



Australian Government

International Air Services Commission

DECISION

The Route: Canada
The Applicant: Qantas Airways Limited
(Qantas) (ABN 16 009 661 901)
Decision: [2024] IASC 212
Variation of: [2023] IASC 133
Public Register File: IASC/APP/202453

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 [2023] IASC 133 (the Determination), to convert the capacity type allocated from 708 seats to 3 services per week.

1.2 Qantas' application is in response to changes agreed by the Government authorities of Australia and Canada 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 9,000 seats to 50 services per week (to be operated to and from Sydney, Western Sydney, Melbourne, Brisbane and Perth).

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).

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-Canada air services arrangements, Australian designated carriers may operate up to 50 services per week in each direction to and from Brisbane, Melbourne, Perth, Sydney and Western Sydney.

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 3 services per week on the Sydney-Vancouver (v.v.) route¹, utilising its full capacity allocation of 708 seats as 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 Canada, the

¹ [International Airlines Timetable Summary Northern Winter 2024-25, Qantas, Canada 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 [2023] IASC 133 which allocates capacity to Qantas Airways Limited on the Canada route ([2024] IASC 212)

4.1 In accordance with section 24 of the Act, the Commission varies Determination [2023] IASC 133, as requested by Qantas Airways Limited, by:

removing the following from paragraph 4.1 of the Determination:

- “allocating 708 seats of passenger capacity per week in each direction, in accordance with the Australia-Canada air services arrangements”

replacing it with:

- “allocating 3 services per week in each direction, in accordance with the Australia-Canada air services arrangements”

4.2 This decision comes into effect from the date of issue and is valid for the duration of Determination [2023] IASC 133.

Dated: 23 December 2024



GENEVIEVE BUTLER
Chairperson



JANE MCKEON
Commissioner