



Australian Government

International Air Services Commission

INTERNATIONAL AIR SERVICES COMMISSION

# Annual Report 2022–23







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# **Annual Report**

## 2022–23



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Photographs provided from: Qantas Airways Limited, Tasman Cargo Airlines and Virgin Australia



**Australian Government**

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**International Air Services Commission**

The Hon Catherine King MP  
Minister for Infrastructure, Transport, Regional Development and Local Government  
Parliament House  
CANBERRA ACT 2600

Dear Minister

We are pleased to submit the thirty-first Annual Report of the International Air Services Commission, for the year ended 30 June 2023.

Our report is submitted to you in accordance with subsection 53(1) of the *International Air Services Commission Act 1992* (the Act), and is for presentation to each House of the Parliament in accordance with subsection 53(2) of the Act.

Yours sincerely

Handwritten signature of Genevieve Butler in cursive script.

Ms Genevieve Butler  
Chairperson

Handwritten signature of Jane McKeon in cursive script.

Ms Jane McKeon  
Commissioner

4 September 2023



The International Air Services Commission is an independent statutory authority, established under the *International Air Services Commission Act 1992*. It allocates capacity available under Australia's air services arrangements with other economies to existing and prospective Australian international airlines by making formal determinations. Applications are assessed against public benefit criteria set out in a policy statement issued to the Commission by the Minister for Infrastructure, Transport, Regional Development and Local Government.

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# PART 1

## The Year in Review by the Chairperson, Ms Genevieve Butler

This annual report marks the thirty-first year of operations of the International Air Services Commission (the Commission). It is my pleasure to provide an overview of the activities for the last 12 months.

The last financial year was one of the busiest periods for the Commission for some time. The Commission dealt with 52 applications resulting in 18 decisions varying determinations (including six resolutions); 18 renewal of capacity allocations; ten determinations allocating new capacity and six revocations (at the request of the carriers concerned).

By the end of the financial year, most countries around the world had lifted their border restrictions, introduced in response to the COVID-19 pandemic, with only a small number of markets continuing to maintain entry requirements and partial travel restrictions.<sup>1</sup> The lifting of border and travel restrictions throughout the year was not linear and airlines continued to face uncertainty around the easing of restrictions and anticipating return in demand. Airlines around the world were also affected by the disruption to global supply chains, in particular the availability of fleet and aircraft parts. This resulted in the Commission issuing a small number of variations to extend the utilisation date of capacity held by carriers, including on the Japan (Tokyo-Haneda) route.

The international aviation sector has seen a steady rebound and recovery in the preceding 12 months. By the end of June 2023, Australian carriers, Qantas and Virgin Australia, had re-commenced services to most markets that were suspended due to the COVID-19 pandemic. Virgin Australia did not re-commence its services to Tonga and the Solomon Islands, and accordingly returned its capacity allocations on both these routes. It also handed back some of its capacity allocations on the Vanuatu route. The Qantas Group reduced its overall capacity allocations on a number of routes including on the Indonesia, Singapore, South Korea and Vietnam routes. The Qantas Group varied a determination on the Indonesia route to hand back the capacity

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1 Sourced from IATA COVID-19 Travel Regulations Map, 4 July 2023

allocation issued under the determination. It also revoked some of its freight capacity allocations on the Vietnam and Singapore routes, as well as one of its determinations on the South Korea route allocating passenger capacity. The year saw both Qantas and Virgin Australia launch their respective services to Tokyo (Haneda), operating from Sydney and Cairns.

Australian carriers have continued to successfully expand their international services into new markets, with Qantas launching services to Samoa (Apia) and Tonga (Nuku'alofa) from November 2022, and Jetstar commencing direct services to the Cook Islands (Rarotonga) from June 2023.

In financial year 2022–23, the Commission issued ten determinations allocating capacity; five more than the previous financial year. Qantas applied for and was allocated capacity for services on the Cook Islands, Fiji, Samoa, South Africa, Timor Leste and Tonga routes. Virgin Australia applied for and was issued additional capacity entitlements enabling further expansion of services on the Indonesia and Fiji routes.

The Commission also issued freight capacity on the Papua New Guinea route to a new entrant airline, AERgO International Australia. Tasman Cargo Airlines continued to hold unlimited freight capacity allocations on the New Zealand and Singapore routes but returned its capacity allocations for Hong Kong.

In addition, the Commission renewed 18 determinations approaching their expiry date at the request of the airlines. Qantas sought renewal of its capacity allocations on the Cook Islands, Fiji, Indonesia, South Korea, New Caledonia and the Philippines routes. Virgin Australia renewed its capacity allocations for the following routes: Fiji, Indonesia, South Korea and Vanuatu.

The Commission conducted 18 reviews of determinations at the request of the airlines, 17 more than the previous financial year. The determinations were primarily varied to authorise code sharing, while some determinations were varied to reduce the capacity allocation or to extend the date of utilisation.

The Commission held a total of 12 meetings during the year. While some meetings were conducted face-to-face in Canberra, the Commission also continued to carry out its work by teleconference or by email. The Commission engaged closely with Australian carriers, holding multiple meetings with executive officers from Qantas, Virgin Australia, and AERgO International Australia.

I would like to thank my fellow Commissioner, Ms McKeon, for her significant contribution to the operations of the Commission.

I would also like to thank the IASC Secretariat for supporting the smooth operations of the Commission during a particularly busy year.

**Genevieve Butler**  
Chairperson

## PART 2

# Overview of the International Air Services Commission

### The role and functions of the Commission

The Commission is an independent statutory authority established under the *International Air Services Commission Act 1992* (the Act). The object of the Act is to enhance the welfare of Australians by promoting economic efficiency through competition in the provision of international air services, resulting in:

- ▶ increased responsiveness by airlines to the needs of consumers, including an increased range of choices and benefits;
- ▶ growth in Australian tourism and trade; and
- ▶ the maintenance of Australian carriers capable of competing effectively with airlines of foreign countries.

The Commission's primary responsibility is to serve the object of the Act by allocating capacity entitlements to Australian carriers for the operation of international airline services. The capacity allocated by the Commission comes from entitlements available to Australia's international carriers under air services arrangements between Australia and other economies. In particular, the functions of the Commission are to:

- ▶ make determinations allocating capacity to Australian carriers in both contested and uncontested situations;
- ▶ renew determinations on application by Australian carriers;
- ▶ conduct reviews of determinations; and
- ▶ provide advice to the Minister about any matter referred to the Commission by the Minister concerning international air operations.

The Act is complemented by a policy statement from the Minister. The Minister's policy statement sets out criteria to be applied by the Commission in various circumstances. All applications are assessed against the 'reasonable capability criterion'. This means the Commission assesses the extent to which all Australian carriers that are, or would be permitted to use the allocated capacity, are reasonably capable of obtaining any regulatory approvals required to operate on the relevant route and of using the capacity allocated under the determination. More complex public benefit criteria may be applied in

cases where there are two carriers seeking the same limited amount of capacity or there is an opposing submission to the application. These additional public benefit criteria include, but are not limited to, competition, consumer benefit, promotion of tourism and trade and any relevant information obtained from Australian Government agencies. The Minister's Policy Statement, the International Air Services Commission Policy Statement 2018, is a legislative instrument under section 11 of the Act.

Determinations allocating capacity are usually made for a period of five years for routes where capacity entitlements or route rights are restricted. In cases where capacity entitlements and route rights are unrestricted, the determinations are valid for 99 years under the Minister's Policy Statement which came into effect on 28 March 2018. In exceptional circumstances, the Commission may issue interim determinations, which are valid for a period of three years. Interim determinations are normally made when capacity is being allocated to a new Australian carrier. For routes that have restricted capacity, if an applicant carrier requests that a determination be made for a shorter period, the Commission will fix the period of validity as requested, except that an interim determination should not be valid for more than three years and a regular determination where capacity is restricted should not be valid for more than five years.<sup>2</sup>

The Commission is required to start reviews of existing determinations at least one year before they expire. The Commission initiates such a review by formally asking the Australian carrier concerned whether they wish to seek a renewal of the determination. Except for interim determinations, there is a presumption in favour of the carrier seeking renewal that the determination will be renewed as sought, unless the Commission is satisfied that the (same) allocation is no longer of benefit to the public.<sup>3</sup> The allocation is generally no longer of benefit to the public if:

- ▶ the carrier seeking renewal has failed to service the route effectively;
- ▶ if there are other applications for some or all of the capacity; and
- ▶ the Commission having regard to the reasonable capability criterion and any of the additional criteria that it considers relevant, is satisfied that a different allocation of the capacity would be of greater benefit to the public.<sup>4</sup>

From time to time, Australian carriers apply to the Commission to vary determinations held by them. There can be a number of reasons for a carrier to seek a variation – for example, a carrier may request to transfer a capacity allocation to another entity within the same airline group or seek authorisation for a wholly-owned subsidiary to utilise the capacity. However, the most common application for variation is seeking authorisation to enable an Australian carrier to use its allocated capacity to code share with another airline. The Commission conducts a review of the determination and as required by the Act, invites submissions about the application.<sup>5</sup> In relation to an application for

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2 Section 20, International Air Services Commission Policy Statement 2018

3 Subparagraph 8(2)(a)(i), *International Air Services Commission Act 1992*

4 Section 14, International Air Services Commission Policy Statement 2018

5 Section 22, *International Air Services Commission Act 1992*

variation other than a transfer application<sup>6</sup> (as discussed in the paragraph below), if the Commission does not receive any submission opposing the variation requested, then in assessing the application, the Commission is to have regard to the reasonable capability criterion and need not have regard to any other matter. If the Commission receives a submission opposing the application for variation, the Commission is to have regard to the reasonable capability criterion, and may have regard to any of the additional criteria it considers to be relevant.<sup>7</sup>

As noted above, most of the applications for variation of existing determinations relate to code sharing with another airline or airlines. This type of variation application is a transfer application as so defined in section 4 of the Act. In assessing whether a transfer application would not be of benefit to the public, the Commission is to have regard to:

- a) the reasonable capability criterion;
- b) the undesirability of approving a transfer where doing so will, or is reasonably likely to, permit or encourage any form of speculative activity, including trading in capacity allocations for commercial benefit; and
- c) the undesirability, other than in exceptional cases, of approving a transfer application by a carrier that has never used an allocation, or has only used an allocation for less than six months.

The Commission may also have regard to any of the additional criteria it considers relevant, as set out in section 9 of the Minister's Policy Statement.<sup>8</sup> If the Commission finds that a transfer application would not be of benefit to the public, the Commission must not vary the determination as requested.<sup>9</sup>

The Commission may itself initiate a review of a determination if it is concerned that a carrier might be in breach of a condition of the determination.<sup>10</sup> This can occur, for example, where a carrier has been allocated capacity, but has not used that capacity by the time it was required to do so by the Commission. Where the Commission has commenced a review because an Australian carrier has not complied with a condition that capacity be fully used, the Commission may have regard to the following matters:

- a) whether at the time of the review, there is an application from another Australian carrier for an allocation of capacity on the route, and the unused capacity prevents a competing applicant to be allocated capacity entitlements;
- b) whether there is seasonal variation in demand on the route in question; and
- c) any other matter that the Commission considers to be relevant.<sup>11</sup>

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6 As defined in section 4 of the *International Air Services Commission Act 1992*

7 Section 17, *International Air Services Commission Policy Statement 2018*

8 Section 18, *International Air Services Commission Policy Statement 2018*

9 Section 25, *International Air Services Commission Act 1992*

10 See subsection 10(1) and section 23, *International Air Services Commission Act 1992*

11 Section 24, *International Air Services Commission Policy Statement 2018*

Having conducted such a review, the Commission may confirm, vary, suspend or revoke the determination.<sup>12</sup>

## Reasonable capability criterion and the additional criteria

There are two sets of criteria that the Commission is to have regard to in assessing whether an application is of benefit to the public: the 'reasonable capability criterion' under section 8 of the Minister's Policy Statement and the 'additional criteria' in section 9. When and how the Commission is to have regard to the criteria is set out in part 3 of the Minister's Policy Statement.

Under the 'reasonable capability criterion', the Commission is 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.

Section 9 of the Minister's Policy Statement lists the 'additional criteria' which the Commission may have regard to in assessing an application. The additional criteria include competition, tourism and trade, and any relevant information obtained from other government agencies and authorities. The list is not exhaustive. Subsection 9(l) explicitly provides that the Commission may consider 'any other matter or consideration that the Commission considers to be relevant'.

The Commission has published administrative guidelines to assist applicants in submitting their applications and interested persons in making submissions about applications to the Commission. A summary of these procedures is at Appendix 5. The aim of the procedures is to ensure that applicants and other interested parties understand the requirements for making applications or submissions, are familiar with the Commission's decision-making processes, and are aware of their rights and obligations.

## Executive profile

The Act provides for a Chairperson and two Members of the Commission. From 1 July 2022 to 30 June 2023, the Commission was comprised of a Chairperson, Ms Genevieve Butler (who was appointed Chairperson on 5 August 2021) and a Commissioner, Ms Jane McKeon (who joined the Commission on 1 October 2021).

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12 Subsection 23(1), *International Air Services Commission Act 1992*

The membership of the Commission as at 30 June 2023 is as follows:

### Ms Genevieve Butler, Chairperson



Ms Genevieve Butler was appointed by the Governor-General as part-time Chairperson of the Commission for a three-year term commencing on 5 August 2021. Ms Butler has been a Member of the Commission since 14 May 2021.

Ms Butler is a government lawyer with an expertise in administrative law, statutory interpretation and aviation law. She has provided in-house legal advice to the Australian Transport Safety Bureau, particularly regarding the application of the *Transport Safety Investigation Act 2003* and the *Freedom of Information Act 1982*. She provided legal advice regarding the search for the missing Malaysian Airlines Flight MH370 and for coronial inquiries regarding aviation accidents. Previously, she provided legal advice and conducted litigation for the ACT Government Solicitor in the ACT Supreme Court and ACT Civil and Administrative Tribunal, working on matters including regulation and licensing, public and constitutional law, information privacy, citizen's rights and community protection. She has also worked for the Department of Parliamentary Services, providing advice to Senators and Members of Parliament on matters including intellectual property law, international human rights and administrative law.

