



## Australian Government

### International Air Services Commission

#### DECISION

**Decision:** [2006] IASC 221  
**Variation of:** [2003] IASC 120  
**The Route:** Singapore  
**The Applicant:** Qantas Airways Limited (Qantas)  
(ACN 009 661 901)  
**Public Register:** IASC/APP/200613

#### 1 The application

1.1 On 10 August 2006, Qantas applied for a variation to Determination [2003] IASC 120 to permit the capacity allocated on the Singapore route to be used to hold out joint services with Qantas or any wholly-owned subsidiary of the Qantas group, to enable Qantas and Jetstar to code share on each other's services on the route. The determination already enables the capacity to be used by Qantas or another Australian carrier which is a wholly-owned subsidiary of Qantas.

1.2 The Commission published a notice on 16 August 2006, inviting submissions about the application. No submissions were received. All material supplied by the applicant is filed on the Register of Public Documents.

#### 2 Provisions of relevant air services arrangements

2.1 Under the Australia – Singapore air services arrangements, the airlines of each party may enter into code share arrangements with any other airline.

#### 3 Commission's consideration

3.1 When considering applications to vary determinations, the Commission must decide whether the determinations, as varied, would be of benefit to the public. Under section 6.3 of the Minister's policy statement, where a carrier requests a variation of a determination to allow it flexibility in operating its capacity and no submission is received about the application, only the criteria in paragraph 4 of the policy statement are applicable. Under paragraph 4, the use of entitlements by an Australian carrier that is reasonably capable of obtaining the necessary approvals and of implementing its proposals is of benefit to the public.

3.2 Under Section 15(2)(e) of the Act, the Commission must include a condition in determinations stating the extent to which the carrier may use that capacity in joint

services with another carrier. Qantas is seeking flexibility for Qantas and Jetstar to code share freely on each other's services on the route. The Commission has previously authorised the capacity to be used by Qantas and its wholly-owned subsidiaries.

3.3 The Commission's approach to code sharing between Qantas and wholly-owned subsidiary companies is now well established through a number of determinations on a range of routes. The Commission's position in those earlier cases is that there can generally be expected to be no lessening of public benefit from authorising code sharing between a parent airline and a wholly-owned subsidiary airline. The Commission will authorise code sharing in this case also. Accordingly, the Commission will also vary the determination as requested by Qantas.

#### **4 Decision [2006] IASC 221**

4.1 In accordance with section 24 of the Act, the Commission varies Determination [2003] IASC 120, which allocates capacity on the Singapore route, as requested by Qantas, by:

*adding* the following conditions to [2003] IASC 120:

- “the capacity may be used by any wholly-owned subsidiary of Qantas to provide joint services with Qantas;
- to the extent that the capacity is used to provide joint services on the route, Qantas and any wholly-owned subsidiary of Qantas must take all reasonable steps to ensure that passengers are informed of the carrier actually operating the flight at the time of booking;”

Dated: 1 September 2006

John Martin  
Chairman

Vanessa Fanning  
Member

Michael Lawriwsky  
Member