



Australian Government

International Air Services Commission

DETERMINATION

Determinations: [2008] IASC 111
The Route: Vanuatu
The Applicant: Pacific Blue Airlines (Australia) Pty Ltd
(ACN 097 892 389)
Public Register File: IASC/APP/200816

1 The application

1.1 On 18 July 2008, Pacific Blue Airlines (Pacific Blue) applied for an allocation of capacity on the Vanuatu route. The capacity sought is 180 seats per week, which is proposed to be operated as a weekly service using Boeing 737-800 aircraft with a capacity of 180 seats. This would bring Pacific Blue's services on the route to five per week.

1.2 The Commission published a notice on 24 July 2008 inviting other applications for all or any part of the capacity from interested parties. No applications were received.

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

2 Provisions of relevant air services arrangements

2.1 The proposed services by Pacific Blue are consistent with the air services arrangements between Australia and Vanuatu. The Register of Available Capacity shows that there are 280 seats per week of capacity for passenger services available for allocation to Australian carriers for services to Vanuatu. The Commission has previously allocated 720 seats per week to Pacific Blue and 400 seats per week to Qantas on the route.

3 Delegate's assessment

3.1 In accordance with section 27AB of the *International Air Services Commission Act 1992* (the Act) and regulation 3A of the *International Air Services Commission Amendment Regulations 2003 (No.1)*, the delegate of the Commission considers the Pacific Blue application.

3.2 Under paragraph 4, the use of Australian entitlements by a carrier that is reasonably capable of obtaining the necessary approvals (4(b)(i)) and of implementing its proposals (4(b)(ii)) is of benefit to the public. Pacific Blue is an established international carrier which is clearly capable of obtaining the necessary approvals and of implementing the proposed operations. This means that there is public benefit arising from the use of the entitlements. The delegate, on behalf of the Commission, will allocate to Pacific Blue the 180 seats of capacity per week it has sought.

4 Determination allocating capacity on the Vanuatu route to Pacific Blue [2008] IASC 111

4.1 The delegate, on behalf of the Commission, makes a determination in favour of Pacific Blue Airlines, allocating 180 seats of capacity per week in each direction on the Vanuatu route under the Australia – Vanuatu air services arrangements.

4.2 The determination is for five years from the date of the determination.

4.3 The determination is subject to the following conditions:

- Pacific Blue Airlines is required to fully utilise the capacity from no later than 1 November 2008, or from such other date approved by the Commission;
- only Pacific Blue Airlines is permitted to utilise the capacity;
- Pacific Blue Airlines 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;
- changes in relation to the ownership and control of Pacific Blue Airlines are permitted except to the extent that any change:
 - results in the designation of the airline as an Australian carrier under the Australia – Vanuatu 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 Pacific Blue Airlines or be in a position to exercise effective control of Pacific Blue Airlines, without the prior consent of the Commission; and
- changes in relation to the management, status or location of operations and head office of Pacific Blue Airlines 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 – Vanuatu air services arrangements.

Dated: 1 August 2008

Michael Bird
Executive Director
Delegate of the IASC Commissioners