



## Australian Government

### International Air Services Commission

#### DECISION

**The Route:** Chile  
**The Applicant:** Qantas Airways Limited  
(Qantas) (ABN 16 009 661 901)  
**Decision:** [2024] IASC 211  
**Variation Of:** [2019] IASC 115, [2024] IASC 125  
**Public Register File:** IASC/APP/202452

### 1 The application

1.1 On 21 November 2024, Qantas Airways Limited (Qantas) applied to the International Air Services Commission (the Commission) seeking to vary Determination [2024] IASC 125 (the Determination), to convert the capacity type allocated from 1,847 seats to 7 services per week. On 7 January 2025, Qantas clarified that its application is also intended to vary Determination [2019] IASC 115, which is renewed by Determination [2024] IASC 125.

1.2 Qantas' application is in response to changes agreed by the Government authorities of Australia and Chile in November 2024, amending the air services arrangements between the two countries to increase and convert the passenger capacity available to Australian designated airlines from 4,300 seats (14 services) to 21 services per week.

1.3 In accordance with section 22 of the *International Air Services Commission Act 1992* (the Act), the Commission published, on 27 November 2024, a notice inviting submissions about the application for variation. No submissions were received.

1.4 All non-confidential material supplied by the applicant is available on the Commission's website ([www.iasc.gov.au](http://www.iasc.gov.au)).

### 2 Air Services arrangements

2.1 Paragraph 7(2)(aa) of the Act provides that the Commission must not allocate available capacity contrary to any restrictions on capacity contained in a bilateral arrangement(s).

2.2 Under the Australia-Chile air services arrangements, Australian designated carriers may operate up to 21 services per week in each direction on the Australia-Chile route.

### 3 The Commission's consideration

3.1 An Australian carrier to whom a determination is issued may, at any time, apply to the Commission to vary the determination under section 21 of the Act. Under subsection

10(2) of the Act, the Commission must conduct a review of a determination if an Australian carrier applies for a variation of a determination under section 21 of the Act. However, before conducting a review under section 10 of the Act, the Commission must by notice, invite submissions about the review of the determination as required by section 22 of the Act.

3.2 Subsection 24(1) of the Act provides that the Commission must, having conducted a review to decide an application for variation (other than a transfer application), make a decision either: a) confirming the determination or b) varying the determination in a way that gives effect to the variation requested in the application.

3.3 Subsection 24(2) of the Act states that the Commission must not make a decision varying the determination in a way that varies, or has the effect of varying an allocation of capacity unless the Commission is satisfied that the allocation, as so varied, would be of benefit to the public.

3.4 Under section 26 of the Act, in assessing the benefit to the public of a variation of an allocation of capacity, the Commission is required to apply the criteria set out in any policy statement issued by the Minister under section 11 of the Act.

3.5 Under section 11 of the Act, the Minister made the International Air Services Commission Policy Statement 2018 (the Policy Statement) which came into effect on 28 March 2018. The Policy Statement sets out the criteria which the Commission is required to apply in assessing the benefit to the public of allocations of capacity.

3.6 Section 17 of the Policy Statement provides that, if the Commission does not receive submissions opposing the variation requested in the application then, in assessing whether the allocation, as so varied, would be of benefit to the public for the purpose of subsection 24(2) of the Act, the Commission is to have regard to the ‘reasonable capability criterion’ set out in section 8 of the Policy Statement and need not have regard to any other matter.

3.7 ‘Reasonable capability criterion’ is defined in section 8 of the Policy Statement to mean the extent to which Australian carriers are reasonably capable of: a) obtaining the necessary approvals to operate on and service the route, and b) using the capacity allocated under the Determination.

3.8 The Commission notes that it has received no submissions opposing the variation sought in Qantas’ application. It has therefore assessed the application against the ‘reasonable capability criterion’ as set out in section 8 of the Policy Statement.

3.9 The Commission notes that Qantas is an established Australian international carrier that currently operates up to 7 services per week on the Sydney-Santiago (v.v.)<sup>1</sup> route, utilising up to 1,657 seats of capacity issued under the Determination.

3.10 The Commission therefore finds that the airline is reasonably capable of obtaining the necessary regulatory approvals and of using the capacity allocated under the Determination.

3.11 Having considered the criteria set out in section 17 of the Policy Statement and in light of the amendment to the air services arrangements between Australia and Chile, the

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<sup>1</sup> [International Airlines Timetable Summary Northern Winter 2024-25, Qantas, Chile entry](#)

Commission is satisfied that the allocation, as proposed to be varied, would be of benefit to the public. Therefore, in accordance with section 24(1) of the Act, the Commission varies the Determination to give effect to the variation as requested in Qantas' application.

#### **4 Decision varying Determination [2019] IASC 115 and Determination [2024] IASC 125 which allocates capacity to Qantas Airways Limited on the Chile route ([2024] IASC 211)**

4.1 In accordance with section 24 of the Act, the Commission varies Determination [2019] IASC 115, as requested by Qantas Airways Limited, by:

*removing* the following from paragraph 4.1 of the Determination:

- “the Commission allocates to Qantas 1,847 seats per week in each direction on the Chile route, in accordance with the terms of the Australia – Chile air services arrangements.”

replacing it with:

- “the Commission allocates to Qantas 7 services per week in each direction on the Chile route, in accordance with the terms of the Australia – Chile air services arrangements.”

4.2 Additionally, in accordance with section 24 of the Act, the Commission also varies Determination [2024] IASC 125, as requested by Qantas Airways Limited, by:

*removing* the following from paragraph 4.1 of the Determination:

- “allocating 1,847 seats of passenger capacity per week in each direction on the Chile route, in accordance with the Australia-Chile air services arrangements”

replacing it with:

- “allocating 7 services per week in each direction on the Chile route, in accordance with the Australia-Chile air services arrangements”

4.3 This decision comes into effect from the date of issue and is valid for the duration of Determination [2019] IASC 115 and Determination [2024] IASC 125 as applicable.

Dated: 17 January 2025



GENEVIEVE BUTLER  
Chairperson



JANE MCKEON  
Commissioner