



Australian Government

International Air Services Commission

2021-22

# Annual Report



INTERNATIONAL AIR SERVICES COMMISSION





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INTERNATIONAL AIR SERVICES COMMISSION

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**Australian Government**  

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**International Air Services Commission**

The Hon Catherine King MP  
Minister for Infrastructure, Transport, Regional Development and Local Government  
Parliament House  
CANBERRA ACT 2600

Dear Minister

We are pleased to submit the thirtieth Annual Report of the International Air Services Commission, for the year ended 30 June 2022.

Our report is submitted to you in accordance with subsection 53(1) of the *International Air Services Commission Act 1992* (the Act) and is for presentation to each House of the Parliament in accordance with subsection 53(2) of the Act.

Yours sincerely

Handwritten signature of Genevieve Butler in cursive script.

Ms Genevieve Butler  
Chairperson

Handwritten signature of Jane McKeon in cursive script.

Ms Jane McKeon  
Commissioner

19 September 2022



The International Air Services Commission is an independent statutory authority, established under the *International Air Services Commission Act 1992*. It allocates capacity available under Australia's air services arrangements with other economies to existing and prospective Australian international airlines by making formal determinations. Applications are assessed against public benefit criteria set out in a policy statement issued to the Commission by the Minister for Infrastructure, Transport, Regional Development and Local Government.

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# PART 1

## The Year in Review by the Chairperson, Ms Genevieve Butler

This annual report marks the thirtieth year of operations of the International Air Services Commission (the Commission). It is my pleasure to provide an overview of the activities for the last 12 months, my first as Chairperson of the Commission.

The Commission remained busy dealing with a total of 32 applications resulting in six decisions varying determinations (including five resolutions); 21 renewal of capacity allocations and five determinations allocating new capacity. Qantas applied for and was allocated capacity for services on the following routes: India, Italy, South Korea, Timor-Leste and Vietnam. Qantas also sought renewal of capacity allocations on the Fiji, France, Indonesia, Italy, South Korea, Papua New Guinea, Singapore, South Africa, Thailand and Vietnam routes. Virgin Australia sought the renewal of capacity allocations on the following routes: Fiji, Italy, Samoa, Singapore and Solomon Islands.

Eight applications were received but subsequently withdrawn - four from Pionair Australia Pty Ltd and another four applications from Transpac Express (Australia) Pty Ltd. At the time of writing of this report, the Commission was considering several complex submissions, including requests for variation of code share agreements and extensions of utilisation dates of capacity.

The Commission held a total of 18 meetings during the year. Meetings were conducted both in-person in Canberra and by videoconference. The Commission engaged closely with Australian carriers, holding multiple meetings with executive officers from Qantas and Virgin Australia.

While the financial year saw continued impacts of the COVID-19 pandemic on the aviation sector as international borders remained highly restricted, the year also marked the start of recovery, with many countries around the world easing travel restrictions and once again welcoming international travel. Overall, the resumption of international travel was fragmented as countries adjusted their border and travel restrictions in line with levels of vaccination and the perceived risk of further COVID-19 outbreaks. At the time

of writing of this report, a range of COVID-19 related travel restrictions remain in place in many countries around the world, particularly in the Asia-Pacific region, as countries continue to respond to new COVID-19 variants.

Mindful of such restrictions, the Commission continued its flexible approach in its dealings with Australian airlines, and in monitoring the use of capacity entitlements. Throughout the year, the Commission continued to proactively engage with airlines given the dynamic nature of market circumstances to ensure that its decision-making reflected the contemporary commercial and operational challenges faced by Australian airlines in providing international services.

The reduced operation of international services to Australia, as a consequence of low passenger demand, continued to impact the carriage of freight, much of which is transported in the cargo hold of passenger aircraft. This saw unique responses by Australian airlines that sought to balance these pandemic-related circumstances, such as the operation by Qantas and Jetstar of passenger aircraft for dedicated freighter services between Australia and Vietnam.

While the COVID-19 pandemic has led to a decline in international passenger operations by Australian carriers compared to pre-COVID-19 levels, the easing of international border restrictions have seen them successfully expand their international services into new markets. For example, Qantas has launched services using its own aircraft to India (Melbourne-New Delhi), Timor-Leste (Darwin-Dili) and Italy (Perth-Rome). Qantas will shortly commence flights to another new city pair in India (Sydney-Bengaluru) and both Qantas and Jetstar will initiate services to South Korea in November and December 2022 respectively.

The easing of Australia's border and travel restrictions from 1 November 2021 saw the recommencement of commercial scheduled services to a range of destinations and an associated rise in international passenger traffic since the start of the COVID-19 pandemic. The Bureau of Infrastructure, Transport and Regional Economics (BITRE) reported that 51 international airlines operated scheduled services to/from Australia during the month of June 2022 (including four dedicated freight airlines).

There were 6.515 million international passenger arrivals and departures recorded to/from Australia for the year ended June 2022, which represented a significant increase from June 2021, when there were only 1.123 million international passenger arrivals and departures recorded. However, this was still only 15.5 per cent of pre-COVID-19 travel seen in June 2019, when 42.121 million international passenger arrivals and departures were recorded.

