



Mrs Jasmina Morling
Director International Air Services Commission
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CANBERRA
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By email: Jasmina.MORLING@iasc.gov.au

Dear Jasmina,

Re Application for Capacity – Solomon Islands

The Brisbane Honiara vv route is the largest international route linking the Solomon Islands to Australia and other international destinations. As the primary route for trade, commerce, education and VFR travel the route is a significant contributor to the overall development of the nation.

Whilst outlining the importance of the route it is acknowledged that the route traffic numbers are insignificant when compared with most other routes internationally and have shown no post COVID return to pre-COVID levels and in fact have declined and continue to do so.

Year	Passengers
2019	52,071
2023	43,953
2024	41,391
2025	39,722

The table above represents all travellers on the route with the majority being Solomon Island nationals but a review of travellers by origin market as provided from the Statistical Bulletin: 19/2025 2024 “Annual Visitors Statistics” published by the Solomon Islands National Statistics Office paints the same picture and looking simply at Australian travellers this market declined by 7.9% when comparing 2024 arrivals to 2023



Table 2: Percentage change in Visitor Arrivals by Country of Residence: 2023 to 2024

Country of Residence	Visitor Arrivals			% Change 2023 to 2024
	2023	%	2024	
Australia	8688	33.4	8004	-7.9
PNG	2356	9.1	2282	-3.1
US	1777	6.8	2199	23.7
NZ	1795	6.9	1645	-8.4
UK	323	1.2	374	15.8
Japan	391	1.5	477	22.0
Germany	109	0.4	54	-50.5
Canada	181	0.7	175	-3.3
Oth. Pacific	3105	11.9	1042	-66.4
Vanuatu	837	3.2	961	14.8
Fiji	2295	8.8	2132	-7.1
Other Asia	1714	6.6	2312	34.9
Netherlands	31	0.1	9	-71.0
Oth. Europe	737	2.8	983	33.4
France	24	0.1	2	-91.7
Italy	21	0.1	0	-100.0
China	1292	4.9	2145	66.0
Oth. Country	320	1.2	334	4.4
Not Stated	0	0	0	0.0
Total	25996	100	25130	-3.3

Prior to 2023 Qantas operated as a codeshare partner with Solomon Airlines which was an important factor in ensuring a consistent schedule matched to the level of demand on the route but also ensured a competitive state was achieved for the benefit of the travelling public. When Qantas elected to operate their own aircraft (albeit using Alliance as the operator) the codeshare ended but rather than increasing the schedule options across the week QF simply moved to follow the IE schedule and timings as noted below:

Carrier	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
IE	09:05 – 13:25		09:05 – 13:25		08:50 – 14:35	08:00 – 12:20	
QF	10:05 – 14:15		10:05 – 14:15		10:05 – 14:15		10:05 – 14:15

The net result has been as follows:

1. The market has not grown and in fact is in decline and there is little likelihood that this situation will change given the Solomon Islands tourism product offering is underdeveloped and is not capable to support and increase the number of visitors and there is also no commercial activity of note which would drive increased travel.
2. There is no increase in schedule choice for travellers with both carriers operating the same days and in general the same timings. Qantas would suggest the addition of the fifth service would offer this choice but given both carriers are operating in a stagnant and declining market, the additional service will not grow the market but will simply cannibalise existing services.
3. Due to the power of the Qantas Frequent Flyer programme and the airlines access to Australian based corporate and government contracts Qantas take a



disproportionate percentage of the higher yielding market segments which has eroded the viability of the route from a Solomon Airlines point of view.

4. Based on the above conditions Solomon Airlines ability to support the non-commercial domestic operation is seriously compromised.

Given the state of the current market and its likely position in the short to medium term the additional service would appear to be a cynical attempt to dump capacity on a struggling route in order to ultimately reduce competition by driving out the only other player in the market.

From the nations point of view this strategy has serious implications for the future of domestic aviation and connectivity within the Solomon Islands. The domestic services operating across 23 ports provide a much needed link for the people to travel within the far flung network of islands, however due to the great distances needed to be flown and the small number of people who fly (domestic travellers total less than 50,000) the scale does not exist to mount a viable domestic operation and hence the International routes, and the government of the Solomon Islands, subsidise the domestic operation which then allows for the provision to the nation of the much needed connectivity.

Should the international operation be forced to downsize or cease operations the result for domestic travellers would be catastrophic as for most ports there are no other travel options apart from open sea travel in small craft.

Solomon Airlines respectfully request that the application for increased services by Qantas on the Brisbane to Honiara route be rejected based on:

1. National interest for the people of the Solomon Islands and the future of domestic Solomon Island operations.
2. A cynical attempt using market position to ultimately reduce competition resulting in a lack of competitive options.

Yours sincerely

Paul Abbot

**Chief Executive Officer
Solomon Airlines Limited**



CC:

- Frank Wickham – Chairman, SAL Board
- Minister of Finance and Treasury – Hon. Rexon Ramofafia
- Minister of Foreign Affairs and External Trade – Hon. Peter Shannel Agovaka
- Minister of Communications and Aviation – Hon. Fredrick Kologeto
- Australia High Commissioner – His Excellency Jeff Roach
- New Zealand High Commissioner – His Excellency Jonathan Curr