



Australian Government

International Air Services Commission

DECISION

The Route: Indonesia
The Applicant: Qantas Airways Limited
 (ABN 16 009 661 901)
Decision: [2025] IASC 211
Variation Of: [2023] IASC 107, [2024] IASC 113, [2024] IASC 128
Public Register File: IASC/APP/202516

The Commission varies Determinations [2023] IASC 107, [2024] IASC 113 and [2024] IASC 128 to permit the use of the capacity on the Indonesia route for code sharing between Jetstar Airways Pty Limited and InterGlobe Aviation Limited. 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 16 July 2025, Qantas Airways Limited (Qantas) applied to the International Air Services Commission (the Commission) seeking to vary Determinations [2023] IASC 107, [2024] IASC 113 and [2024] IASC 128 on the Indonesia route, to permit InterGlobe Aviation Limited (IndiGo) to code share on Jetstar Airways Pty Limited (Jetstar) operated air services on the Indonesia route, on a free sale basis.

1.2 Qantas provided the Commission with a copy of Jetstar's code share agreement with IndiGo, on a confidential basis.

1.3 In its application, Qantas submits that the proposed code share arrangement will provide a convenient option for IndiGo customers connecting over Asia to Australia and New Zealand, and that customers will benefit from an expanded network of travel options as well as a seamless travel experience with single ticket itineraries and through-checked baggage.

1.4 As part of its application, Qantas also applied to the Commission to vary its determinations allocating capacity on the New Zealand, Singapore and Thailand routes, to permit IndiGo to code share, as marketing carrier, on Jetstar operated services. These aspects of the application will be dealt with separately by the Commission.

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

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 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-Indonesia air services arrangements, Australian designated airlines may enter into code share, blocked space or other cooperative marketing arrangements, as the marketing and/or operating carrier with another Australian designated airline(s), with a designated airline(s) of Indonesia or with airline(s) of a third country.

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 Jetstar is an established Australian international carrier that currently operates up to 93 services per week on the Indonesia route¹, and therefore finds that the airline is reasonably capable of obtaining the necessary regulatory approvals and of using the capacity allocated under Determinations [2023] IASC 107, [2024] IASC 113 and [2024] IASC 128.

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

3.9 IndiGo plans to code share, as marketing carrier, on Jetstar operated services between the following points, on a free sale basis:

- Adelaide-Denpasar (vv);
- Brisbane-Denpasar (vv);
- Cairns-Denpasar (vv);
- Darwin-Denpasar (vv);
- Melbourne- Denpasar-Singapore (vv);
- Perth-Denpasar (vv); and
- Gold Coast-Denpasar (vv).

3.10 The Commission considers that the proposed arrangement between Jetstar and IndiGo will provide additional options and choice for consumers and tourists travelling between India and Australia over Indonesia, marketed through IndiGo’s distribution channels.

3.11 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.

3.12 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. Jetstar is an established international carrier that currently holds multiple determinations and other regulatory approvals enabling the carrier to operate

¹ See Indonesia entry: [Northern Summer 2025 Timetable Summary](#)

scheduled international air services on various routes, including the Australia-Indonesia route.

3.13 Having considered the criteria set out in section 18 of the Policy Statement, the Commission is satisfied that the capacity allocations issued under Determination [2023] IASC 107, Determination [2024] IASC 113 and Determination [2024] IASC 128, as proposed to be varied permitting IndiGo to code share, as marketing carrier, on flights operated by Jetstar on the Indonesia route, 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.

3.14 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.

3.15 The Commission has decided to add conditions permitting the use of the capacity for the provision of code share services between Jetstar and IndiGo on the Indonesia route. 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 operating the flights.

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, potential future consideration of code share operations by the ACCC.

4 Decision varying Determinations [2023] IASC 107, [2024] IASC 113 and [2024] IASC 128 which allocates capacity to Qantas Airways Limited on the Indonesia route ([2025] IASC 211)

4.1 In accordance with section 25 of the Act, the Commission varies Determination [2023] IASC 107, Determination [2024] IASC 113 and Determination [2024] IASC 128 which allocate capacity to Qantas Airways Limited on the Indonesia route, by:

adding the following conditions to each Determination:

- The capacity may be used by Jetstar Airways Pty Limited to provide code share services with InterGlobe Aviation Limited in accordance with the code share agreement between Jetstar Airways Pty Limited and InterGlobe Aviation Limited, made effective on 23 May 2025, and the air services arrangements between Australia and Indonesia.
- Qantas Airways Limited must apply to the Commission for approval of any proposed variations to the code share agreement between Jetstar Airways Pty Limited and InterGlobe Aviation Limited 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 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 operating the flight. Nothing in this Determination exempts the airlines from complying with Australian Consumer Law.
- This decision comes into effect from the date of issue and is valid for the duration of Determination [2023] IASC 107, Determination [2024] IASC 113 and Determination [2024] IASC 128.

Dated: 14 August 2025



GENEVIEVE BUTLER
Chairperson



JANE MCKEON
Commissioner