Total seats available on international scheduled operations to/from Australia during the month of June 2022 were 1.981 million – a decrease of 53.1 per cent compared to June 2019. While the overall seat utilisation percentage was 80.7 per cent in the month of June 2019 and 26.4 per cent in June 2021, it had increased to 82.2 per cent in June 2022.

In terms of passenger carriage, Qantas Airways had the largest share of the international passenger market in June 2022 with 17.8 per cent, followed by Singapore Airlines with 15.6 per cent, Jetstar with 11.6 per cent, Emirates Airline with 9.4 per cent, Air New Zealand with 7.4 per cent.

The Qantas group – Qantas Airways, Jetstar and Jetstar Asia (0.2 per cent) accounted for 29.6 per cent of total passenger carriage in June 2022. The group's share was 27.3 per cent in June 2021 and 26.3 per cent in June 2019. Australian designated airlines – Qantas Airways, Jetstar and Virgin Australia (1.3 per cent) accounted for 30.7 per cent of total passenger carriage in June 2022. Their share was 27.3 per cent in June 2021 and 32.6 per cent in June 2019.

International scheduled freight traffic in June 2022 decreased by 10.7 per cent over June 2021 to 68 906 tonnes. Inbound freight traffic decreased by 5.7 per cent and outbound freight traffic decreased by 17.4 per cent compared to June 2021. International scheduled freight traffic in June 2019 was 84 683 tonnes.<sup>1</sup>

## Appointment matters

During the reporting period, I was appointed by the Governor-General as Chairperson of the Commission for a three-year term from 5 August 2021, assuming the role from Dr Ian Douglas.

On 16 December 2021, the Governor General appointed Ms Jane McKeon as Member of the Commission for a three-year term, following her initial appointment as Acting Member of the Commission by the then Minister for Infrastructure, Transport and Regional Development in October 2021.

On 29 October 2021 we farewelled Commissioner Ms Karen Gosling.

In June 2022, we farewelled the Director of the Commission, Ms Marlene Tucker, who had held the role since October 2012, and welcomed Ms Jasmina Ackar as the new Director.

I would like to thank my fellow Commissioner, Ms McKeon, whose significant contribution is essential to the work of the Commission.

I would also like to thank Dr Douglas and Ms Gosling, whose expertise and experience contributed substantially to the Commission.

Finally, I would like to extend my gratitude to Ms Tucker for keeping the Commission functioning smoothly despite the complexities of lockdowns and industry disruption.

### **Genevieve Butler**

*Chairperson*

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<sup>1</sup> Data sourced from the Bureau of Infrastructure, Transport and Regional Economics.



## PART 2

# Overview of the International Air Services Commission

### The role and functions of the Commission

The Commission is an independent statutory authority established under the *International Air Services Act 1992* (the Act). The object of the Act is to enhance the welfare of Australians by promoting economic efficiency through competition in the provision of international air services, resulting in:

- ▶ increased responsiveness by airlines to the needs of consumers, including an increased range of choices and benefits;
- ▶ growth in Australian tourism and trade; and
- ▶ the maintenance of Australian carriers capable of competing effectively with airlines of foreign countries.

The Commission's primary responsibility is to serve the object of the Act by allocating capacity entitlements to Australian carriers for the operation of international services. The capacity allocated by the Commission comes from entitlements available to Australia's international carriers under air services arrangements between Australia and other economies. In particular, the functions of the Commission are to:

- ▶ make determinations allocating capacity to Australian carriers in both contested and uncontested situations;
- ▶ renew determinations on application by Australian carriers;
- ▶ conduct reviews of determinations; and
- ▶ provide advice to the Minister about any matter referred to the Commission by the Minister concerning international air operations.

The Act is complemented by a policy statement from the Minister. The Minister's policy statement sets out criteria to be applied by the Commission in various circumstances. All applications are assessed against the 'reasonable capability criterion' which means the Commission assesses 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 obtaining any licences, permits and other regulatory approvals required to operate on the relevant route and of using the capacity allocated under the

determination. More complex public benefit criteria may be applied in cases where there are two carriers seeking the same limited amount of capacity or there is an opposing submission to the application. These additional public benefit criteria include, but are not limited to, competition, consumer benefit, promotion of tourism and trade and any relevant information obtained from Australian Government agencies. The Minister's policy statement, the International Air Services Commission Policy Statement 2018, is a legislative instrument under section 11 of the Act.