Ms Butler has a broad governance background and is a Member of the Australian Institute of Company Directors. In addition to her role as Chairperson of the Commission, she is currently Chair of the Animal Welfare Advisory Committee, an ACT Government ministerial advisory body. Ms Butler was previously a national Board Member of the Association of Corporate Counsel Australia (ACC), and ACT President of the ACC. She is a former member of the ACT Government's Brand Strategic Advisory Board and the Board of Directors of Community Services #1. Ms Butler also served on the ACT Law Society's Government Law Committee and Military Law Committee for many years and is a former editor of the Aviation Law Association of Australia and New Zealand's periodical.

Ms Butler's international career in public affairs took her to Europe, North America and Africa. She worked as an external relations adviser for the United Nations Department of Peacekeeping Operations in New York and for the United Nations Mission in Eritrea and Ethiopia. During this time, she also chaired a Board of Inquiry. Ms Butler held the role of Public Affairs Manager for the Australian Embassy to Belgium and Mission to the European Union and NATO, based in Brussels. She has also worked as a foreign correspondent and producer for leading media organisations including CNN, CNBC and Reuters in London, Paris, Stockholm, Frankfurt and Brussels.

Ms Butler holds the following degrees: Bachelor of Laws (Hons) from the Australian National University (ANU), Graduate Diploma of Legal Practice from the NSW College of Law, Master of Journalism from the University of Queensland and Bachelor of Arts from the ANU.

She is admitted as a practitioner of the Supreme Court of NSW and holds an Unrestricted Government Practicing Certificate from the ACT Law Society. She speaks French.

### Ms Jane McKeon, Commissioner



Ms Jane McKeon was appointed by the Governor-General as part-time Member of the Commission for a three-year term commencing 16 December 2021. Ms McKeon was initially appointed as Acting Member of the Commission by the then Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development from 1 October to 26 December 2021.

Ms McKeon has extensive experience in public policy and stakeholder management and provides advisory consulting services to clients in the private and public sectors. She is an independent non-executive director of Crown Sydney and chairs the board's Risk, Compliance and Responsible Gaming Committee. She is also a member of the UNSW School of Aviation Industry Advisory Committee.

Ms McKeon has previously served on the Board of the Australian Government's Council of Australia Latin America Relations and as a Commissioner of Tourism Western Australia. She also had a long career in the airline industry, having joined Ansett Australia as a management trainee.

As Group Executive – Government Relations for Virgin Australia from 2010 to 2018, Ms McKeon was responsible for leading engagement with governments, regulators and industry bodies in Australia and internationally to enhance the airline's profile and reputation and influence policy and regulatory frameworks to support its strategic transformation program. She was a member of the Tourism and Transport Forum Advisory Board and the International Air Transport Association Industry Affairs Committee and worked with her industry counterparts to establish the Airlines for Australia and New Zealand advocacy body. From 2014 to 2017 Ms McKeon was Chair of the airline's joint venture with the Samoan Government, Virgin Samoa Limited.

From 2002 to 2010, Ms McKeon was employed by Qantas Airways. She was appointed General Manager – Government and International Relations in 2004, with responsibility for promoting the carrier's interests in the development of Australia's aviation and related policy settings, managing economic regulatory activities to support Qantas' international passenger and freighter services and the launch of Jetstar as an Australian international carrier. She also represented the Qantas Group on the Board of Airline Representatives of Australia, the Aeropolitical Committee of the Association of Asia Pacific Airlines and the Australian Tourism Export Council.

Ms McKeon holds Bachelor of Arts (First Class Honours) and Bachelor of Science degrees from the University of Melbourne and is a graduate of the Australian Institute of Company Directors.



Commissioners’ attendance at meetings in financial year 2022–23

Commissioner	Number of meetings possible	Number of meetings attended
Ms Genevieve Butler	12	12
Ms Jane McKeon	12	12



L-R: Ms Jasmina Ackar (Director), Ms Genevieve Butler (Chairperson), and Ms Jane McKeon (Commission Member).

The Secretariat

The Commission is assisted in its work by a small Secretariat. The Secretariat is comprised of officers of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department). The Secretariat is headed by a Director, supported by a Senior Advisor. The Secretariat provides advice and assistance to the Commissioners on all aspects of the Commission’s operations.

## Communications with interested parties

There are many stakeholders with a direct or indirect interest in the work of the Commission. These include:

- ▶ the Minister;
- ▶ current and prospective Australian international airlines;
- ▶ the broader aviation industry, including airport owners and operators, providers of services to airlines and employee associations;
- ▶ the international tourism and freight industries, including Australian exporters;
- ▶ Australian and State Government departments and agencies;
- ▶ aviation industry investors, analysts and journalists; and
- ▶ the travelling public.

The Commission places great importance on maintaining effective relationships with its stakeholders. The Commission takes into account the views of stakeholders in its decision-making processes, as appropriate to particular cases. Interested members of the public and aviation industry stakeholders (who have requested to be included in the Commission's notification list) are regularly notified, by email, of applications received and the Commission's determinations and decisions. The Commission's website is regularly updated to inform the public of ongoing applications and determinations and decisions made by the Commission. At the conclusion of each financial year, the Commission invites stakeholders to provide feedback about the Commission's performance throughout the year. The aggregated results of responses to the survey this year are presented in this annual report at pages 17–18.

## The role of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts

The Commission works closely with the Department. The Department is responsible for the negotiation and administration of air services arrangements between Australia and other economies. An important part of the negotiating process is to provide opportunities for Australian and foreign airlines to expand their services between Australia and other economies.

The capacity and route entitlements for Australian carriers under each set of air services arrangements are recorded by the Department in a Register of Available Capacity, maintained by the Department, in accordance with the requirements of the Act. The Register of Available Capacity can be accessed on the Department's website <https://infrastructure.gov.au/aviation/international/capacity.aspx>

An Australian carrier may apply to the Commission for an allocation of capacity recorded on the register as available for immediate allocation. The entitlements on the Register of Available Capacity are adjusted as determinations allocating capacity are made by the Commission, as carriers hand back unused capacity and when the Department negotiates new or revised capacity entitlements on behalf of the Australian Government. There is regular communication between the Department and the Commission on these matters.

Another area where the roles of the Commission and the Department intersect is in relation to applications from prospective new Australian carriers wishing to operate scheduled international services. Before allocating capacity to an Australian carrier, the Commission must be satisfied that the carrier is reasonably capable of obtaining any licences, permits and other regulatory approvals necessary to operate on and service the route to which the determination relates and of using the capacity allocated under the determination. The Department is responsible for designating and licensing Australian airlines to operate scheduled international services. The Commission consults the Department as to whether an Australian carrier is reasonably capable of obtaining the regulatory approvals necessary to operate on the relevant route. Furthermore, an airline must hold an allocation of capacity from the Commission before the Department can make operational decisions in relation to the capacity on the route, including the issue of licences and scheduled international timetable approvals. The Commission and the Department therefore consult closely in cases involving proposed international air service operations by Australian carriers.



Photo © Virgin Australia

# PART 3

## Report on performance

### Overview

The Commission's performance report is based on an assessment of its results for the year using a range of criteria. Three sets of criteria have been adopted by the Commission to enable a thorough assessment of all aspects of its operations. Broadly, the criteria encompass:

- ▶ how well the object of the Act has been met by the Commission's decision-making;
- ▶ how fair and effective the Commission has been in dealing with applicants and interested parties; and
- ▶ how efficient the Commission has been in the use of financial resources available to it.

The Commission's assessment of its performance against each of these criteria is set out below.

### Results against performance targets

#### Serving the object of the Act

The object of the *International Air Services Commission Act 1992* (the Act) is to enhance the welfare of Australians by promoting economic efficiency through competition in the provision of international air services. Under the Act, the Commission's functions are to make determinations; review determinations; and provide advice to the Minister about any matter referred to the Commission by the Minister concerning international air operations. In fulfilling its functions, the Act requires the Commission to comply with policy statements made by the Minister under section 11 of the Act and to have regard to Australia's international obligations concerning the operation of international air services.

The Commission records annually the number of determinations and decisions (involving reviews and variations of determinations) it has made during the financial year.

The volume of activity varies from year to year, and the Commission's work is dictated by the number of applications made by airlines. The allocation of new (or additional) capacity is similarly directly related to the response of Australian carriers to the demand for air services. In the financial year 2022–23, a total of 52 determinations and decisions were issued by the Commission. Ten determinations allocating new capacity were made during the year; five more than last year. The Commission also varied 18 determinations at the request of airlines, 17 more than last year. The determinations were varied either to authorise code sharing, to reduce the capacity allocation issued or to extend the date of utilisation. In addition, 18 determinations approaching their expiry date were renewed and six determinations were revoked at the request of the airline holding the capacity.

At the time of writing of this report, the Commission was considering several renewal applications, and an application for new capacity.

### Allocations of capacity

In financial year 2022–23, Qantas sought and was issued 594 seats per week on the Samoa route and 348 seats per week on the Tonga route. Qantas also sought additional capacity on several routes including: South Africa, Timor-Leste, Fiji and the Cook Islands.

Qantas applied to commence regular international services to Tonga and Samoa from November 2022.

With the additional capacity allocated, Qantas sought to move from five frequencies to a daily service on the Darwin-Dili (Timor-Leste) route from October 2022, using Embraer E190 aircraft, operated by Qantas through a wet lease agreement with Alliance Airlines. The additional capacity issued to Qantas on the Cook Islands route provides permission for Qantas' wholly-owned subsidiary, Jetstar, to utilise the capacity to commence direct services between Australia and the Cook Islands from June 2023. While Jetstar had previously operated services on the Sydney to Rarotonga route via Auckland, the new services introduce direct flights between mainland Australia and the Cook Islands.

Virgin Australia sought and was issued an additional 11 seats of capacity on the Fiji route to enable it to operate 25 services per week during peak periods. The airline also applied for and was issued an additional 172 seats of capacity on the Indonesia route, to introduce an additional daily service between Melbourne and Denpasar (Indonesia) from October 2022.

For freight services, in May 2023, the Commission issued 45 tonnes of freight capacity per week on the Papua New Guinea route to a new entrant airline, AERgO International Australia. The carrier plans to commence one freight service per week on the Brisbane-Port Moresby route operated through a wet lease agreement with Nauru Airlines, with the intention to grow the frequency to twice weekly from September 2023, and three times a week from February 2024.

## Renewal of existing capacity allocations

Virgin Australia sought and was granted renewal of its capacity allocations on the Fiji, Indonesia, South Korea and Vanuatu routes.

Qantas applied for and was granted renewal of its capacity allocations on the following routes: the Cook Islands, Fiji, Indonesia, New Caledonia, the Philippines and South Korea.

## Variations of Determinations

Code share applications remained a significant part of the Commission's work. During the financial year, Virgin Australia applied for and was granted variation of nine determinations to permit the use of its capacity allocations on the France, Indonesia, Italy, New Zealand and Vanuatu routes to code share with Qatar Airways, including variation of a determination to permit the use of the capacity on the Indonesia route to code share with Singapore Airlines. Qantas sought and was granted variation of a determination on the Singapore route to permit the use of the capacity for code sharing between Qantas' wholly-owned subsidiary, Jetstar, and Fiji Airways.

Both airlines also varied determinations to reduce their capacity allocations on several routes. Qantas varied its capacity allocation on the Indonesia route to hand back 2,148 seats of passenger capacity for the exercise of beyond traffic rights with 12 frequencies per week, seven of which may be used beyond Indonesia from Denpasar. Virgin Australia varied its capacity allocation on the Vanuatu route to hand back 20 seats of capacity.

## Revocation of capacity allocations

For airlines operating passenger services, Qantas revoked one of its determinations on the South Korea route, and Virgin Australia revoked all of its capacity allocations on the Tonga and Solomon Islands routes.

For airlines operating freight services, Qantas revoked its freight capacity allocations on the Vietnam and Singapore routes, and Tasman Cargo Airlines revoked its capacity allocation on the Hong Kong route.

## Resolutions extending the date of capacity utilisation

The Commission regularly monitors the utilisation of allocated capacity by Australian airlines. By the end of the reporting period, most countries around the world had lifted their border restrictions introduced in response to the COVID-19 pandemic, with only a small number of markets continuing to maintain entry requirements and partial travel restrictions.<sup>13</sup> During the financial year 2022–23, however, airlines faced continuing uncertainty around the easing of restrictions and anticipating return in demand, in

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13 Sourced from IATA COVID-19 Travel Regulations Map, 4 July 2023



addition to the effects on global supply chains and availability of fleet and aircraft parts. In light of these circumstances, the Commission issued a small number of variations to extend the utilisation date of capacity held by carriers.

At the request of Virgin Australia, in July 2022, the Commission varied Determination [2019] IASC 126 on the Tonga route and Determination [2021] IASC 117 on the Samoa route, extending the date of utilisation of allocated capacity until 26 March 2023.

Virgin Australia requested the extensions as it required time to recommence services on both routes due to border restrictions and expected slow return in commercial demand. In August 2022, the Commission varied Determination [2019] IASC 124 on the France route, extending the date of utilisation of allocated capacity until 29 October 2022. Virgin Australia requested the extension due to ongoing COVID-19 pandemic and associated travel restrictions, which saw the airline pause code share services on the route.

During the reporting period, the Commission closely monitored each airline's ability to utilise the capacity allocated in 2019 to Virgin Australia and Qantas for Determinations [2019] IASC 118 and [2019] IASC 119 on the Japan route to service Tokyo (Haneda). In July 2022, the Commission issued Virgin Australia an extension through resolution [2022] IASC R02, extending the date of utilisation of the capacity allocated until 26 March 2023. Virgin Australia requested the extension as at the time, Japan continued to impose travel restrictions, creating highly restricted market conditions for airlines to utilise their capacity allocations.

