



Australian Government

International Air Services Commission

RENEWAL DETERMINATION

Determination: [2011] IASC 132
Renewal of: [2006] IASC 129
The Route: Papua New Guinea
The Applicant: Qantas Airways Ltd
(ACN 009 661 901) (Qantas)
Public Register File: IASC/APP/201124

1 The application for renewal

1.1 On 2 November 2006, the Commission issued Determination [2006] IASC 129 (the Determination) allocating to Qantas 1,000 seats per week in each direction on the Papua New Guinea route. Subsequently the Determination was varied by Decision [2009] IASC 216 to enable Qantas to continue code sharing on Air Niugini services from Port Moresby to Sydney, Brisbane and Cairns. The code share was approved until 30 June 2012.

1.2 Under the *International Air Services Commission Act 1992* (the Act), the Commission must start its consideration of the renewal of a determination at least 12 months before the expiry of the Determination. The Determination expires on 30 June 2012.

1.3 Qantas applied to the Commission on 11 October 2011 for a renewal of the Determination. The Commission published a notice on 20 October 2011 inviting other applications for an allocation of the capacity subject to renewal. No other applications were received.

1.4 All material supplied by the applicant is filed on the Register of Public Documents.

2 Delegate's consideration

2.1 In accordance with section 27AB of the Act and regulation 3A of the *International Air Services Commission Amendment Regulations 2003 (No. 1)*, the delegate of the Commission considers the Qantas application.

2.2 Under the Minister's Policy Statement (No. 5) of 19 May 2004, there is a rebuttable presumption in favour of the carrier seeking the renewal. The Commission notes that:

- Qantas has been servicing the route effectively; and
- there are no other applicants seeking capacity on the route.

2.3 In these circumstances, the delegate concludes that the renewal of Determination [2006] IASC 129 would be of benefit to the public.

3 Determination for renewal of Determination [2006] IASC 129 allocating capacity on the Papua New Guinea route to Qantas ([2011] IASC 132)

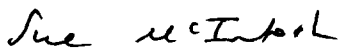
3.1 The delegate, on behalf of the Commission, makes a determination in favour of Qantas, allocating 1,000 seats per week in each direction on the Papua New Guinea route under the Australia - Papua New Guinea air services arrangements.

3.2 The determination is for five years from 1 July 2012.

3.3 The determination is subject to the following conditions:

- Qantas is required to fully utilise the capacity;
- only Qantas is permitted to utilise the capacity;
- changes in relation to the ownership and control of Qantas are permitted except to the extent that any change:
 - results in the designation of the airline as an Australian carrier under the Australia – Papua New Guinea air services arrangements being withdrawn; or
 - has the effect that another Australian carrier, or a person (or group of persons) having substantial ownership or effective control of another Australian carrier, would take substantial ownership of Qantas or be in a position to exercise effective control of Qantas, without the prior consent of the Commission; and
- changes in relation to the management, status or location of operations and Head Office of Qantas are permitted except to the extent that any change would result in the airline ceasing to be an airline designated by the Australian Government for the purposes of the Australia – Papua New Guinea air services arrangements.

Dated: 19 December 2011



Sue McIntosh
Executive Director
Delegate of the IASC Commissioners