Determinations allocating capacity are usually made for a period of five years for routes where capacity entitlements or route rights are restricted. In cases where capacity entitlements and route rights are unrestricted, the determinations are valid for 99 years under the Minister's policy statement which came into effect on 28 March 2018. In exceptional circumstances, the Commission may issue interim determinations, which are valid for a period of three years. Interim determinations are normally made when capacity is being allocated to a new Australian carrier. For routes that have restricted capacity, if an applicant carrier requests that a determination be made for a shorter period, the Commission will fix the period of validity as requested, except that an interim determination should not be valid for more than three years and a regular determination where capacity is restricted should not be valid for more than five years.<sup>2</sup>

The Commission is required to start reviews of existing determinations at least one year before they expire. The Commission initiates such a review by formally asking the carrier concerned whether they wish to seek a renewal of the determination. Except for interim determinations, there is a presumption in favour of the carrier seeking renewal that the determination will be renewed as sought, unless the Commission is satisfied that the (same) allocation is no longer of benefit to the public.<sup>3</sup> The allocation is generally no longer of benefit to the public if:

- ▶ the carrier seeking renewal has failed to service the route effectively; and
- ▶ if there are other applications for some or all of the capacity; and
- ▶ the Commission having regard to the reasonable capability criterion and any of the additional criteria that it considers relevant, is satisfied that a different allocation of the capacity would be of greater benefit to the public.<sup>4</sup>

From time to time, Australian carriers apply to the Commission to vary determinations held by them. There can be a number of reasons for a carrier to seek a variation – for example, a carrier may request to transfer a capacity allocation to another entity within the same airline group or seek authorisation for a wholly-owned subsidiary to utilise the capacity. However, the most common application for variation is seeking authorisation to enable an Australian airline to use its allocated capacity to code share with another airline. The Commission conducts a review of the determination and as required by

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2 Section 20, *International Air Services Commission Policy Statement 2018*

3 Subparagraph 8(2)(a)(i), *International Air Services Commission Act 1992*

4 Section 14, *International Air Services Commission Policy Statement 2018*

the Act, invites submissions about the application.<sup>5</sup> In relation to an application for variation other than a transfer application<sup>6</sup> (as discussed in the paragraph below), if the Commission does not receive any submission opposing the variation requested, then in assessing the application, the Commission is to have regard to the reasonable capability criterion and need not have regard to any other matter. If the Commission receives a submission opposing the application for variation, the Commission is to have regard to the reasonable capability criterion, and may have regard to any of the additional criteria it considers to be relevant.<sup>7</sup>

As noted above, most of the applications for variation of existing determinations relate to code sharing with another airline or airlines. This type of variation application is a transfer application as so defined in section 4 of the Act. In assessing whether a transfer application would not be of benefit to the public, the Commission is to have regard to: (a) the reasonable capability criterion; (b) the undesirability of approving a transfer where doing so will, or is reasonably likely to, permit or encourage any form of speculative activity, including trading in capacity allocations for commercial benefit; (c) the undesirability, other than in exceptional cases, of approving a transfer application by a carrier that has never used an allocation, or has only used an allocation for less than six months. The Commission may also have regard to any of the additional criteria it considers relevant, as set out in section 9 of the Policy Statement.<sup>8</sup> If the Commission finds that a transfer application would not be of benefit to the public the Commission must not vary the determination as requested.<sup>9</sup>

The Commission may itself initiate a review of a determination if it is concerned that a carrier might be in breach of a condition of the determination.<sup>10</sup> This can occur, for example, where a carrier has been allocated capacity, but had not used that capacity by the time it was required to do so by the Commission. Where the Commission has commenced a review because an Australian carrier has not complied with a condition that capacity be fully used, the Commission may have regard to the following matters:

- a) whether at the time of the review, there is an application from another Australian carrier for an allocation of capacity on the route, and the unused capacity prevents a competing applicant to be allocated capacity entitlements;
- b) whether there is seasonal variation in demand on the route in question; and
- c) any other matter that the Commission considers to be relevant.<sup>11</sup>

Having conducted such a review, the Commission may confirm, vary, suspend or revoke the determination.<sup>12</sup>

<sup>5</sup> Section 22, *International Air Services Commission Act 1992*

<sup>6</sup> As defined in section 4 of the *International Air Services Commission Act 1992*

<sup>7</sup> Section 17, *International Air Services Commission Policy Statement 2018*

<sup>8</sup> Section 18, *International Air Services Commission Policy Statement 2018*

<sup>9</sup> Section 25, *International Air Services Commission Act 1992*

<sup>10</sup> See subsection 10(1) and section 23, *International Air Services Commission Act 1992*

<sup>11</sup> Section 24, *International Air Services Commission Policy Statement 2018*

<sup>12</sup> Subsection 23(1), *International Air Services Commission Act 1992*

## Reasonable capability criterion and the additional criteria

There are two sets of criteria that the Commission is to have regard to in assessing whether an application is of benefit to the public: the 'reasonable capability criterion' under section 8 of the 2018 policy statement and the 'additional criteria' in section 9. When and how the Commission is to have regard to the criteria is set out in part 3 of the 2018 Policy Statement.

Under the 'reasonable capability criterion', the Commission is 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.

Section 9 of the policy statement lists the 'additional criteria' which the Commission may have regard to in assessing an application. The additional criteria include competition, tourism and trade, relevant information obtained from other government agencies and authorities. The list is not exhaustive. Subsection 9(l) explicitly provides that the Commission may consider 'any other matter or consideration that the Commission considers to be relevant'.

The Commission has published administrative guidelines to assist applicants in submitting their applications and interested persons in making submissions about applications to the Commission. A summary of these procedures is at Appendix 5. The aim of the procedures is to ensure that applicants and interested parties understand the requirements for making applications or submissions, are familiar with the Commission's decision-making processes, and are aware of their rights and obligations.