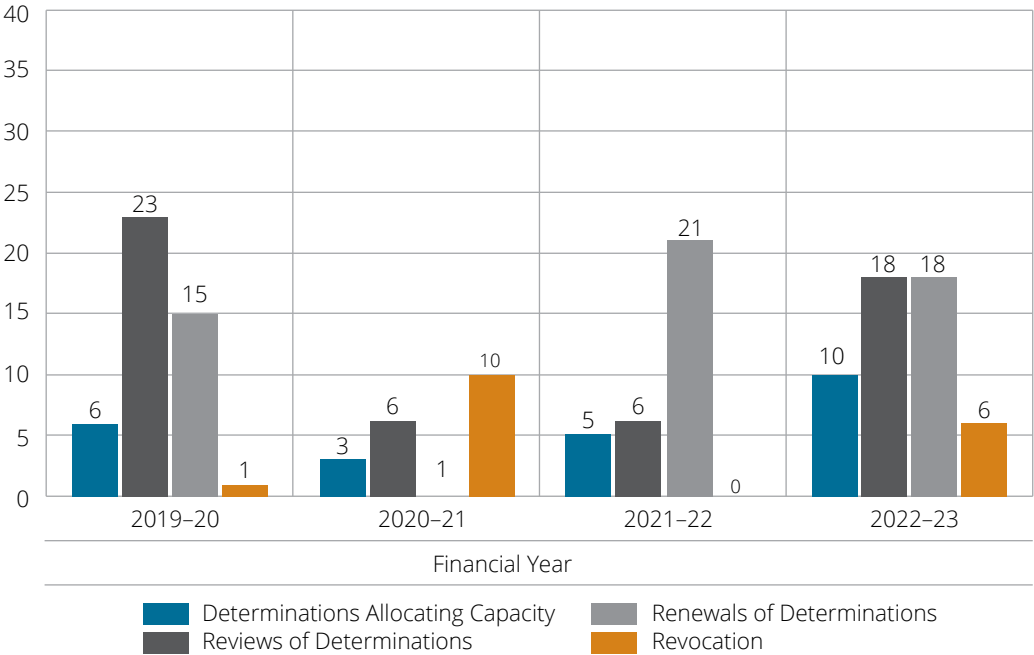
Following Japan's announcement in September 2022 on the lifting of Japan's travel restrictions and associated passenger movement caps from 11 October 2022, at the request of the airline, the Commission issued Qantas an extension through resolution [2022] IASC R05, extending the date of utilisation of the capacity allocated until 26 March 2023. Qantas requested the extension as it required additional time to scale up operations and to effectively introduce the new services, in line with the return of passenger demand and market conditions.

In February 2023, the Commission issued Virgin Australia an additional extension through resolution [2023] IASC R01, further extending the date of utilisation of the capacity allocated to 30 June 2023. Virgin Australia requested the extension due to global supply chain disruptions brought about by the COVID-19 pandemic causing delays to aircraft manufacturers' production schedules and accordingly, aircraft delivery timeframes. As a result, Virgin Australia faced a delay in delivery of its B737-8 MAX aircraft to be used on the Tokyo-Haneda route, and required additional time to commence the services.

The Commission notes that at the time of writing this report, both Qantas and Virgin Australia have launched their services on the Tokyo-Haneda route, operating from Sydney and Cairns respectively. The Commission will continue to monitor each airline's ability to fully utilise the capacity issued on the route.



The graph below shows a comparative data of the current reporting period with the three preceding years.



A brief summary of all determinations and decisions for 2022–23 is at Appendix 1. A detailed description of each case is provided at Appendix 2.

The Commission’s full determinations in these cases are available from its website, [www.iasc.gov.au](http://www.iasc.gov.au)

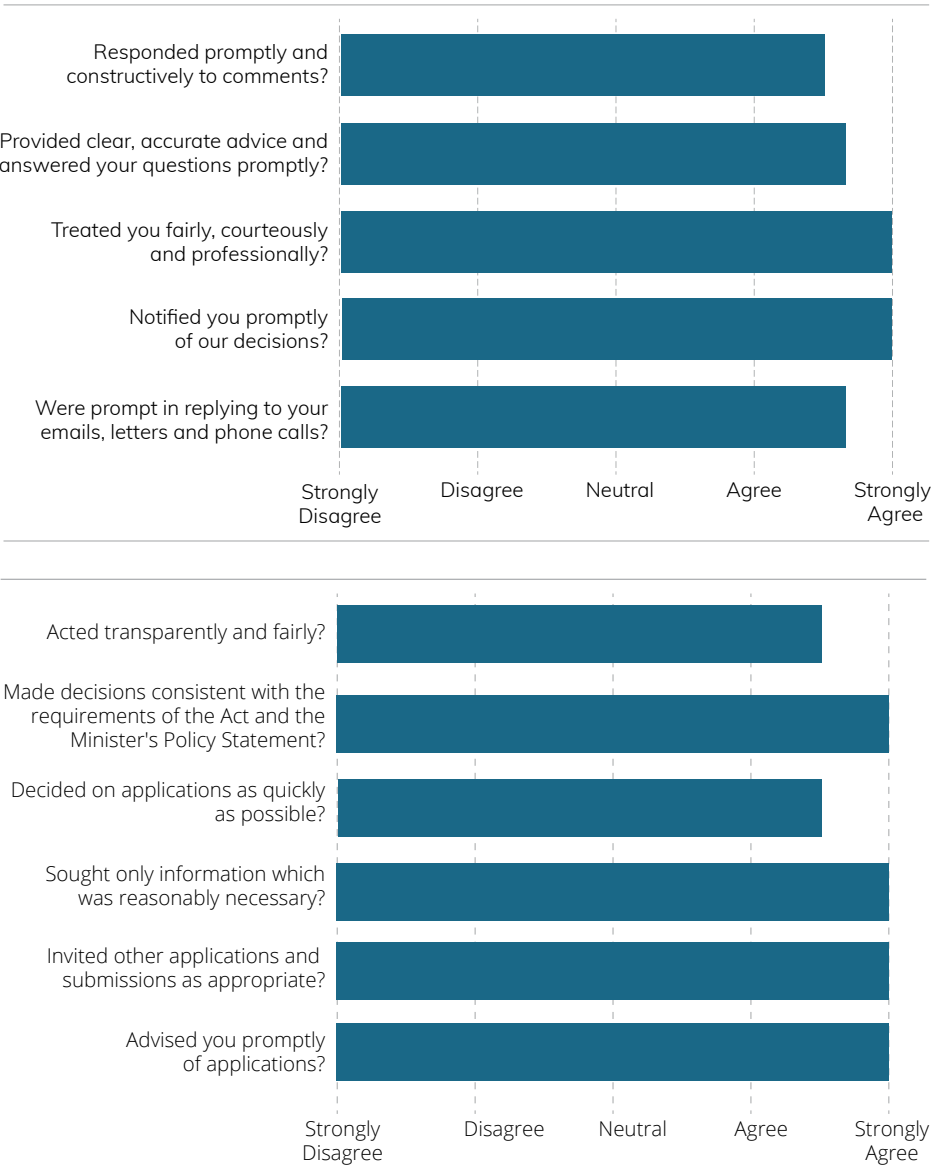
## Serving applicants and interested parties

The Commission uses the detailed commitments set out in its service charter as the framework for assessing its service performance. The specific undertakings in the service charter encompass both the ways in which the Commission engages with interested parties and how it makes its decisions. This framework provides the basis for an objective assessment of the Commission’s performance.

As in previous years, stakeholders were invited to assess the Commission’s performance by completing an online questionnaire that allows respondents to evaluate how well the Commission performed against each undertaking in the charter. Questionnaire responses may be made anonymously, although some of those responding chose to disclose their identity. The Commission appreciates the detailed responses, offering views on its performance.

Respondents' scores against each criterion are aggregated and averaged. For financial year 2022–23, the Commission's overall performance was rated above average, which indicates that stakeholders continue to rate the Commission's performance favourably.

The following charts summarise the feedback from stakeholders of the Commission's service performance during the year:



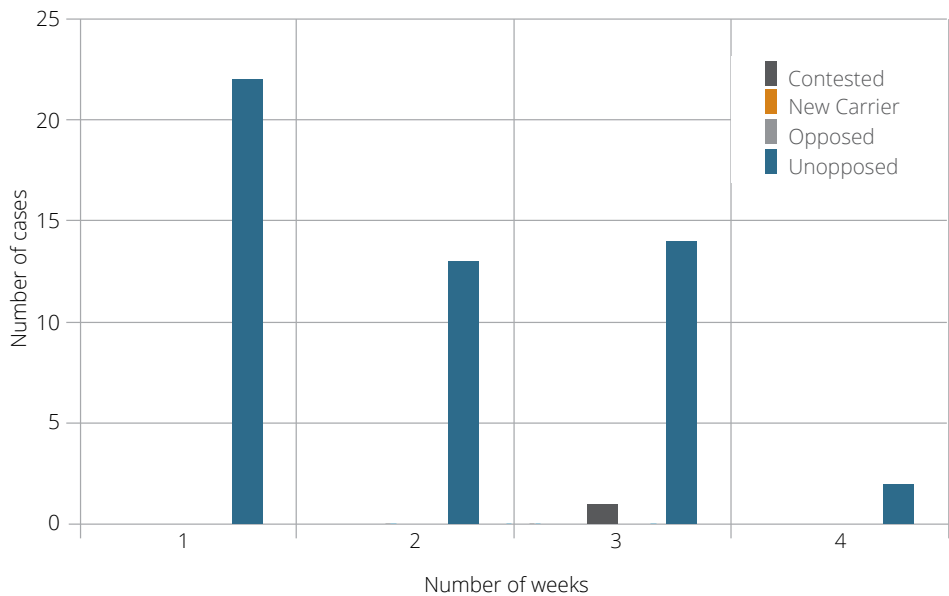
## Decision times

The Commission records the time taken to make each of its decisions, and considers timeliness to be an important performance benchmark. The Commission's service charter indicates that the Commission will endeavour to make decisions about uncontested and unopposed applications within four weeks after the end of the notification period, on contested or opposed applications within 12 weeks, or inform the airline(s) involved if there are reasons why a decision may take longer than this. In the case of contested renewal applications, the Commission will make decisions at least six months prior to the expiry date of the determination, circumstances permitting. The timeframes are applicable where the Commission has received all the necessary information from the airline(s) as well as other stakeholders, in order to make a decision. The Commission will notify applicants by email within one working day of a decision being made, and other interested parties by email and on its website as soon as practicable thereafter.

Throughout the financial year the Commission considered several complex matters, including two uncontested matters (new entrant carrier, AERgO on the Papua New Guinea route; and a request from Virgin Australia to extend the utilisation date of its capacity allocated on the Tokyo (Haneda) route), where decisions were not made within four weeks after the end of the notification period. While the Commission endeavours to finalise decisions on uncontested cases without delay, due to the nature and complexity of some matters, at times the Commission is required to request and consider additional information from the applicant carrier in order to make a decision. For example, for new Australian carriers such as AERgO, the Commission requires substantially more information than it would from an established Australian carrier that is already operating international services, including information confirming that the applicant has satisfactory funding arrangements in place. For Virgin Australia's request to extend the utilisation date of its capacity allocated on the Tokyo (Haneda) route, the matter required careful and detailed consideration by the Commission, noting the value of the limited capacity available on the route, to ensure the Commission was satisfied that the airline's request was reasonable and that it had the ability to execute implementation of its plans.

A third matter, Virgin Australia's application for the remaining capacity available on the Indonesia route, took more than four weeks to complete as the application was initially contested by Qantas, with the airline later withdrawing its counter application for the capacity.

Detailed information about the Commission’s timeliness performance is contained in the following chart.



## Efficiency of financial resources

The Commission’s total expenditure for 2022–23 was \$208,865.

IASC expenditures relate to the fees paid to the Commission members (including superannuation), expenses in connection with the Commissioners’ small amount of domestic travel to attend meetings, and the production of the annual report.

These funds are provided by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department).

The Department’s expenditures that supported the Commission’s operations during 2022-23 covering the salary and superannuation of up to two Departmental officers from the International Aviation, Technology and Services Division, corporate overheads and property operating expenditure, are captured as part of the Department’s budget.

## PART 4

### Management and accountability

#### Corporate governance practices

As the Commission is a small organisation, it requires less complex corporate governance structures than those of larger bodies such as Government departments. The Commission considers its corporate governance arrangements to be appropriate for its small size and consistent with its statutory role and responsibilities. There are two parts to the governance arrangements. The first of these addresses the Commission's responsibilities under the *International Air Services Commission Act 1992* (the Act). The second part of the governance structure concerns staffing of the Commission's Secretariat and the expenditure of the Commission's budget.

Part 4 of the Act sets out procedures with which the Commission must comply. The Commission considers that it meets these requirements in full. The most significant of the requirements concerns the holding of meetings. The Commission usually meets at its offices in Canberra. However, when urgent issues arise and it is not practicable to have a face-to-face meeting in Canberra, the Commission conducts meetings by video or teleconference. The use of electronic media for conducting meetings reduces travel costs associated with face-to-face meetings, representing a saving to the Commission's budget. A quorum of two members is present at all meetings and minutes are kept of proceedings at all of its meetings.

During its meetings, the Commission discusses the applications from Australian carriers and makes determinations and decisions in accordance with the Act and the Minister's Policy Statement. Additionally, administrative issues such as staffing, financial and risk management issues, as appropriate, are discussed at these meetings. Commissioners and the Secretariat maintain regular contact via email and telephone about matters requiring the Commission's attention in the periods between meetings.

Part 4 of the Act enables the Commission to hold hearings at its discretion. No hearings were held during the 2022–23 financial year.

