocation will generally no longer be of benefit to the public where all of the above conditions are satisfied.

3.6 There are no other applications for some or all of the capacity to which the determination in question relates, and therefore the condition in section 14(2)(b) of the Policy Statement is not satisfied. The Commission therefore finds that the proposed allocation does not fall within the class of allocations that are generally no longer of benefit to the public contemplated by subsection 14(2) of the Policy Statement.

3.7 However, subsection 14(2) of the Policy Statement operates ‘without limiting the matters to which the Commission may have regard’. In view of the circumstances pertaining to the COVID-19 pandemic, the Commission has proceeded to consider whether the allocation is no longer of benefit to the public in all the circumstances.

3.8 On 11 March 2020, the World Health Organization declared the outbreak of COVID-19 a pandemic. In response, the Australian Government implemented a range of measures to prevent and minimise the transmission of the virus, including quarantine requirements for airline crew.

3.9 In assessing the current Tasman Cargo application for the renewal of its capacity allocation, the Commission considered whether Tasman Cargo has failed to service the route effectively.

3.10 The Commission notes that while international passenger services were significantly restricted due to the COVID-19 pandemic, international freight services were generally exempt from travel bans, given their critical role in transporting goods across borders. Although quarantine requirements for airline crew did affect freight operations, the Commission notes that Tasman Cargo continued to operate its freight services between Sydney and Auckland.

3.11 Until travel restrictions linked to the COVID-19 pandemic were imposed by the Australian Government in March 2020, Tasman Cargo operated regular freight services between Australia and New Zealand. Prior to March 2020, there was no information to suggest that Tasman Cargo has failed to service the Australia-New Zealand route effectively.

3.12 The Commission therefore finds that any suspension of Tasman Cargo’s services that might have occurred during this period does not mean that Tasman Cargo has failed to service the route effectively.

3.13 The Commission has also considered the ‘reasonable capability criterion’ in section 8 of the Policy Statement, i.e. 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.

3.14 The Commission notes that Tasman Cargo is an established carrier that currently

operates scheduled international freight services between Australia and several international points, including New Zealand. The Commission therefore finds that the carrier is reasonably capable of obtaining the necessary regulatory approvals and of using the capacity allocated on the Australia-New Zealand route.

3.15 Based on its findings above, the Commission is not satisfied that the allocation of capacity in the original determination is no longer of benefit to the public for the purposes of section 8(2)(a)(i) of the Act. Therefore, the Commission is required to make the same allocation of capacity as the original determination (see section 8(2)(a) of the Act).

3.16 The Commission will continue to monitor the utilisation of capacity by Tasman Cargo on this route.

3.17 Under section 19 of the Act, the Commission “must include the same terms and conditions as the original determination to which it relates”(subsection 19(1)(c)), but “may make such changes (if any) to the terms and conditions included in the original determination (including adding or deleting terms and conditions) as it is satisfied that are warranted because of changes in circumstances since the original determination was made” (subsection 19(3)).

3.18 The Commission has decided to issue this determination subject to the conditions set out in item 4 below.

4 Determination [2025] IASC 115 allocating capacity on the New Zealand route to Tasman Cargo Airlines

4.1 In accordance with section 8 of the Act, the Commission makes a fresh determination in favour of Tasman Cargo Airlines, allocating unlimited freight capacity on the New Zealand route, in accordance with the Australia – New Zealand air services arrangements.

4.2 The determination is valid for 99 years from 28 August 2026.

4.3 The determination is subject to the following conditions:

- a) Tasman Cargo Airlines is required to fully utilise the capacity from the date the determination comes into effect or from such other date approved by the Commission.
- b) Only Tasman Cargo Airlines is permitted to utilise the capacity.
- c) Changes in relation to the ownership and control of Tasman Cargo Airlines are permitted except to the extent that any change:
 - results in the designation of the airline as an Australian carrier under the Australia – New Zealand 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 Tasman Cargo Airlines or be in a position to exercise effective control of Tasman Cargo Airlines without the prior consent of the Commission.

Dated: 21 October 2025

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

Genevieve Butler – Chairperson

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

Jane McKeon - Commissioner