## Executive profile

The Act provides for a Chairperson and two Members of the Commission. From 1 July 2021 – 5 August 2021, the Commission was comprised of a Chairperson, Dr Ian Douglas (whose term concluded on 5 August 2021), and Members of the Commission Ms Karen Gosling and Ms Genevieve Butler (who joined the Commission on 14 May 2021).

From 5 August 2021 – 30 June 2022, the Commission was comprised of a Chairperson Ms Genevieve Butler, and Members of the Commission Ms Karen Gosling (who vacated position of Commissioner on 29 October 2021) and Ms Jane McKeon (who joined the Commission on 1 October 2021).



The membership of the Commission as at 30 June 2022 is as follows:

### Ms Genevieve Butler, Chairperson



Ms Genevieve Butler was appointed by the Governor-General as part-time Chairperson of the Commission for a three-year term commencing on 5 August 2021. Ms Butler has been a Member of the Commission since 14 May 2021.

Ms Butler is a government lawyer with an expertise in administrative law, statutory interpretation and aviation law. She has provided in-house legal advice to the Australian Transport Safety Bureau, particularly regarding the application of the *Transport Safety Investigation Act 2003* and the *Freedom of Information Act 1982*. She provided legal advice regarding the search for the missing Malaysian Airlines Flight MH370 and for coronial inquiries regarding aviation accidents. Previously, she worked for the ACT Government Solicitor on matters including regulation and licensing, public and constitutional law, information privacy, citizen's rights and community protection, and conducted litigation in the ACT Supreme Court and ACT Civil and Administrative Tribunal. She has also worked for the Department of Parliamentary Services, providing advice to Senators and Members of Parliament on matters including intellectual property law, international human rights and administrative law.

Ms Butler has a broad governance background. In addition to her role as Chairperson of the Commission, she is currently Chair of the Animal Welfare Advisory Committee, an ACT Government ministerial advisory body. Ms Butler was previously a national Board Member of the Association of Corporate Counsel Australia (ACC), and ACT President of the ACC. She is a former member of the ACT Government's Brand Strategic Advisory Board and the Board of Directors of Community Services #1. Ms Butler also served on the ACT Law Society's Government Law Committee and Military Law Committee for many years and is a former editor of the Aviation Law Association of Australia and New Zealand's periodical.

Ms Butler's international career in public affairs took her to Europe, North America and Africa. She worked as an external relations adviser for the United Nations Department of Peacekeeping Operations in New York and for the United Nations Mission in Eritrea and Ethiopia. During this time, she also Chaired a Board of Inquiry. Ms Butler held the role of Public Affairs Manager for the Australian Embassy to Belgium and Mission to the European Union and NATO, based in Brussels. She has also worked as a foreign correspondent and producer for leading media organisations including CNN, CNBC and Reuters in London, Paris, Stockholm, Frankfurt and Brussels.

Ms Butler holds the following degrees: Bachelor of Laws (Hons) from the Australian National University (ANU), Graduate Diploma of Legal Practice from the NSW College of Law, Master of Journalism from the University of Queensland and Bachelor of Arts from the ANU. She is admitted as a practitioner of the Supreme Court of NSW and holds an Unrestricted Government Practising Certificate from the ACT Law Society. She speaks French.

## Ms Jane McKeon, Commissioner



Ms Jane McKeon was appointed by the Governor-General as part-time Member of the Commission for a three-year term commencing 16 December 2021. Ms McKeon was initially appointed as Acting Member of the Commission by the then Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development from 1 October to 26 December 2021.

Ms McKeon has experience in public policy and stakeholder management. She is a consultant providing advisory services to clients in the private and public sectors and a member of the UNSW School of Aviation Industry Advisory Committee. Prior to 2019, she had a long career in the airline industry, having joined Ansett Australia as a management trainee in 1998.

As Group Executive – Government Relations for Virgin Australia from 2010 to 2018, Ms McKeon was responsible for advancing the airline's interests, profile and reputation with governments, regulators and industry stakeholders in Australia and internationally. In this role, she led Virgin Australia's engagement to influence policy and regulatory frameworks to support the airline's strategic transformation program, which included a corporate restructuring to enable greater shareholder investment; significant expansion in the regional, freight and charter market segments; and the development of new international routes and associated commercial cooperation agreements with airline partners and tourism marketing organisations. Ms McKeon also worked with her industry counterparts to establish the Airlines for Australia and New Zealand advocacy body in 2017, serving as an inaugural Director, and was a member of the Tourism and Transport Forum Advisory Board and the International Air Transport Association Industry Affairs Committee.

From 2002 to 2010, Ms McKeon was employed by Qantas Airways. She was appointed General Manager – Government and International Relations in 2004, with responsibility for promoting the carrier's interests in the development of Australia's aviation and related policy settings, and managing economic regulatory activities to support Qantas' international passenger and freighter services and the launch of Jetstar Airways as an Australian international carrier. She also represented the Qantas Group on the Board of Airline Representatives of Australia, the Aeropolitical Committee of the Association of Asia Pacific Airlines and the Australian Tourism Export Council.