Part 5 of the Act deals with the membership of the Commission. The Chairperson and members are appointed by the Governor-General. A member may be appointed on a full-time or part-time basis and the Minister may determine the terms and conditions of appointment on matters not provided under the Act. The Act also provides that a Commissioner may be appointed for a period not exceeding five years.

Both Commissioners have been appointed as part-time and for a period of no longer than three years. Ms Genevieve Butler was appointed by the Governor-General as Chairperson of the Commission for a three-year term commencing on 5 August 2021. Ms Jane McKeon was appointed by the Governor-General as Commissioner, pursuant to section 40 of the Act, for a three-year term commencing on 16 December 2021.

The Remuneration Tribunal sets the Chair and Members' remuneration and travel entitlements pursuant to the *Remuneration Tribunal Act 1973*.

Section 47 of the Act requires members to disclose any interest that could conflict with the performance of their functions in relation to proceedings conducted by the Commission. Commissioners disclose potential conflict of interests at every Commission meeting.

Section 53 of the Act requires the Commission to prepare and give to the Minister a report of its operations for the financial year. The Commissioners review drafts of the annual report during its preparation. The final report is cleared and signed off by all Commissioners and is provided to the Minister in accordance with the requirements of the Act. The report is tabled in both Houses of Parliament.

The second part of the Commission's corporate governance arrangements arises from the Commission's relationship with the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department). Secretariat staff members are officers of the Department and are subject to the same responsibilities and obligations applying to all departmental staff. The Commission's Director is responsible for the day to day management of the Secretariat, in accordance with these obligations and responsibilities.

## External scrutiny

There was no formal external scrutiny of the Commission and no determinations or decisions made by it were the subject of judicial (or administrative) review<sup>14</sup>.

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14 Decisions made by the Commission are not subject to merits review by the Administrative Appeals Tribunal.

## Management of human resources

As at 30 June 2023, the Secretariat was comprised of one full-time Executive Level 2 officer as Director of the Secretariat and one APS6 officer as Senior Adviser of the Secretariat.

As officers of the Department, Secretariat staff members are subject to the Australian Public Service Values and Code of Conduct and all other relevant public service terms and conditions.

The Secretariat staff members are responsible directly to the Commissioners on Commission matters. Secretariat staff support the Commission's work through the preparation of briefing and agenda papers for meetings; preparing all Commission meeting requirements; drafting determinations and decisions for consideration by Commissioners; responding to queries from the public; and providing advice to the Commissioners and other external stakeholders.

## Asset management

Asset management is not a prominent aspect of the business of the Commission and is managed in accordance with Departmental policies and procedures.

## Purchasing

The Commission made no significant purchases during the year.

## Consultants, contractors and competitive tendering

During the reporting period, the Commission did not engage the services of consultants or contractors and did not engage in competitive tender processes.





# APPENDICES



Photo © Tasman Cargo

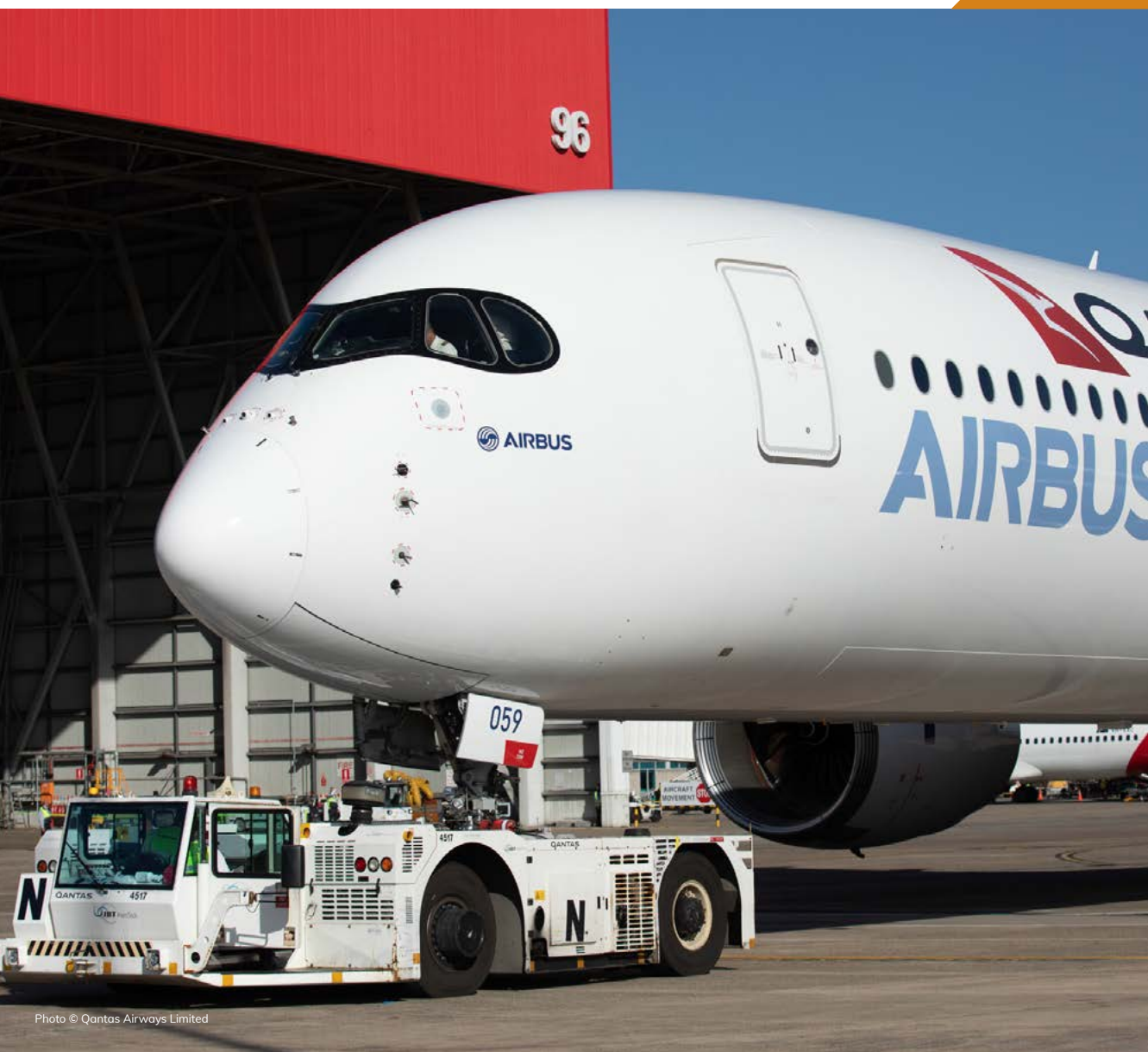


Photo © Qantas Airways Limited

# APPENDIX 1

## Determinations and Decisions

This table summarises briefly the determinations and decisions issued during 2022–23. A full summary is at Appendix 2. Individual determinations, decisions and renewals may be viewed on the Commission's website at <[www.iasc.gov.au](http://www.iasc.gov.au)>

Route	Airline	IASC Number	Date Issued	Capacity Allocated (per week)	Comment
Cook Islands	Qantas	[2022] IASC 126	16 Dec 22	464 seats	Determination allocating capacity
Cook Islands	Qantas	[2023] IASC 104	24 Feb 23	204 seats	Renewal of Determination [2018] IASC 115
Cook Islands	Qantas	[2023] IASC 108	07 Mar 23	232 seats	Determination allocating capacity
Fiji	Qantas	[2022] IASC 115	19 Aug 22	165 seats	Determination allocating capacity
Fiji	Virgin Australia	[2022] IASC 118	16 Sep 22	1,260 seats	Renewal of Determination [2017] IASC 115
Fiji	Virgin Australia	[2022] IASC 119	16 Sep 22	360 seats	Renewal of Determination [2017] IASC 116
Fiji	Virgin Australia	[2022] IASC 122	22 Nov 22	11 seats	Determination allocating capacity
Fiji	Virgin Australia	[2022] IASC 123	22 Nov 22	360 seats	Renewal of Determination [2017] IASC 126

Route	Airline	IASC Number	Date Issued	Capacity Allocated (per week)	Comment
Fiji	Qantas	[2023] IASC 101	24 Feb 23	696 seats	Renewal of Determination [2018] IASC 122
France	Virgin Australia	[2022] IASC 209	10 Aug 22	-	Variation of Determination [2019] IASC 124 to permit code share with Qatar Airways
France	Virgin Australia	[2022] IASC R04	10 Aug 22	-	Resolution extending utilisation date of Determination [2019] IASC 124
Hong Kong	Tasman Cargo	[2022] IASC 202	06 Jul 22	-	Revocation of Determination [2021] IASC 103
Indonesia	Virgin Australia	[2022] IASC 121	07 Nov 22	172 seats	Determination allocating capacity
Indonesia	Virgin Australia	[2022] IASC 221	16 Dec 22	-	Variation of Determination [2018] IASC 110 to permit code share with Qatar Airways and Singapore Airlines and variation of Determinations [2018] IASC 110, [2017] IASC 132, and [2017] IASC 133 to remove conditions
Indonesia	Qantas	[2023] IASC 107	24 Feb 23	14,468 seats per week for the exercise of third and fourth freedom rights on the Indonesia route and 2,148 seats for the exercise of beyond traffic rights with 12 frequencies per week, seven of which may be used beyond Indonesia from Denpasar	Renewal of Determination [2017] IASC 130
Indonesia	Qantas	[2023] IASC 102	08 Mar 23	1,250 seats	Renewal of Determination [2018] IASC 120

Route	Airline	IASC Number	Date Issued	Capacity Allocated (per week)	Comment
Indonesia	Virgin Australia	[2023] IASC 113	14 Apr 23	1,260 seats	Renewal of Determination [2017] IASC 133
Indonesia	Virgin Australia	[2023] IASC 114	14 Apr 23	692 seats	Renewal of Determination [2017] IASC 132
Indonesia	Virgin Australia	[2023] IASC 118	19 May 23	720 seats	Renewal of Determination [2018] IASC 105
Indonesia	Virgin Australia	[2023] IASC 120	16 Jun 23	1,080 seats	Renewal of Determination [2018] IASC 110
Indonesia	Qantas	[2023] IASC 208*	23 Jun 23	-	Variation of Determination [2017] IASC 130 and renewal Determination [2023] IASC 107 to reduce the capacity allocation by 2,148 seats for the exercise of beyond traffic rights with 12 frequencies per week, seven of which may be used beyond Indonesia from Denpasar.
Italy	Virgin Australia	[2022] IASC 211	10 Aug 22	-	Variation of Determination [2017] IASC 107 to permit code share with Qatar Airways
Italy	Virgin Australia	[2022] IASC 212	10 Aug 22	-	Variation of Determination [2017] IASC 119 to permit code share with Qatar Airways
Italy	Virgin Australia	[2022] IASC 213	10 Aug 22	-	Variation of Determination [2021] IASC 116 to permit code share with Qatar Airways
Italy	Virgin Australia	[2022] IASC 214	10 Aug 22	-	Variation of Determination [2022] IASC 106 to permit code share with Qatar Airways
Japan	Virgin Australia	[2022] IASC R02	05 Jul 22	-	Resolution extending utilisation date of Determination [2019] IASC 119
Japan	Qantas	[2022] IASC R05	25 Oct 22	-	Resolution extending utilisation date of Determination [2019] IASC 118
Japan	Virgin Australia	[2023] IASC R01	24 Feb 23	-	Resolution extending utilisation date of Determination [2019] IASC 119
Korea	Qantas	[2022] IASC 218*	25 Nov 22	-	Revocation of Determination [2021] IASC 108
Korea	Qantas	[2023] IASC 116	01 May 23	400 seats	Renewal of Determination [2019] IASC 103

Route	Airline	IASC Number	Date Issued	Capacity Allocated (per week)	Comment
Korea	Virgin Australia	[2023] IASC 119	19 May 23	1,000 seats	Renewal of Determination [2018] IASC 107
New Caledonia	Qantas	[2023] IASC 105	24 Feb 23	100 seats	Renewal of Determination [2018] IASC 113
New Caledonia	Qantas	[2023] IASC 115	27 Apr 23	156 seats	Renewal of Determination [2019] IASC 101
New Zealand	Virgin Australia	[2022] IASC 219	16 Dec 22	-	Variation of Determination [2017] IASC 113 to permit code share with Qatar Airways
Papua New Guinea	AERgO	[2023] IASC 117	04 May 23	45 tonnes	Determination allocating freight capacity
Philippines	Qantas	[2023] IASC 106	24 Feb 23	152 seats	Renewal of Determination [2018] IASC 112
Samoa	Virgin Australia	[2022] IASC R03	08 Jul 22	-	Resolution extending utilisation date of Determination [2021] IASC 117
Samoa	Qantas	[2022] IASC 125	18 Nov 22	594 seats	Determination allocating capacity
Singapore	Qantas	[2023] IASC 201	24 Feb 23	-	Variation of Determination [2017] IASC 131 to permit joint services with Jetstar and Fiji Airways
Singapore	Qantas	[2023] IASC 206*	08 May 23	-	Revocation of Determination [2016] IASC 105
Solomon Islands	Virgin Australia	[2023] IASC 204*	19 Apr 23	-	Revocation of Determinations [2022] IASC 103 and [2018] IASC 116
South Africa	Qantas	[2022] IASC 114	22 Jul 22	3 frequencies	Determination allocating capacity
Timor-Leste	Qantas	[2022] IASC 120	20 Oct 22	2 frequencies	Determination allocating capacity
Tonga	Virgin Australia	[2022] IASC R01	08 Jul 22	-	Resolution extending utilisation date of Determination [2019] IASC 126
Tonga	Qantas	[2022] IASC 124	18 Nov 22	348 seats	Determination allocating capacity

Route	Airline	IASC Number	Date Issued	Capacity Allocated (per week)	Comment
Tonga	Virgin Australia	[2022] IASC 217*	22 Nov 22	-	Revocation of Determinations [2017] IASC 127 and [2019] IASC 126
Vanuatu	Virgin Australia	[2023] IASC 202	24 Mar 23	-	Variation of Determination [2017] IASC 117 to permit code share with Qatar Airways
Vanuatu	Virgin Australia	[2023] IASC 203	24 Mar 23	-	Variation of Determination [2017] IASC 121 to permit code share with Qatar Airways
Vanuatu	Virgin Australia	[2023] IASC 109	14 Apr 23	720 seats	Renewal of Determination [2017] IASC 117
Vanuatu	Virgin Australia	[2023] IASC 110	14 Apr 23	180 seats	Renewal of Determination [2017] IASC 121
Vanuatu	Virgin Australia	[2023] IASC 207*	22 May 23	-	Variation of Determination [2017] IASC 117 and Renewal Determination [2023] IASC 109 to reduce capacity allocated by 20 seats, leaving 700 seats per week allocated under the determinations
Vietnam	Qantas	[2023] IASC 205*	08 May 23	-	Revocation of Determination [2022] IASC 102

\* Indicates a determination or decision made by the Commission's delegate.





