



INTERNATIONAL AIR SERVICES COMMISSION

DECISION

DECISION: [2003] IASC 208
VARIATION OF: IASC/DET/9804, IASC/DET/9910,
[2001] IASC 107, [2001] IASC 112,
[2001] IASC 116, [2002] IASC 104,
[2002] IASC 108, [2002] IASC 116 &
[2003] IASC 105
THE ROUTE: JAPAN
THE APPLICANT: QANTAS AIRWAYS LIMITED
(ACN 009 661 991) (QANTAS)
PUBLIC REGISTER: IASC/APP/200312

1 The application

1.1 On 11 June 2003 Qantas applied to vary Determinations IASC/DET/9804, IASC/DET/9910, [2001] IASC 107, [2001] IASC 112, [2001] IASC 116, [2002] IASC 104, [2002] IASC 108, [2002] IASC 116 and [2003] IASC 105 (the Determinations) which allocate capacity on the Japan route to enable it to operate joint services with Australian Airlines for cargo sales only.

1.2 The Commission published a notice on 17 June 2003 inviting submissions from interested parties about the application for joint cargo services. No submissions were received.

1.3 All non-confidential material supplied by the applicant is filed on the Register of Public Documents.

2 Provisions of relevant air services arrangements

2.1 Australia's air services arrangements with Japan permit multiple designation of Australian carriers and currently permit the freight only code sharing operations that Qantas has proposed.

3 Commission's assessment

3.1 Pursuant to s.15(2)(e) of the Act, a carrier cannot use allocated capacity by providing services jointly with any another carrier without the prior approval of the Commission.

3.2 Qantas has requested approval to code share on Australian Airlines' services for cargo sales only.

3.3 The Commission has previously approved Qantas' application to code share for cargo sales only on a number of routes where Australian Airlines operates and will do so in this case.

3.4 Qantas has not provided the Commission with a code share agreement between Qantas and AAL. In this case the Commission does not require the code share agreement as the approval is limited to sales by a parent airline on a wholly owned subsidiary and vice versa.

3.5 The Commission will vary the determinations as requested.

4 Decision [2003] IASC 208

4.1 In accordance with section 24 of the Act, the Commission varies Determinations IASC/DET/9804, IASC/DET/9910, [2001] IASC 107, [2001] IASC 112, [2001] IASC 116, [2002] IASC 104, [2002] IASC 108, [2002] IASC 116 and [2003] IASC 105 which allocate capacity on the Japan route, as requested by Qantas, by:

removing the following conditions from each of the Determinations as amended:

- Qantas is not permitted to utilise the capacity to provide services jointly with another Australian carrier or any other person without the approval of the Commission;

adding the following conditions to each of the Determinations:

- neither Qantas nor another Australian carrier which is a wholly owned subsidiary of Qantas is permitted to utilise the capacity to provide services jointly with another Australian carrier or any other person without the approval of the Commission;
- the capacity may be used by Australian Airlines to provide joint services with Qantas and vice versa for cargo sales only between Australia and Japan.

Dated: 10 July 2003

Ross Jones
Chairman

Stephen Lonergan
Member

Michael Lawriwsky
Member