Ms McKeon served as a Board member of the Council of Australia Latin America Relations from 2013 to 2017 and as a Commissioner of Tourism Western Australia from 2011 to 2013.

She holds Bachelor of Arts (First Class Honours) and Bachelor of Science degrees from the University of Melbourne and is a graduate of the Australian Institute of Company Directors..

## Commissioners' attendance at meetings in financial year 2021–2022

Commissioner	Number of meetings possible	Number of meetings attended
Dr Ian Douglas	2	2
Ms Genevieve Butler	18	18
Ms Jane McKeon	14	14
Ms Karen Gosling	4	4



L-R: Marlene Tucker (Director), Jane McKeon (Commission Member), Genevieve Butler (Chairperson), Jasmina Ackar (Director).

## The Secretariat

The Commission is assisted in its work by a small Secretariat. The Secretariat is comprised of officers of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department). The Secretariat is headed by a Director, supported by a Regulatory and Administrative Officer. The Secretariat provides advice and assistance to the Commissioners on all aspects of the Commission's operations.

## Communications with interested parties

There are many stakeholders with a direct or indirect interest in the work the Commission does. They include:

- ▶ the Minister;
- ▶ current and prospective Australian airlines;
- ▶ the broader aviation industry, including airport owners, providers of services to airlines and employee associations;
- ▶ the international tourism and freight industries, including Australian exporters;
- ▶ Australian and State Government departments and agencies;
- ▶ aviation industry investors, analysts and journalists; and
- ▶ the travelling public.

The Commission places great importance on maintaining effective relationships with those stakeholders. The Commission takes into account the views of stakeholders in its decision-making processes, as appropriate to particular cases. Interested members of the public and aviation stakeholders (who have requested to be included in the Commission's notification list) are regularly notified, by email, of applications received and the Commission's determinations and decisions. The Commission's website is regularly updated to inform the public of ongoing applications and determinations and decisions made by the Commission. At the conclusion of each financial year, the Commission invites stakeholders to provide feedback about the Commission's performance throughout the year. The aggregated results of responses to the 2021–22 survey are presented in this annual report at pages 18–19.

## The role of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts

The Commission works closely with the Department. The Department is responsible for the negotiation and administration of air services arrangements between Australia and other economies. An important part of the negotiating process is to provide opportunities for Australian and foreign airlines to expand their services between Australia and other economies.


The capacity and route entitlements for Australian designated carriers under each set of air services arrangements are recorded by the Department in a Register of Available Capacity. This is maintained by the Department, in accordance with the requirements of the Act and is available on the Department's website: <https://infrastructure.gov.au/aviation/international/capacity.aspx>

An Australian carrier may apply to the Commission for allocation of capacity recorded on the register as available for immediate allocation. The entitlements on the Register of Available Capacity are adjusted as determinations allocating capacity are made by

the Commission, as carriers hand back unused capacity and when the Department negotiates new or revised capacity entitlements on behalf of the Australian Government. There is regular communication between the Department and the Commission on these matters.

Another area where the roles of the Commission and the Department intersect is in relation to applications from prospective new Australian airlines wishing to operate scheduled international services. Before allocating capacity to an applicant airline, the Commission must be satisfied that the airline is both reasonably capable of obtaining any licences, permits and other regulatory approvals necessary to operate on and service the route to which the determination relates and of using the capacity allocated under the determination. The Department is responsible for designating and licensing Australian airlines to operate regular scheduled international services. The Commission consults the Department as to whether an Australian carrier is reasonably capable of obtaining the regulatory approvals necessary to operate on the relevant route. Furthermore, an airline must hold an allocation of capacity from the Commission before the Department can make operational decisions in relation to the capacity on the route, including the issue of licenses and scheduled international timetable approvals. The Commission and the Department therefore consult closely in cases involving proposed international air service operations by Australian carriers.



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# PART 3

## Report on performance

### Overview

The Commission's performance report is based on an assessment of its results for the year using a range of criteria. Three sets of criteria have been adopted by the Commission to enable a thorough assessment of all aspects of its operations. Broadly, the criteria encompass:

- ▶ how well the object of the Act has been met by the Commission's decision making;
- ▶ how fair and effective the Commission has been in dealing with applicants and interested parties; and
- ▶ how efficient the Commission has been in the use of financial resources available to it.

The Commission's assessment of its performance against each of these criteria is set out below.

### Results against performance targets

#### Serving the object of the Act

The object of the Act is to enhance the welfare of Australians by promoting economic efficiency through competition in the provision of international air services. Under the Act, the Commission's functions are to make determinations; review determinations; and provide advice to the Minister about any matter referred to the Commission by the Minister concerning international air operations. In fulfilling its functions, the Act requires the Commission to comply with policy statements made by the Minister under section 11 and to have regard to Australia's international obligations concerning the operation of international air services.

The Commission records annually the number of determinations and decisions (involving reviews and variations of determinations) made for the year. The volume of activity varies from year to year, and the Commission's work is dictated by the number of



applications made by airlines. The allocation of new capacity is similarly directly related to the response of Australian carriers to the demand for air services. In the financial year 2021–22, the Commission issued five determinations allocating new capacity; 21 renewal of capacity allocations; and six decisions varying various determinations, including five resolutions extending the date of utilisation of the capacity.