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## APPENDIX 2

### Route-by-route summary of Commission determinations, decisions and resolutions in financial year 2022–23

This appendix provides a summary of the Commission's determinations and decisions for financial year 2022–23. Full determinations and decisions can be viewed on the Commission's website at [www.iasc.gov.au](http://www.iasc.gov.au).

#### Cook Islands

Upon the application of Qantas, the Commission issued, on 16 December 2022, **Determination [2022] IASC 126**, allocating to Qantas 464 seats of passenger capacity. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar. The Determination is valid for five years from 16 December 2022.

Upon the application of Qantas, the Commission issued, on 24 February 2023, **Renewal Determination [2023] IASC 104**, renewing Determination [2018] IASC 115. The Determination allocates to Qantas 204 seats of passenger capacity, subject to certain conditions. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar. The Determination is valid for five years from 17 August 2023.

Upon the application of Qantas, the Commission issued, on 7 March 2023, **Determination [2023] IASC 108**, allocating to Qantas 232 seats of passenger capacity, subject to certain conditions. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar. The Determination is valid for five years from 7 March 2023.



#### Fiji

Upon the application of Qantas, the Commission issued, on 19 August 2022, **Determination [2022] IASC 115**, allocating to Qantas 165 seats of passenger capacity, subject to certain conditions. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar. The Determination is valid for five years from 19 August 2022.

Upon the application of Virgin Australia, the Commission issued, on 16 September 2022, **Renewal Determination [2022] IASC 118**, renewing Determination [2017] IASC 115. The Determination allocates to Virgin Australia 1,260 seats of passenger capacity, subject to certain conditions. The Determination is valid for five years from 10 July 2023.

Upon the application of Virgin Australia, the Commission issued, on 16 September 2022, **Renewal Determination [2022] IASC 119**, renewing Determination [2017] IASC 116. The Determination allocates to Virgin Australia 360 seats of passenger capacity, subject to certain conditions. The Determination is valid for five years from 1 August 2023.

Upon the application of Virgin Australia, the Commission issued, on 22 November 2022, **Determination [2022] IASC 122**, allocating to Virgin Australia 11 seats of passenger capacity, subject to certain conditions. The Determination is valid for five years from 22 November 2022.

Upon the application of Virgin Australia, the Commission issued, on 22 November 2022, **Renewal Determination [2022] IASC 123**, renewing Determination [2017] IASC 126, allocating to Virgin Australia 360 seats of passenger capacity, subject to certain conditions. The Determination is valid for five years from 18 September 2023.

Upon the application of Qantas, the Commission issued, on 24 February 2023, **Renewal Determination [2023] IASC 101**, renewing Determination [2018] IASC 122. The Determination allocates to Qantas 696 seats of passenger capacity, subject to certain conditions. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar. The Determination is valid for five years from 14 December 2023.



## France

Upon the application of Virgin Australia, the Commission issued, on 10 August 2022, **Decision [2022] IASC 209**, varying Determination [2019] IASC 124, to permit Virgin Australia to code share on Qatar Airways services. The permission is valid for the duration of the Determination.

Upon the application of Virgin Australia, the Commission issued, on 10 August 2022, **Resolution [2022] IASC R04**, varying Determination [2019] IASC 124 to extend the date of utilisation of capacity allocated to Virgin Australia from no later than 31 December 2020 to 29 October 2022, due to the COVID-19 pandemic and associated health-related border measures disrupting the international operations of airlines.



## Hong Kong

Upon the application of Tasman Cargo, the Commission issued, on 6 July 2022, **Decision [2022] IASC 202 revoking Determination [2021] IASC 103**.



## Indonesia

Upon the application of Virgin Australia, the Commission issued, on 7 November 2022, **Determination [2022] IASC 121**, allocating to Virgin Australia 172 seats of passenger capacity, subject to certain conditions. The Determination is valid for five years from 7 November 2022.

Upon the application of Virgin Australia, the Commission issued, on 16 December 2022, **Decision [2022] IASC 221**, varying Determinations [2018] IASC 110, [2017] IASC 132 and [2017] IASC 133 to permit Qatar Airways and Singapore Airlines to code share on Virgin Australia services. The permission is valid for the duration of the Determination.

Upon the application of Qantas, the Commission issued, on 24 February 2023, **Renewal Determination [2023] IASC 107**, renewing Determination [2017] IASC 130. The Determination allocates to Qantas 14,468 seats of passenger capacity for the exercise of third and fourth freedom rights on the Indonesia route and 2,148 seats of passenger capacity for the exercise of beyond traffic rights with 12 frequencies per week, seven of which may be used beyond Indonesia from Denpasar, subject to certain conditions. The capacity may be used by either Qantas or its wholly owned subsidiary, Jetstar and for the latter to provide services jointly with Emirates and KLM Royal Dutch Airlines. The Determination is valid for five years from 25 October 2023.

Upon the application of Qantas, the Commission issued, on 8 March 2023, **Renewal Determination [2023] IASC 102**, renewing Determination [2018] IASC 120. The Determination allocates to Qantas 1,250 seats of passenger capacity, subject to certain conditions. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar and for the latter to provide services jointly with KLM Royal Dutch Airlines. The Determination is valid for five years from 15 October 2023.

Upon the application of Virgin Australia, the Commission issued, on 14 April 2023, **Renewal Determination [2023] IASC 113**, renewing Determination [2017] IASC 133. The Determination allocates to Virgin Australia 1,260 seats of passenger capacity, subject to certain conditions. The capacity may be used by Virgin Australia to provide code share services with Qatar Airways and Singapore Airlines. The Determination is valid for five years from 25 October 2023.

Upon the application of Virgin Australia, the Commission issued, on 14 April 2023, **Renewal Determination [2023] IASC 114**, renewing Determination [2017] IASC 132. The Determination allocates to Virgin Australia 692 seats of passenger capacity, subject to certain conditions. The capacity may be used by Virgin Australia to provide code share services with Qatar Airways and Singapore Airlines. The Determination is valid for five years from 8 October 2023.

Upon the application of Virgin Australia, the Commission issued, on 19 May 2023, **Renewal Determination [2023] IASC 118**, renewing Determination [2018] IASC 105. The Determination allocates to Virgin Australia 720 seats of passenger capacity, subject to certain conditions. The Determination is valid for five years from 25 February 2024.

Upon the application of Virgin Australia, the Commission issued, on 16 June 2023, **Renewal Determination [2023] IASC 120**, renewing Determination [2018] IASC 110. The Determination allocates to Virgin Australia 1,080 seats of passenger capacity, subject to certain conditions. The capacity may be used by Virgin Australia to provide code share services with Qatar Airways and Singapore Airlines. The Determination is valid for five years from 11 May 2024.

Upon the application of Qantas, the Delegate of the Commission issued, on 23 June 2023, **Decision [2023] IASC 208**, varying Determinations [2017] IASC 130 and [2023] IASC 107, reducing the capacity allocated by 2,148 seats for the exercise of beyond traffic rights with 12 frequencies per week, seven of which may be used beyond Indonesia from Denpasar.



## Italy

Upon the application of Virgin Australia, the Commission issued, on 10 August 2022, **Decision [2022] IASC 211**, varying Determination [2017] IASC 107 to permit Virgin Australia to code share on Qatar Airways services, subject to certain conditions. The permission is valid for the duration of the Determination.

Upon the application of Virgin Australia, the Commission issued, on 10 August 2022, **Decision [2022] IASC 212**, varying Determination [2017] IASC 119 to permit Virgin Australia to code share on Qatar Airways services, subject to certain conditions. The permission is valid for the duration of the Determination.

Upon the application of Virgin Australia, the Commission issued, on 10 August 2022, **Decision [2022] IASC 213**, varying Determination [2021] IASC 116 to permit Virgin Australia to code share on Qatar Airways services, subject to certain conditions. The permission is valid for the duration of the Determination.

Upon the application of Virgin Australia, the Commission issued, on 10 August 2022, **Decision [2022] IASC 214**, varying Determination [2022] IASC 106 to permit Virgin Australia to code share on Qatar Airways services, subject to certain conditions. The permission is valid for the duration of the Determination.



## Japan

Upon the application of Virgin Australia, the Commission issued, on 5 July 2022, **Resolution [2022] IASC R02** varying Determination [2019] IASC 119 to extend the date of utilisation of capacity allocated from no later than 30 October 2022 to 26 March 2023,

due to the COVID-19 pandemic and associated health-related border measures disrupting the international operations of airlines.

Upon the application of Qantas, the Commission issued, on 25 October 2022, **Resolution [2022] IASC R05** varying Determination [2019] IASC 118 to extend the date of utilisation of capacity allocated from no later than 30 October 2022 to 26 March 2023, due to the COVID-19 pandemic and associated health-related border measures disrupting the international operations of airlines.

Upon the application of Virgin Australia, the Commission issued, on 24 February 2023, **Resolution [2023] IASC R01** varying Determination [2019] IASC 119 to extend the date of utilisation of capacity allocated from no later than 26 March 2023 to 30 June 2023, due to global supply chain disruptions brought about by the COVID-19 pandemic causing delays to aircraft manufacturers' production schedules and accordingly, aircraft delivery timeframes. As a consequence of the delay in delivery of its B737-8 MAX aircraft, the airline required additional time to commence the services.



## Korea

Upon the application of Qantas, the Commission's Delegate issued, on 25 November 2022, **Decision [2022] IASC 218**, revoking Determination [2021] IASC 108.

Upon the application of Qantas, the Commission issued, on 1 May 2023, **Renewal Determination [2023] IASC 116**, renewing Determination [2019] IASC 103. The Determination allocates to Qantas 400 seats of passenger capacity, subject to certain conditions. The capacity may be used by Qantas to provide code share services with Cathay Pacific Airways Limited between Hong Kong and Korea. The Determination is valid for five years from 6 February 2024.

Upon the application of Virgin Australia, the Commission issued, on 19 May 2023, **Renewal Determination [2023] IASC 119**, renewing Determination [2018] IASC 107. The Determination allocates to Virgin Australia 1,000 seats of passenger capacity, subject to certain conditions. The capacity may be used by Virgin Australia to provide code share services with Singapore Airlines. The Determination is valid for five years from 14 March 2024.



## New Caledonia

Upon the application of Qantas, the Commission issued, on 24 February 2023, **Renewal Determination [2023] IASC 105**, renewing Determination [2018] IASC 113. The Determination allocates to Qantas 100 seats of passenger capacity, subject to certain conditions. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar and for Qantas to provide code share services with Aircalin. The Determination is valid for five years from 2 August 2023.

Upon the application of Qantas, the Commission issued, on 27 April 2023, **Renewal Determination [2023] IASC 115**, renewing Determination [2019] IASC 101. The Determination allocates to Qantas 156 seats of passenger capacity, subject to certain conditions. The capacity may be used by Qantas or its wholly-owned subsidiary, Jetstar Airways Pty Limited and for Qantas to provide code share services with Aircalin. The Determination is valid for five years from 16 January 2024.



## New Zealand

Upon the application of Virgin Australia, the Commission issued, on 16 December 2022, **Decision [2022] IASC 219**, varying Determination [2017] IASC 113 to permit Virgin Australia to code share on Qatar Airways services, subject to certain conditions. The permission is valid for the duration of the Determination.



## Papua New Guinea

Upon the application of AERgO, the Commission issued, on 4 May 2023, **Determination [2023] IASC 117**, allocating to AERgO 45 tonnes of freight capacity, subject to certain conditions. The Determination is valid for three years from 4 May 2023.



## Philippines

Upon the application of Qantas, the Commission issued, on 24 February 2023, **Renewal Determination [2023] IASC 106**, renewing Determination [2018] IASC 112. The Determination allocates to Qantas 152 seats of passenger capacity, subject to certain conditions. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar. The Determination is valid for five years from 3 August 2023.



## Samoa

Upon the application of Virgin Australia, the Commission issued, on 8 July 2022, **Resolution [2022] IASC R03** varying Determination [2021] IASC 117 to extend the date of utilisation of capacity allocated to Virgin Australia from no later than 31 December 2022 to 26 March 2023, due to the COVID-19 pandemic and associated health-related border measures disrupting the international operations of airlines.

Upon the application of Qantas, the Commission issued, on 18 November 2022, **Determination [2022] IASC 125**, allocating to Qantas 594 seats of passenger capacity, subject to certain conditions. The Determination is valid for five years from 18 November 2022.



## Singapore

Upon the application of Qantas, the Commission issued, on 24 February 2023, **Decision [2023] IASC 201**, varying Determination [2017] IASC 131 to permit the use of the capacity for code sharing between Qantas' wholly-owned subsidiary, Jetstar and Fiji Airways. The permission is valid for the duration of the Determination.

