



## Australian Government

### International Air Services Commission

#### DETERMINATION

<b>Determination:</b>	<b>[2024] IASC 122</b>
<b>The Route:</b>	<b>Japan (Tokyo-Haneda)</b>
<b>The Applicant:</b>	<b>Qantas Airways Limited (Qantas) (ABN 16 009 661 901)</b>
<b>Public Register File:</b>	<b>IASC/APP/202430</b>

**The Commission makes a determination allocating to Qantas Airways Limited one daily frequency of passenger capacity in each direction on the Japan route to serve Tokyo-Haneda Airport, subject to certain conditions. The determination is valid for five years from 25 February 2025.**

1.1 On 16 September 2024, Qantas Airways Limited (Qantas) applied to the International Air Services Commission (the Commission), for the allocation of one frequency per day in each direction to operate passenger services on the Australia-Japan route, to serve Tokyo-Haneda Airport. Qantas stated in its application that it will utilise the capacity to operate a third daily service from 30 March 2025, using Airbus A330 aircraft configured with 297 seats. It is planned that Qantas will serve Sydney, Melbourne and Brisbane to/from Tokyo-Haneda Airport with the addition of a third daily service.

1.2 Qantas has requested the capacity allocation on the following basis:

- the allocation is requested for a period of five years from the date of the determination;
- the capacity will be fully utilised by 30 April 2025;
- the capacity may be utilised by Qantas; and
- the capacity may be used by Qantas to provide joint services with any wholly-owned subsidiary and by any wholly-owned subsidiary of the Qantas Group to provide joint services with Qantas.

1.3 In accordance with section 12 of the *International Air Services Commission Act 1992* (the Act), on 18 September 2024, the Commission published Qantas' application on the Commission's website inviting other applications for the capacity. No other applications 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 The Australia-Japan air services arrangements provide for unrestricted capacity to operate international air services on the route, except to or from Tokyo-Haneda Airport.

2.3 The air services arrangements provide for three return daily frequencies for the operation of passenger services between Australia and Tokyo-Haneda Airport. Two daily frequencies may be used during daytime hours at Tokyo-Haneda Airport, while one daily frequency may be used during the prescribed night-time period (between 2200 and 0655 hours).

2.4 According to the Register of Available Capacity, there is one daily frequency available for allocation to Australian carriers, which can be used during daytime hours to provide air passenger services between Australia and Tokyo-Haneda Airport from 25 February 2025.

## 3 Commission's consideration

3.1 Subsection 12(3) of the Act allows any person to apply to the Commission for a determination allocating capacity to enable an Australian carrier to operate international air services.

3.2 Currently, Qantas has a total capacity allocation of two daily frequencies allocated under determinations [2024] IASC 107<sup>1</sup> and [2024] IASC 108<sup>2</sup> on the Australia-Japan route, operating twice daily services from Sydney to Tokyo-Haneda Airport (v.v.)<sup>3</sup>.

3.3 Qantas is seeking the allocation of one daily frequency to operate an additional daily frequency on the Australia-Japan route. It is proposed that Qantas will operate daily frequencies from Sydney, Melbourne and Brisbane to/from Tokyo-Haneda Airport using its existing capacity allocation and the requested third frequency.

3.4 Subsection 7(1) of the Act empowers the Commission to make a determination allocating available capacity. Subsection 7(2) requires, in part, that the Commission's determination must not allocate capacity unless the Commission is satisfied that the allocation would be of benefit to the public and would not be contrary to any restrictions on capacity contained in bilateral arrangements, or combination of bilateral arrangements.

3.5 Further, subsection 7(3) of the Act provides that in assessing the benefit to the public of an allocation of capacity, the Commission must apply the criteria set out in the policy statement made by the Minister pursuant to section 11 of the Act.

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<sup>1</sup> [\[2024\] IASC 107](#)

<sup>2</sup> [\[2024\] IASC 108](#)

<sup>3</sup> [International Airlines timetable summary: Northern Summer 2024, Japan, Qantas entry](#)

3.6 Pursuant to section 11 of the Act, the Minister issued 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.

3.7 The Commission notes that there are no other applicants seeking capacity on the route and no opposition to the application. Section 12 of the Policy Statement provides, in part, that in circumstances where there is only one applicant for allocation of capacity on a route, and there is no opposition to the application, the Commission is to have regard to the ‘reasonable capability criterion’ in section 8 of the Policy Statement and need not have regard to any other matter.

3.8 Under the reasonable capability criterion in section 8 of the Policy Statement, the Commission is required to assess the extent to which all Australian carriers that are, or would be, permitted to use the capacity allocated under a determination are reasonably capable of: (a) obtaining any licences, permits or other approvals required to operate on and service the route to which the determination relates; and (b) using the capacity allocated under the determination.

3.9 The Commission notes that Qantas is an established international carrier which currently operates scheduled international services between Australia and Japan. The Commission therefore finds that Qantas is reasonably capable of obtaining the necessary regulatory approvals to operate on the route and of using the proposed capacity allocation.

3.10 Accordingly, the Commission has concluded that Qantas satisfies the criteria under section 8. The Commission, therefore, has decided to allocate the capacity as requested by Qantas.

3.11 Subsection 15(1) of the Act empowers the Commission to include such terms and conditions as it thinks fit. The Commission has decided to issue this determination subject to the conditions set out in Item 4 below.

3.12 Paragraph 15(2)(a) of the Act requires a determination to specify the period during which it is to be in force. Subsection 15(3) of the Act effectively provides that if the Policy Statement sets out how the period of validity of the determination is to be fixed, then the period of validity is as so fixed. In any other case, an interim determination is to be in force for three years while a determination that is not an interim determination is to be in force for five years.

3.13 Section 20 of the Policy Statement sets out how the Commission is to fix the period during which a determination is to be in force. The Commission considers that this application is within the scope of subsection 20(4) and has decided that this Determination is to be in force for a period of five years.

## 4 Determination allocating capacity on the Japan route to Qantas Airways Limited ([2024] IASC 122)

4.1 In accordance with section 8 of the Act, the Commission makes a determination in favour of Qantas Airways Limited, allocating one daily frequency in each direction on the Australia-Japan route to serve Tokyo-Haneda Airport, in accordance with the Australia - Japan air services arrangements.

4.2 The determination is valid for 5 years from 25 February 2025.

4.3 The determination is subject to the following conditions:

- a) Only Qantas Airways Limited is permitted to utilise the capacity.
- b) Qantas Airways Limited is required to fully utilise the capacity no later than 30 April 2025 or such other date approved by the Commission.
- c) Neither Qantas Airways Limited nor another Australian carrier which is a wholly-owned subsidiary of the Qantas Group is permitted to utilise the capacity to provide services jointly with another Australian carrier or any other person unless approved by the Commission.
- d) Subject to the preceding condition, the capacity may be used by Qantas Airways Limited to provide joint services with any wholly-owned subsidiary of the Qantas Group and by any wholly-owned subsidiary of the Qantas Group to provide joint services with Qantas Airways Limited.
- e) Changes in relation to the ownership and control of Qantas Airways Limited are permitted except to the extent that any change:
  - results in the designation of Qantas Airways Limited as an Australian carrier under the Australia – Japan 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 Qantas Airways Limited and/or its wholly-owned subsidiary or be in a position to exercise effective control of the airline, without the prior consent of the Commission.

Dated: 27 September 2024



GENEVIEVE BUTLER  
Chairperson



JANE MCKEON  
Commissioner