The graph below shows a comparative data of the current reporting period (2021–22) with the three preceding years.

In financial year 2021–22, Qantas sought and was issued unlimited capacity for passenger services to operate third and fourth freedom rights on the India route; and five frequencies per week to operate passenger services on the Timor-Leste route. Services to India were planned to commence from 6 December 2021, and services to Timor-Leste from 30 March 2022.

Qantas also applied for and was issued an additional 2,193 weekly seats of capacity on the South Korea route to be utilised by Qantas and its wholly-owned subsidiary Jetstar, from 2 November 2022. Currently, Qantas does not operate to South Korea but uses its existing capacity allocation on the route to code share with Asiana Airlines between Seoul (Incheon) and Sydney (2022 Northern Summer IATA scheduling period, 27 March – 30 October 2022).

In January 2022, the Commission issued Determination [2022] IASC 102 in favour of Qantas, allocating one weekly frequency for the airline to operate dedicated freight services on the Vietnam route. At the request of Qantas, in January 2022, the Commission varied Determination [2022] IASC 102 to permit Qantas and its wholly-owned subsidiary Jetstar to utilise the freight capacity on the Vietnam route.

Virgin Australia was granted renewal of 1,149 seats of capacity on the Fiji route; 300 third country code share seats with Singapore Airlines and Etihad Airways on the Italy route; 880 seats per week on the Samoa route; 400 seats on the Singapore route to exercise own stop-over rights between Singapore and Colombo, and to permit code share services with Singapore Airlines; and 60 seats of passenger capacity on the Solomon Islands route.

Qantas sought and was granted renewal of 852 seats of capacity on the Fiji route; 250 one-way seats of capacity per day on the France route; 1,300 seats on the Indonesia route; 300 third country code share seats on the Italy route to market services with Emirates Airline, 500 seats per week on the South Korea route; 1,000 seats per week between Australia and Papua New Guinea; 300 seats per week on the Singapore route to exercise own stop-over rights between Singapore and Colombo; seven weekly frequencies to operate passenger services on the South Africa route, 35.6 B747 equivalent units and 26 third country code share frequencies of passenger capacity per week on the Thailand route; and seven frequencies per week on the Vietnam route.

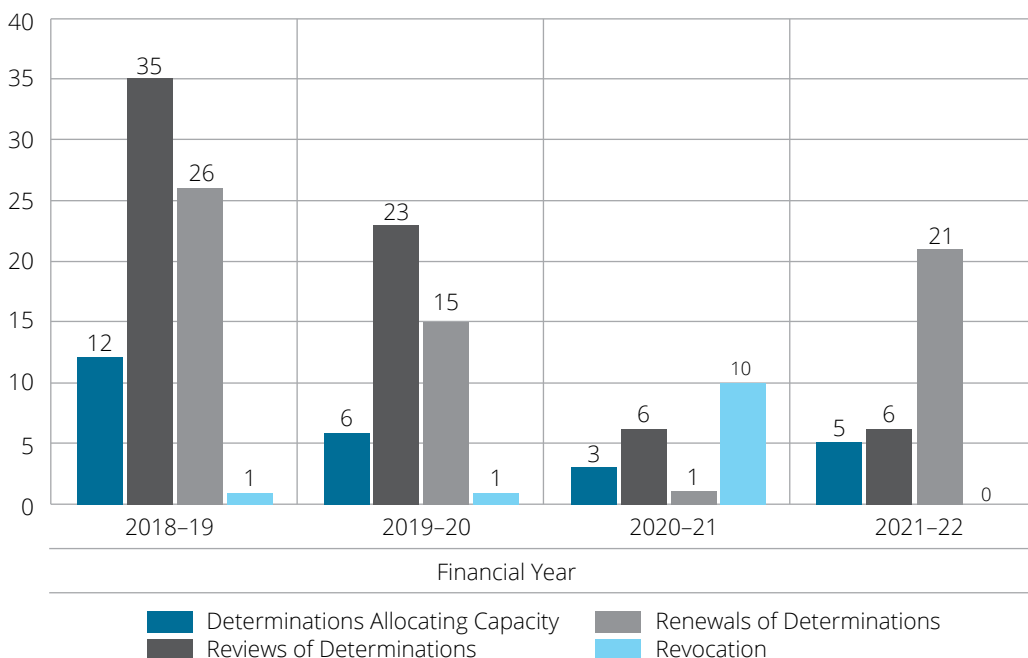


Tasman Cargo Airlines continued to hold unlimited freight capacity allocations on the New Zealand and Singapore routes.

The Commission regularly monitors the utilisation of allocated capacity by Australian airlines. During the reporting period, the Commission continued to recognise that the COVID-19 pandemic and associated border and travel restrictions imposed by various countries had created ongoing and serious disruptions to the operations of international air services worldwide, creating highly challenging market conditions for airlines to utilise their capacity allocations. In light of these circumstances, and as requested by the carriers, the Commission issued several resolutions extending the date of utilisation of allocated capacity. At the request of Tasman Cargo Airlines, the Commission varied Determination [2021] IASC 103 on the Hong Kong route, extending the date of utilisation of allocated freight capacity, until from no later than 30 October 2022. Determinations [2019] IASC 128 and [2020] IASC 101 on the Indonesia route were varied, extending the date of utilisation of the capacity, as allocated to Virgin Australia and Qantas respectively, until from no later than 30 October 2022.