Upon the application of Qantas, the Commission's Delegate issued, on 8 May 2023, **Decision [2022] IASC 206**, revoking Determination [2016] IASC 105.



## Solomon Islands

Upon the application of Virgin Australia, the Commission's Delegate issued, on 19 April 2023, **Decision [2023] IASC 204**, revoking Determinations [2022] IASC 103 and [2018] IASC 116.



## South Africa

Upon the application of Qantas, the Commission issued, on 22 July 2022, **Determination [2022] IASC 114**, allocating to Qantas three frequencies per week to operate passenger services, subject to certain conditions. The Determination is valid for five years from 22 July 2022.



## Timor-Leste

Upon the application of Qantas, the Commission issued, on 20 October 2022, **Determination [2022] IASC 120**, allocating to Qantas two frequencies per week to operate passenger services, subject to certain conditions. The Determination is valid for five years from 20 October 2022.



## Tonga

Upon the application of Virgin Australia, the Commission issued, on 8 July 2022, **Resolution [2022] IASC R01**, varying Determination [2019] IASC 126, to extend the date of utilisation of capacity allocated from no later than 31 December 2020 to 26 March 2023, due to the COVID-19 pandemic and associated health-related border measures requirements disrupting the international operations of airlines.

Upon the application of Qantas, the Commission issued, on 18 November 2022, **Determination [2022] IASC 124**, allocating to Qantas 348 seats of passenger capacity, subject to certain conditions. The Determination is valid for five years from 18 November 2022.

Upon the application of Virgin Australia, the Commission's Delegate issued, on 22 November 2022, **Decision [2022] IASC 217**, revoking Determinations [2017] IASC 127 and [2019] IASC 126.



## Vanuatu

Upon the application of Virgin Australia, the Commission issued, on 24 March 2023, **Decision [2023] IASC 202**, varying Determination [2017] IASC 117, to permit Virgin Australia to code share on Qatar Airways services, subject to certain conditions. The permission is valid for the duration of the Determination.

Upon the application of Virgin Australia, the Commission issued, on 24 March 2023, **Decision [2023] IASC 203**, varying Determination [2017] IASC 121, to permit Virgin Australia to code share on Qatar Airways services, subject to certain conditions. The permission is valid for the duration of the Determination.

Upon the application of Virgin Australia, the Commission issued, on 14 April 2023, **Renewal Determination [2023] IASC 109**, renewing Determination [2017] IASC 117. The Determination allocates to Virgin Australia 720 seats of passenger capacity, subject to certain conditions. The Determination permits Virgin Australia to provide code share services with Singapore Airlines and Qatar Airways. The Determination is valid for five years from 10 July 2023.

Upon the application of Virgin Australia, the Commission issued, on 14 April 2023, **Renewal Determination [2023] IASC 110**, renewing Determination [2017] IASC 121. The Determination allocates to Virgin Australia 180 seats of passenger capacity, subject to certain conditions. The Determination permits Virgin Australia to provide code share services with Singapore Airlines and Qatar Airways. The Determination is valid for five years from 1 August 2023.

Upon the application of Virgin Australia, the Commission's Delegate issued, on 22 May 2023, **Decision [2023] IASC 207**, varying Determinations [2017] IASC 121 and [2023] IASC 109, to reduce the capacity allocated by 20 seats.



## Vietnam

Upon the application of Qantas, the Commission's Delegate issued, on 8 May 2023, **Decision [2023] IASC 205**, revoking Determination [2022] IASC 102.



## APPENDIX 3

### Other information

#### Occupational health and safety

As the staff members of the Secretariat are employees of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department), they are subject to the same occupational health and safety arrangements as departmental officers. The Department's annual report contains details of those arrangements.

#### Freedom of information

The International Air Services Commission (the Commission) is an agency subject to the *Freedom of Information Act 1982* (the FOI Act). Major reforms of the FOI Act in 2011 required relevant agencies to comply with the Information Publication Scheme (IPS) set out in Part II of the FOI Act. In compliance with the IPS requirements, the Commission has established an Information Publication Plan which is available on its website <http://www.iasc.gov.au/foi/ipp.aspx>. The Commission received no requests under the FOI Act in 2022–23. The Commission publishes its FOI Disclosure log [https://www.iasc.gov.au/foi/disclosure\\_log](https://www.iasc.gov.au/foi/disclosure_log)

The Commission also makes available on its website information about its organisational structure; the membership of the Commission including biographical notes of the current Members of the Commission; its functions including its decision-making powers and other powers affecting the public; copies of its annual reports; its legislative framework and its guidelines and procedures; copies of all determinations and decisions issued; applications including submissions in relation to the applications (if any); contact details of the Commission and its Director; and the Commission's operational information. Operational information refers to the information held by the Commission to assist it in performing or exercising its functions or powers in making decisions or recommendations affecting the public.

The information contained in this report meets the requirements of the FOI Act. Refer to Appendix 4 for further details.



Photo © Virgin Australia

## Advertising and market research

The Commission does not advertise its functions and services. During the reporting period, the Commission did not pay any person for advertising or for performing any market research.

The Commission maintains its own website [www.iasc.gov.au](http://www.iasc.gov.au) which provides details about its functions, the applications it receives and determinations/ decisions it has issued, among other matters. The Commission updates its website on a regular basis.

## Ecologically sustainable development and environmental performance reporting

The Commission's offices and Secretariat staff are located within the Department's buildings and as such are covered by the Department's processes in this area.

## APPENDIX 4

### Freedom of information schedule

Item	Information
Access facilities	In many cases, application for information under the <i>Freedom of Information Act 1982</i> (the FOI Act) might not be required because information or documents may be readily available on the Commission's website. Formal requests under the FOI Act must be made in writing to the Director, FOI contact officer, of the Commission. The Commission maintains a dedicated FOI page on its website which sets out the information required to be published under section 8 of the FOI Act.
Arrangements for public involvement	Formal participation and consultation can be arranged by contacting the Director of the Commission whose details are listed below. The Commission welcomes views and comments from members of the public and bodies outside the Commonwealth concerning its functions.
Commission powers	The Commission exercises decision-making powers under the Act. It has the power to do everything necessary or convenient to be done for, or in connection with, performing those functions. The Commission has a range of specific powers that include convening public hearings and summoning witnesses.
Decision process	The general power to grant or refuse access to Commission documents under the FOI Act is held by the Chairperson of the Commission. On 19 August 2013, the Chairperson authorised the Director, and in his/her absence, the Senior Adviser, to exercise the Chairperson's powers and functions under the FOI Act.

Item	Information
Documents available for inspection	<p>The Commission keeps a Register of Public Documents containing public versions of applications, submissions and comments for each case before the Commission. The register is available for public scrutiny. A Register of Confidential Documents that contains material from applications and submissions deemed to be confidential by the Commission or its delegate is also maintained. The Commission applies those standards based on the FOI Act for the protection of documents relating to business affairs. Consistent with the transparency of its processes, the Commission encourages applicants and submitters to keep requests for confidential treatment of documents to a minimum.</p> <p>The Commission has published a series of guidelines that describe its procedures and processes in relation to allocating capacity. These guidelines are available on request or from the Commission's website. Documents may also be obtained from the Secretariat of the Commission via email. Operational files are maintained on all the Commission's activities and are stored at the office of the Commission. These files are not open to public access.</p>
Functions of the Commission and how it is organised	<p>The functions of the Commission, as set out in section 6 of the <i>International Air Services Commission Act 1992</i>, are to:</p> <ul style="list-style-type: none"> <li>(a) make determinations;</li> <li>(b) conduct reviews of those determinations; and</li> <li>(c) provide advice to the Minister about any matter referred to the Commission by the Minister concerning international air operations.</li> </ul> <p>The organisation of the Commission is described in Part 2 of this report.</p>
FOI Contact Officer	<p>The Director, and in his/her absence, the Senior Adviser is the Commission's FOI contact officer. Any request or query on FOI matters may be directed to the:</p> <p>International Air Services Commission  GPO Box 630 Canberra ACT 2601 Australia  Phone: (612) 6267 1100  Email: <a href="mailto:iasc@infrastructure.gov.au">iasc@infrastructure.gov.au</a></p>

# APPENDIX 5

## Commission procedures

The Commission has published procedures for making determinations allocating available capacity. The procedures are designed to be consistent with the requirements of the *International Air Services Commission Act 1992* (the Act), its implementing regulations, administrative law principles and the International Air Services Commission Policy Statement 2018 (Minister's Policy Statement) which complements the Act. The Commission's procedures are intended to ensure procedural fairness for both the applicants and other interested parties; ensure the Commission's processes are open and transparent; and provide guidance to anyone wishing to apply for, or make submissions about, matters being considered by the Commission. The Secretariat provides further individual guidance to applicants for capacity and other stakeholders when requested.

The Commission's procedures incorporate the following main steps:

- ▶ All public documents are published on the Commission's website and are distributed electronically to all stakeholders in its mailing list. Any member of the public may request to be included in the Commission's mailing list. The Commission requires a public version of all applications for, and submissions about, an allocation of capacity to be made available. A small amount of information received by the Commission is of a commercial-in-confidence or confidential nature and is held on the Commission's confidential register.
- ▶ The Commission will publish a notice inviting other applications for capacity in response to an initial application for capacity, and submissions about applications where required by the Act and Minister's Policy Statement.
- ▶ The Commission will assess the application in accordance with the relevant criteria set out in the Minister's Policy Statement. More complex public benefit criteria may be applied in cases where there are two carriers seeking the same limited amount of capacity, compared with an uncontested application from a well-established carrier.
- ▶ Where relevant, the Commission will invite the applicant(s) to submit further information addressing public benefit criteria.



Photo © Qantas Airways Limited

- ▶ The Minister's Policy Statement requires the Commission to ensure that the applicant is reasonably capable of obtaining the approvals necessary to operate and of using the capacity if so granted.
- ▶ A hearing may be conducted by the Commission if further information is needed to establish the nature and extent of a proposal's public benefit and, in the case of two or more competing applications, decide which application would be of the greatest benefit to the public.
- ▶ The Commission will publish a draft determination in the case of competing applications or if it is proposed to reject an application, or where non-standard conditions are being proposed. This provides applicants and other interested parties with an opportunity to comment on the Commission's proposal prior to the issuing of a final determination. In other cases the Commission will proceed directly to a final determination.

The Commission regularly updates its procedures. They are available from the Commission's website at [www.iasc.gov.au](http://www.iasc.gov.au) or upon request to the Commission.

# APPENDIX 6

## Minister's Policy Statement

NOTE: The following policy statement was issued on 20 March 2018 by the Hon. Michael McCormack, the then Deputy Prime Minister and Minister for Infrastructure and Transport and it came into force and effect from 28 March 2018.

### International Air Services Policy Statement 2018

made pursuant to section 11 of the

*International Air Services Commission Act 1992*

## Part 1—Preliminary

### 1 Name

This instrument is the International Air Services Commission Policy Statement 2018.

### 2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1 The whole of this instrument	The day after this instrument is registered.	

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

### 3 Authority

This instrument is made under section 11 of the *International Air Services Commission Act 1992*.

### 4 Definitions

Note: A number of expressions used in this instrument are defined in section 4 of the Act, including the following:

- (a) Australian carrier;
- (b) available capacity;
- (c) bilateral arrangement;
- (d) capacity;
- (e) code sharing;
- (f) Commission;
- (g) determination;
- (h) interim determination;
- (i) joint international air services;
- (j) transfer application.

In this instrument:

**ACCC** means the Australian Competition and Consumer Commission.

**Act** means the *International Air Services Commission Act 1992*.

**additional criteria**: see section 9.

**applicant** means an Australian carrier that has applied to the Commission for a determination allocating capacity, or for the renewal or review of such a determination.

**reasonable capability criterion**: see section 8.

**route** relates to the full set of entitlements available to Australian carriers under a particular bilateral arrangement. All combinations of origin, destination, intermediate and beyond points available to Australian carriers under the bilateral arrangement constitute a single route.

### 5 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

### 6 Object

- (1) This instrument is a policy statement intended to provide guidance about the way in which the Commission is to perform its functions.
- (2) The Commission is to perform its functions in a way that will achieve the object of the Act (that is, to promote economic efficiency through competition in the provision of international air services) by fostering, encouraging and supporting competition in the provision of international air services by Australian carriers.



## Part 2—Criteria for assessing benefit to the public

### 7 Explanatory outline of this Part

The Act requires the Commission to assess the **benefit to the public** of allocations of capacity when deciding whether to make, renew or vary a determination. This Part sets out criteria that the Commission is to have regard to in assessing the benefit to the public of allocations of capacity in particular circumstances.

There are two main sets of criteria that the Commission is to have regard to in assessing the benefit to the public: the 'reasonable capability criterion' and the 'additional criteria'. When and how the Commission is to have regard to the criteria is set out in Part 3.

In certain circumstances specified in Part 3, the Commission is to have regard to other criteria which are not set out in this Part. These include, for example, the matters referred to in paragraph 18(2)(b) or subsection 16(2) of this instrument.

The criteria set out in this Part apply equally in assessing the benefit to the public of allocations to be exercised through own aircraft operations, code share arrangements and other joint international air services.

### 8 Reasonable capability criterion

**Reasonable capability criterion** means 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.

Note: To avoid doubt, this criterion relates to all carriers that are, or would be, permitted to use the capacity allocated under a determination, including all carriers that would be entitled to use the capacity because of a condition imposed by the Commission pursuant to paragraph 15(2)(ea) of the Act.