During the reporting period, the Commission continued to monitor each airline's ability to utilise the capacity allocated in 2019 to Virgin Australia and Qantas for Determinations [2019] IASC 118 and [2019] IASC 119 on the Japan route to service Tokyo (Haneda). Due to ongoing border and travel restrictions, both Virgin Australia and Qantas were unable to commence the services. The Commission, as requested by the carriers, issued resolutions [2021] IASC R05 and [2021] IASC R06 extending the date of utilisation of capacity from no later than 30 October 2022. The Commission continues to monitor the airlines' ability to utilise the capacity on the Tokyo (Haneda) route in line with the easing of border and travel restrictions.

### Historical numbers of determinations and decisions



A brief summary of all determinations and decisions for 2021–22 is at Appendix 1. A detailed description of each case is provided at Appendix 2.

The Commission's full determinations in these cases are available from its website, [www.iasc.gov.au](http://www.iasc.gov.au)

## Serving applicants and interested parties

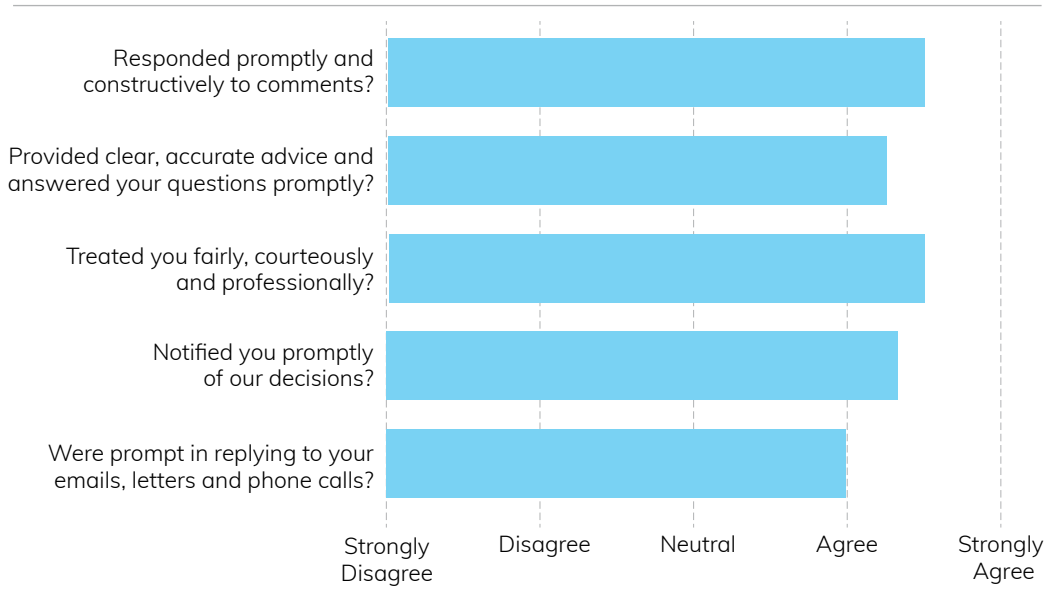
The Commission uses the detailed commitments set out in its service charter as the framework for assessing its service performance. The specific undertakings in the service charter encompass both the ways in which the Commission engages with interested parties and how it makes its decisions. This framework provides the basis for an objective assessment of the Commission's performance.

As in previous years, stakeholders were invited to assess the Commission's performance by completing an online questionnaire that allows respondents to evaluate how well the Commission performed against each undertaking in the charter. Questionnaire responses may be made anonymously, although some of those responding chose to disclose their identity. The Commission appreciates the detailed responses, offering views on the Commission's performance.

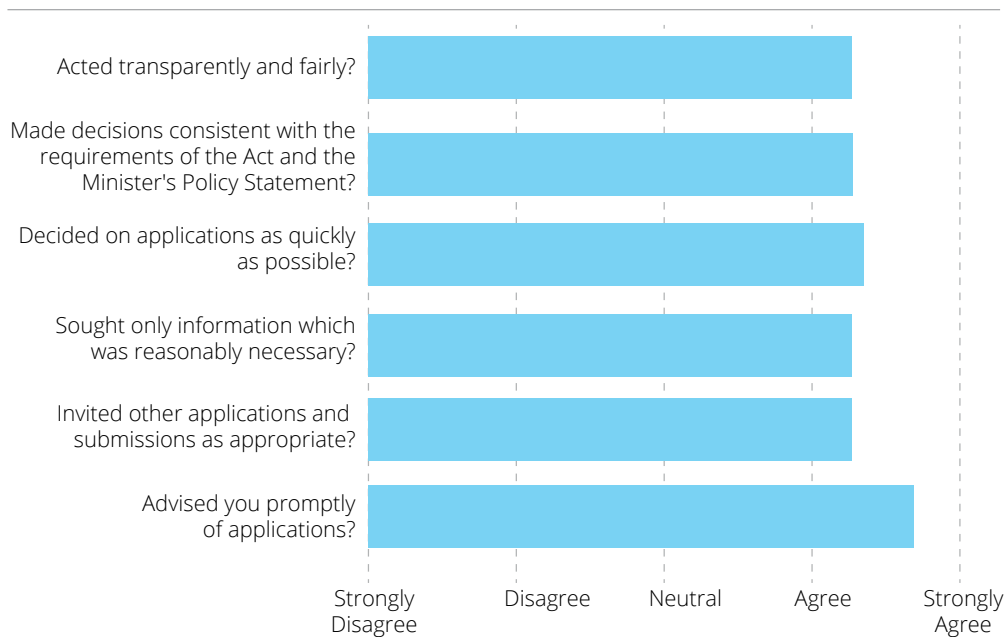
Respondents' scores against each criterion are aggregated and averaged. For 2021–22, the Commission's overall performance was rated above average, which indicates that stakeholders continue to rate the Commission's performance favourably.