### 9 Additional criteria

**Additional criteria** means the following criteria:

*Competition criteria*

- (a) the desirability of fostering an environment in which Australian carriers can effectively compete with each other and with foreign carriers on the route in question;

- (b) the number of carriers operating on the route in question and the existing distribution of capacity among Australian carriers (including through code sharing and other joint international air services);
- (c) the likely impact on consumers of the proposed allocation, including on costs of airfares, customer choice, product differentiation, stimulation of innovation by incumbent carriers, and frequency of service;
- (d) the desirability of fostering own aircraft operations by Australian carriers over code share or other joint international air services involving the marketing, by an Australian carrier, of seats on flights operated by foreign carriers;
- (e) the benefits presented by allocating the capacity to a given applicant over other competing applicants, having regard to any commercial arrangements that may be in place with other carriers;
- (f) any determinations, decisions or notifications made by the ACCC, or any determinations made by the Australian Competition Tribunal, in relation to an Australian carrier using capacity in all or part of the route;
- (g) any determinations, decisions or notifications made by a foreign agency that performs a comparable function to the ACCC or the Australian Competition Tribunal, or by a foreign aeronautical authority, in relation to a carrier using entitlements under a bilateral arrangement on all or part of the route;

*Tourism and trade criteria*

- (h) the level of promotion, market development and investment proposed by each of the applicants;
- (i) route service possibilities to and from points beyond Australian or foreign gateways;
- (j) the availability of frequent, low cost, reliable air freight movements for Australian importers and exporters;

*Relevant information obtained from Government agencies*

- (k) any information that the Commission has obtained from Australian Government agencies or statutory authorities that the Commission considers to be relevant;

*Any other relevant consideration*

- (l) any other matter or consideration that the Commission considers to be relevant.

## Part 3—How the Commission is to assess benefit to the public

### Division 1—Outline

#### 10 Explanatory outline of this Part

This Part sets out how the Commission is to assess the benefit to the public of allocations of capacity in particular circumstances.

There are broadly 3 types of decision that the Commission can make under the Act:

- ▶ Making a determination allocating available capacity (see section 7 and Division 1 of Part 3 of the Act);
- ▶ Renewing a determination by making a fresh determination (see section 8 and Division 2 of Part 3 of the Act);
- ▶ Varying a determination (see section 10 and Division 3 of Part 3 of the Act).

Depending on which type of decision is being made, and the circumstances of the decision, the Commission is to apply the criteria set out in Part 2, and certain criteria specified in this Part, differently.

Division 2 sets out the criteria applicable where the Commission is proposing to make a determination that allocates available capacity under section 7 of the Act:

- ▶ Where there is unlimited available capacity, the Commission is to have regard to the reasonable capability criterion and need not have regard to any other matter (section 11);
- ▶ Where there is sufficient available capacity for all applications and the Commission does not receive any adverse submissions, the Commission is to have regard to the reasonable capability criterion and need not have regard to any other matter (subsection 12(2));
- ▶ However, where the Commission receives one or more adverse submissions, the Commission is to have regard to the reasonable capability criterion and may have regard to relevant additional criteria (subsection 12(3));
- ▶ In all other cases, the Commission is to have regard to the reasonable capability criterion and to relevant additional criteria (section 13).

Division 3 sets out the criteria applicable where the Commission is considering renewing a determination that allocates capacity under section 8 of the Act:

- ▶ Paragraph 8(2)(a) of the Act provides a presumption in favour of renewing a determination. However, the Commission may decline to do so if it is satisfied that the determination is no longer of benefit to the public. In deciding this, the Commission is to have regard to the matters set out in section 14 of this instrument;
- ▶ If the Commission declines to renew a determination, it may make a different determination. In doing so, it is to have regard to the reasonable capability criterion and to relevant additional criteria (section 15).

Division 4 sets out the criteria applicable where the Commission is considering whether to vary a determination in a way that varies, or has the effect of varying, an allocation of capacity:

- ▶ If the Commission has initiated the review, and the reason for variation relates to the condition that allocated capacity be fully used, the Commission is to have regard to the criteria set out in paragraphs 24(3)(a)-(d) and need not have regard to any other matter (subsection 16(2));
- ▶ If the Commission has initiated the review for any other reason, and the Commission does not receive any adverse submissions, the Commission is to have regard to the reasonable capability criterion and need not have regard to any other matter (subsection 16(3));
- ▶ In all other cases where the Commission has initiated the review, the Commission is to have regard to the reasonable capability criterion and may have regard to relevant additional criteria (subsection 16(4));
- ▶ If the carrier has applied for a variation, and the Commission does not receive any adverse submissions, the Commission is to have regard to the reasonable capability criterion and need not have regard to any other matter (subsection 17(2));
- ▶ In all other cases where the carrier has applied for a variation, the Commission is to have regard to the reasonable capability criterion and may have regard to relevant additional criteria (subsection 17(3));
- ▶ Where a carrier has submitted a transfer application, the Commission is to have regard to the reasonable capability criterion and to the matters set out in paragraph 18(2)(b) (as relevant), and may have regard to relevant additional criteria (section 18).

The provisions in this Part apply equally in assessing the benefit to the public of allocations to be exercised through own aircraft operations, code share arrangements and other joint international air services.

## Division 2—Determinations allocating capacity

### 11 Available capacity not limited

- (1) This section applies where the Commission proposes to make a determination allocating available capacity on a route under section 7 of the Act, and available capacity on the route is not limited under the relevant bilateral arrangement.
- (2) In assessing the benefit to the public of the allocation of available capacity under the proposed determination, the Commission:
  - (a) have regard to the reasonable capability criterion; and
  - (b) need not have regard to any other matter.

### 12 One or more applicants and sufficient available capacity

- (1) This section applies where:
  - (a) the Commission has received one or more applications for determinations allocating available capacity on a route under section 7 of the Act; and
  - (b) there is sufficient available capacity on the route for the Commission to make the determinations sought in all of the applications; and
  - (c) section 11 of this instrument does not apply.

- (2) If the Commission does not receive any submissions:
  - (a) opposing the allocation of the capacity under any of the determinations sought in the applications; or
  - (b) requesting or opposing the inclusion of a specified condition in any of the determinations;

then, in assessing the benefit to the public of an allocation of available capacity under the determinations, the Commission:

- (c) is to have regard to the reasonable capability criterion; and
  - (d) need not have regard to any other matter.
- (3) In all other cases, in assessing the benefit to the public of an allocation of available capacity under a proposed determination, the Commission:
  - (a) is to have regard to the reasonable capability criterion; and
  - (b) may have regard to any of the additional criteria that it considers to be relevant.

### 13 All other cases (including two or more applicants and insufficient capacity)

- (1) This section applies where:
  - (a) the Commission proposes to make a determination allocating available capacity on a route under section 7 of the Act; and
  - (b) sections 11 and 12 of this instrument do not apply.

Note: For example, this section will apply where the Commission has received two or more applications for determinations allocating available capacity under section 7 of the Act, and there is insufficient available capacity for the Commission to make the determinations sought in all of the applications.

- (2) In assessing the benefit to the public of an allocation of capacity under a proposed determination, the Commission:
  - (a) is to have regard to the reasonable capability criterion; and
  - (b) is to have regard to any of the additional criteria that it considers to be relevant.

## Division 3—Renewal of determinations

### 14 Presumption in favour of making the same allocation of capacity

- (1) This section applies where:
  - (a) the Commission is proposing, while a determination is in force, to make a fresh determination allocating the capacity to which the original determination relates under section 8 of the Act; and
  - (b) the Commission is considering whether the allocation of capacity in the original determination is no longer of benefit to the public for the purpose of subparagraph 8(2)(a)(i) of the Act.
- (2) Without limiting the matters to which the Commission may have regard, an allocation is generally no longer of benefit to the public if:
  - (a) the carrier seeking renewal has failed to service the route effectively; and
  - (b) there are other applications for some or all of the capacity; and
  - (c) the Commission, having regard to the reasonable capability criterion and any of the additional criteria that it considers relevant, is satisfied that a different allocation of the capacity would be of greater benefit to the public.

Note: In accordance with paragraph 8(2)(a) of the Act, the Commission must make the same allocation of capacity as the original determination unless it is satisfied that the allocation is no longer of benefit to the public. This operates as a presumption in favour of the incumbent carrier.

### 15 Making a different allocation of capacity

- (1) This section applies where, in the course of considering the renewal of a determination, the Commission is satisfied, for the purposes of subparagraph 8(2)(a)(i) of the Act, that the allocation of capacity in the original determination is no longer of benefit to the public.
- (2) In assessing whether an allocation of capacity made by a fresh determination is of benefit to the public for the purpose of subsection 8(3) of the Act, the Commission:
  - (a) is to have regard to the reasonable capability criterion; and
  - (b) is to have regard to any of the additional criteria that it considers to be relevant.

## Division 4—Review of determinations

### 16 Variations on review for cause

- (1) This section applies where:
  - (a) the Commission has conducted a review for cause in relation to a determination pursuant to section 10 of the Act; and
  - (b) the Commission is considering making a decision to vary the determination under paragraph 23(1)(b) of the Act in a way that varies, or has the effect of varying, an allocation of capacity.
- (2) If the grounds on which the review was initiated relate to a condition imposed under paragraph 15(2)(c) of the Act, in assessing whether the allocation, as so varied, would be of benefit to the public for the purpose of subsection 23(3) of the Act, the Commission:
  - (a) may have regard to the criteria set out in paragraphs 24(3)(a) to (d) of this instrument; and
  - (b) need not have regard to any other matter.

Note: Paragraph 15(2)(c) of the Act allows for the imposition of a condition that capacity be fully used.

- (3) If the review was initiated on any other grounds, and the Commission does not receive submissions opposing the variation being considered by the Commission, then in assessing whether the allocation, as so varied, would be of benefit to the public for the purpose of subsection 23(3) of the Act, the Commission:
  - (a) is to have regard to the reasonable capability criterion; and
  - (b) need not have regard to any other matter.
- (4) In all other cases, in assessing whether the allocation, as so varied, would be of benefit to the public for the purpose of subsection 23(3) of the Act, the Commission:
  - (a) is to have regard to the reasonable capability criterion; and
  - (b) may have regard to any of the additional criteria that it considers to be relevant.

### 17 Variations on application

- (1) This section applies where:
  - (a) the Commission has conducted a review to decide an application (other than a transfer application) for a determination to be varied; and
  - (b) the Commission is considering making a decision to vary the determination under paragraph 24(1)(b) of the Act in a way that varies, or has the effect of varying, an allocation of capacity.

- (2) If the Commission does not receive submissions opposing the variation requested in the application then, in assessing whether the allocation, as so varied, would be of benefit to the public for the purpose of subsection 24(2) of the Act, the Commission:
  - (a) is to have regard to the reasonable capability criterion; and
  - (b) need not have regard to any other matter.
- (3) In all other cases, in assessing whether the allocation, as so varied, would be of benefit to the public for the purpose of subsection 24(2) of the Act, the Commission:
  - (a) is to have regard to the reasonable capability criterion; and
  - (b) may have regard to any of the additional criteria that it considers to be relevant.

## **18 Transfer applications**

- (1) This section applies where:
  - (a) the Commission has conducted a review to decide a transfer application; and
  - (b) the Commission is considering making a decision to vary the determination concerned in a way that gives effect to the variation requested in the transfer application; and
  - (c) the Commission's decision to vary the determination would vary, or have the effect of varying, an allocation of capacity.
- (2) In assessing whether the allocation, as so varied, would not be of benefit to the public for the purpose of subsection 25(2) of the Act, the Commission:
  - (a) is to have regard to the reasonable capability criterion; and
  - (b) is to have regard to the following matters to the extent that they are relevant to the variation under consideration:
    - (i) the undesirability of approving a transfer where doing so will, or is reasonably likely to, permit or encourage any form of speculative activity, including trading in capacity allocations for commercial benefit;
    - (ii) the undesirability, other than in exceptional cases, of approving a transfer application made by a carrier that has never exercised an allocation, or has only exercised an allocation for a period of less than six months; and
  - (c) may have regard to any of the additional criteria that it considers to be relevant.



## Part 4—Duration and types of determinations

### 19 Explanatory outline of this part

This Part sets out how the Commission is to fix the periods during which determinations are to be in force, and in what circumstances the Commission should make interim determinations.

### 20 Fixing periods during which determinations to be in force

- (1) This section sets out how the Commission is to fix the period during which a determination is to be in force.
- (2) If a determination would allocate capacity on a route where capacity is not limited under the relevant bilateral arrangement, the period during which the determination is to be in force should be fixed at 99 years.
- (3) If a determination relates to an application in which a carrier has requested that the period during which the determination is to be in force be fixed at:
  - (a) if the determination is an interim determination—less than 3 years; or
  - (b) if the determination is not an interim determination—less than 5 years;the period during which the determination is to be in force should be fixed at the period requested in the carrier's application.
- (4) In all other cases, the period during which a determination is to be in force should be fixed at:
  - (a) if the determination is an interim determination—3 years; or
  - (b) if the determination is not an interim determination—5 years.

### 21 Interim determinations to be made only in exceptional circumstances

The Commission should make interim determinations only in exceptional circumstances.

## Part 5—Inclusion, variation and revocation of conditions in determinations

### 22 Explanatory outline of this part

This Part sets out matters relating to the inclusion of conditions in determinations, and the variation or revocation of such conditions.

Section 23 deals with additional conditions the Commission should include in a determination if it intends to include a condition that allows joint international air services.

Section 24 deals with how the Commission should impose conditions relating to the full use of capacity, and how the Commission should proceed if it has undertaken a review of a determination on the grounds that an Australian carrier has not complied with such a condition.

### 23 Conditions relating to joint international air services

If the Commission intends to include a condition in a determination that allows joint international air services pursuant to paragraph 15(2)(e) of the Act, the Commission should also include a condition requiring the Australian carrier to take reasonable steps to ensure that passengers are informed at the time of booking that one or more other carriers may operate the flight.

### 24 Conditions relating to the full use of capacity

- (1) For the purpose of specifying a period during which capacity need not be fully used pursuant to subparagraph 15(2)(c)(i) of the Act, the Commission:
  - (a) should specify as short a period as is reasonably possible, having regard to the full range of things necessary to be done by the Australian carrier in order to commence operating under the determination; and
  - (b) should not specify a period of more than two years other than in exceptional circumstances.
- (2) Where the Commission has commenced a review process under sections 10 and 23 of the Act because an Australian carrier has not complied with a condition that capacity be fully used, the Commission may have regard to the criteria set out in subsection (3) for the following purposes:
  - (a) deciding whether to confirm, vary, suspend or revoke the determination under subsection 23(1) of the Act;
  - (b) assessing whether the allocation, as varied, is of benefit to the public under subsection 23(3) of the Act, in accordance with subsection 16(2) of this instrument.

- (3) The criteria which the Commission may have regard to for the purposes specified in subsection (2) are:
- (a) whether, at the time of the review, there exists an application from another Australian carrier for an allocation of capacity on the route, and the unused portion of the capacity allocated under the reviewed determination prevents the making of a determination in favour of the competing applicant; and
  - (b) whether there is seasonal variation in demand on the route in question; and
  - (c) whether the carrier was prevented from fully using the capacity by circumstances that could not reasonably have been foreseen; and
  - (d) any other matter that the Commission considers to be relevant.

## Part 6—Application and Transitional provisions

### 25 Explanatory outline of this part

This Part sets out application and transitional provisions.

Section 26 deals with the application of this instrument and sets out transitional provisions relating to applications received by the Commission prior to the commencement of this instrument.

### 26 Application and transitional provisions

- (1) The Commission is to apply this instrument in deciding:
- (a) an application for a determination allocating capacity; or
  - (b) an application for renewal of a determination; or
  - (c) an application for variation of a determination;
- that is received by the Commission on or after the commencement of this instrument.
- (2) Despite the repeal of the International Air Services Policy Statement No.5 by Schedule 1, the Commission is to apply that Policy Statement in deciding
- (a) an application for a determination allocating capacity; or
  - (b) an application for renewal of a determination; or
  - (c) an application for variation of a determination;
- that is received by the Commission before the commencement of this instrument as if that repeal had not happened.

## Schedule 1—Repeals

### International Air Services Policy Statement No.5

#### 1 The whole of the instrument

Repeal the instrument.



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# APPENDIX 7

## Service Charter

This charter sets out what we do and the standards of service that you can expect from us.

### From the Chairperson

This charter sets out the standards of service that you can expect from the International Air Services Commission and its staff. These standards apply to how we make decisions and to how we deal with you. We want to give you the best service possible and we welcome your ideas for helping us do so.

**Ms Genevieve Butler**  
*Chairperson*

### About the Commission

The Commission is an independent statutory authority comprised of three part- time Commissioners – a Chairperson and two members – supported by a small secretariat. It is established under the *International Air Services Commission Act 1992* (the Act). The aim of the Act is to enhance the welfare of Australians by promoting economic efficiency through competition in the provision of international air services.

Our role is to allocate capacity available under Australia's bilateral air service agreements to Australian carriers so they can operate these international air services. We assess applications for capacity from airlines, using the criteria provided in the Act, its implementing regulations and the policy statement given to us by the Minister for Infrastructure, Transport, Regional Development and Local Government. If an application meets the criteria, we make a determination granting capacity to the Australian carrier concerned. We also decide on Australian carriers applications to vary determinations, usually to allow for code sharing, and to renew determinations.

For more straightforward cases, we have authorised our delegate, usually the Commission's Director, to make determinations and decisions on our behalf.

The Commissioners decide on the more complex applications. In either case, you can expect the same high level of service from us and our staff.

## Making an application

If you wish to apply for capacity, or make a submission when we have invited these in certain cases, procedures for doing so can be found on our website at [www.iasc.gov.au](http://www.iasc.gov.au). We suggest that prospective new airlines first contact the Commission's Director.

## Our clients

In the broadest sense, the Australian community is our primary client because competitive air services promote the welfare of Australians. At a practical level though, airlines are the clients most directly affected by our decisions. However, our work is also relevant to many other parties. These include:

- ▶ the travelling public;
- ▶ the tourism and air freight industries, including Australian exporters;
- ▶ the wider aviation industry, including airport owners, providers of services to airlines, and employee associations;
- ▶ the Minister for Infrastructure, Transport, Regional Development and Local Government;
- ▶ Australian and State government departments and agencies; and
- ▶ the aviation industry media and analysts.

## Our services to you

We aim to provide you with the highest standards of service, both in the way we deal with you and in making our decisions. We make these commitments to you:

### In our dealings with you, we will

- ▶ act with as little formality as possible;
- ▶ treat you courteously and professionally;
- ▶ provide you with clear and accurate advice;
- ▶ include contact names and phone numbers in our correspondence;
- ▶ answer phone calls promptly by name or return any missed calls within one working day if you leave a message;
- ▶ reply to your emails within two working days;
- ▶ reply to your letters within ten working days; and
- ▶ respond constructively to your suggestions for improving our service.

### In our decision-making processes, we will:

- ▶ notify you within five working days of receiving an application for capacity;
- ▶ follow our published procedures for handling applications – the procedures are on our website or we will post or email them to you upon request;
- ▶ seek only information that we consider is reasonably necessary for us to best carry out our functions;
- ▶ protect information you provide to us in confidence (although we prefer to keep confidential information to a minimum to ensure transparent decision making);
- ▶ make our decisions consistent with the requirements of the Act and the Minister's policy statement;
- ▶ make decisions about uncontested applications, including renewals within four weeks after the end of the notification period and contested or opposed applications within twelve weeks, or inform the airline/s involved if there are reasons why a decision may take longer than this. In the case of contested renewals, the Commission will make decisions at least six months prior to the expiry date, circumstances permitting. These timeframes are applicable where the Commission has received all the necessary information from the airline/s as well as other stakeholders, in order to make a decision; and
- ▶ notify applicants by email within one working day of a decision being made, and other interested parties by email and on our website as soon as practicable thereafter.

### What we ask of you

We ask you to:

- ▶ provide comprehensive and accurate information within the required timeframe and by the due date;
- ▶ be open and straightforward in your dealings with us;
- ▶ cooperate fully in response to requests for information that we think is relevant to a matter before us; and
- ▶ be courteous and respectful towards our staff and work with us to resolve issues and problems.

### Accessibility

We will keep you informed quickly and comprehensively about our activities. We also endeavour to make contacting us as easy as possible. Contact details conclude this charter.

Our primary method of communication is by email. We provide information about current cases directly to interested parties who ask for it by this means. We advise you of applications received, and Commission decisions about those applications.

We can email copies of these documents to you, or provide links to the documents on our website. Please contact us if you wish to be added to either notification list.

Our website at [www.iasc.gov.au](http://www.iasc.gov.au) provides up-to-date information about the Commission's business. It includes applications received, documents relating to current cases and all Commission determinations and decisions. Other important documents are on the site, including the Act and the Minister's policy statement, as well as the Commission's procedures.

## Feedback and improving our service

We will monitor our performance against our service commitments. We encourage you to comment on our performance, including suggesting ways in which we can improve our service. Comments should be provided to the Commission's Director by mail, email or telephone.

At the end of each financial year we will assess how we have performed against our service standards. We will invite your comments on our service performance through a brief confidential questionnaire. The aggregated results of the assessments will be summarised in our annual report.

## Making a complaint

We regard complaints as part of the feedback process which helps us improve our performance.

If you are dissatisfied with any aspect of our service, it is important that you tell us so we can address your concerns. If you have a complaint you should first try to resolve the issue with the secretariat staff member you dealt with. If you are still not satisfied you should contact the Director.

## Review

We will review this charter through an ongoing consultative process with our stakeholders to ensure that it is meeting your requirements.

## Contact details

International Air Services Commission

Telephone: (02) 6267 1100  
Email: [iasc@infrastructure.gov.au](mailto:iasc@infrastructure.gov.au)  
Website: [www.iasc.gov.au](http://www.iasc.gov.au)  
Postal address: GPO Box 630, Canberra ACT 2601  
Premises: Level 4, 111 Alinga Street  
Canberra, ACT



## APPENDIX 8

### Commission office holders since 1992

The following tables set out the Chairpersons and Members of the Commission since the Commission was established in 1992.

Chairs	Period
Stuart Fowler	July 1992 to April 1993
James Bain	July 1993 to June 1998
Russell Miller	July 1998 to January 2000
Michael Lawriwsky and Stephen Lonergan (Members presiding at alternate meetings)	January 2000 to August 2000
Ross Jones	August 2000 to August 2003
John Martin	November 2003 to November 2009
Philippa Stone and Ian Smith (Members presiding at alternate meetings)	November 2009 to June 2010
Ian Smith and Stephen Bartos (Members presiding at alternate meetings)	July 2010 to February 2011
Jill Walker	9 February 2011 to 11 August 2014
Ian Douglas and John King (Members presiding at alternate meetings)	August 2014 to November 2015
Ian Douglas (Acting)	8 November 2015 to May 2016
Ian Douglas	5 May 2016 to 5 August 2021
Genevieve Butler	5 August 2021 to present



Members	Period
Brian Johns	July 1992 to June 1997
Russell Miller	July 1992 to June 1998
Michael Lawriwsky	December 1997 to February 2007
Stephen Lonergan	August 1998 to August 2004
Vanessa Fanning	November 2004 to November 2007
Philippa Stone	July 2007 to July 2010
Ian Smith	November 2007 to February 2011
Stephen Bartos	1 July 2010 to 30 June 2013
Ian Douglas	8 November 2012 to 8 November 2015
John King	1 July 2013 to 31 December 2016
Jan Harris	24 November 2016 to 1 September 2019
Karen Gosling	1 November 2017 to 29 October 2021
Genevieve Butler	14 May 2021 to 5 August 2021
Jane McKeon (Acting)	1 October 2021 to 16 December 2021
Jane McKeon	16 December 2021 to present

## APPENDIX 9

### Glossary of terms

Act	in this report, means the <i>International Air Services Commission Act 1992</i> , as amended.
AERgO	means AERgO International Australia.
Air services arrangement	is a set of treaty and/or lower level understandings or arrangements between Australia and another country which permits the carriage by air of passengers or freight or both on agreed routes.
Allocation	a finding by the Commission, included in a determination, that an Australian carrier is permitted to use a specified amount of capacity.
Australian carrier, Carrier	means a person who conducts, or proposes to conduct, an international airline service to and from Australia; and under the air services arrangements to which the capacity applies, may be permitted to carry passengers or freight, or both passengers and freight, under that arrangement as an airline designated, nominated or otherwise authorised by Australia.
Available capacity	means that an operational decision is not in force in relation to an amount of capacity available under air services arrangements, so an Australian carrier may seek an allocation of some or all of that capacity.
Benefit to the public	occurs if the Australian carrier to whom the capacity is allocated uses that capacity.
BITRE	means the Bureau of Infrastructure, Transport and Regional Economics.

Capacity	is an amount of space available on an aircraft for the carriage of passengers and/or freight. It may be expressed within air services arrangements in various ways, such as in number of seats, units of capacity, or frequency of service, usually per week, in each direction on a route.
Code sharing	is a form of joint service between two carriers. It involves an arrangement under which one carrier sells capacity under its own name on flights operated by another airline.
Commission	means the International Air Services Commission, established by section 6 of the Act.
Commissioner	means a member of the Commission including the Chairperson.
Contested application	involves two or more applicants seeking an allocation of the same limited amount of capacity.
Decision	affects an existing determination, either by confirming, varying, suspending or revoking it.
Delegate	refers to the IASC Director who has been given delegation to perform certain functions of the Commission.
Determination	allocates capacity to an Australian carrier, usually for a period of five years, but in some cases for three years (an interim determination), or for 10 or 99 years (where capacity is not limited under the air services arrangements in question).
Department	means the Department of Infrastructure, Transport, Regional Development, Communications and the Arts.
Frequency	refers to the number of flights that may be or are being operated, usually on a weekly basis.
Hand-back	where a carrier decides it no longer wishes to use allocated capacity, and applies to return some or all of the capacity.

IASC	means the International Air Services Commission, established by section 6 of the Act.
IATA	means the International Air Transport Association.
Interim determination	is a determination that is in force for three years, rather than the five (or in some cases 10) years for a standard determination. It does not carry the rebuttable presumption in favour of an incumbent carrier that usually attaches to a standard determination at the renewal stage.
Jetstar	means Jetstar Airways Pty Limited.
Joint service	an arrangement entered into by an Australian carrier with another carrier to operate services on a joint basis. It may take different forms such as one or more of code sharing, joint pricing, or revenue and/or cost sharing or pooling. Australian carriers must receive approval from the Commission before using allocated capacity in joint services.
Member	means a member of the Commission.
Minister's policy statement	is a written instrument made by the then Minister for Transport and Regional Services on 20 March 2018 under subsection 11(1) of the Act. It sets out the way in which the Commission is to perform its functions under the Act.
Opposed application	a situation in which an interested party makes a submission arguing that an application from a carrier should not be granted by the Commission.
Qantas	means Qantas Airways Limited.
Reduced capacity	where the amount of capacity allocated to a carrier is reduced, including to nil.
Renewal determination	a new determination that renews an allocation of capacity made under a determination that is approaching its expiry. It may include updated terms and conditions at the Commission's discretion.



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Review	involves an examination of an existing determination, either at the request of a carrier which wishes to vary the determination, or on the Commission's initiative if it is concerned that a carrier has or will breach a condition of the determination. In the case of a carrier-initiated review, the Commission may either vary the determination as requested by the carrier or confirm the determination. For a Commission-initiated review, the Commission may decide to confirm, vary, suspend or revoke the determination.
Revocation	a decision by the Commission to revoke (cancel) a determination.
Route	is the combination of origin, destination, intermediate and beyond points (cities) which an Australian carrier may serve under an air services arrangement.
Tasman Cargo	means Tasman Cargo Airlines.
Variation	a decision amending a determination, including conditions attached to it.
Virgin Australia	refers to Virgin Australia International Airlines Pty Ltd and/ or Virgin Australia Airlines (SE Asia) Pty Ltd.

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