The following charts summarise the feedback from stakeholders of the Commission's service performance during the year:

### Dealings with stakeholders – Do you agree that we:



### Decision making process – Do you agree that we:



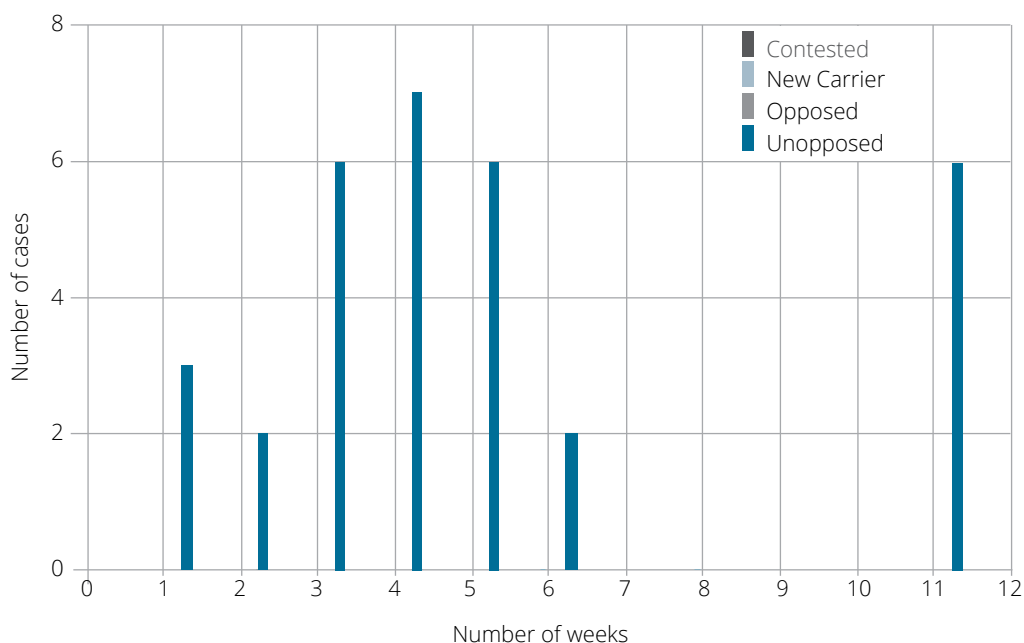
## Decision times

The Commission records the time taken to make each of its decisions, and considers timeliness to be an important performance benchmark. The service charter indicates that the Commission will endeavour to make decisions about uncontested and unopposed applications within four weeks after the end of the notification period, on contested or opposed applications within 12 weeks. The Commission will inform the airline/s involved if there are reasons why a decision may take longer than the service charter standards. In the case of contested renewal applications, the Commission will make decisions months prior to the expiry date of the determination, circumstances permitting. These timeframes are applicable where the Commission has received all the necessary information from the airline/s in order to make a decision. The Commission will notify applicants by email within one working day of a decision being made, and other interested parties by email and on our website as soon as practicable thereafter.

Longer decision times occurred in 2021–22 in some instances where the Commission was awaiting necessary information and documentation from airline/s in order to make a decision.

Detailed information about the Commission's timeliness performance is contained in the chart on the next page.

### Distribution of decision times by type of case



## Case study – New operators

### Introduction

In its annual report each year, the Commission includes a discussion of one of its more interesting cases to provide an insight into how it assesses applications which raise complex and difficult issues. For this year, the Commission decided to discuss the guidelines for prospective new Australian carriers making an application for the allocation of capacity, given the Commission has received approaches from a number of potential new entrants to international routes during the course of the financial year.

### Australia's bilateral air services agreements

Australia's bilateral air services agreements with other countries govern the rights of carriers to operate scheduled international passenger and freight services to those countries. The arrangements establish a system where capacity entitlements and the ports that may be served by carriers of each country are determined. Capacity entitlements usually take the form of limitations on the frequency of flights, number of passenger seats or amount of freight that can be operated.

Before carriers can commence international services to and from Australia, they need to be 'designated' as an Australian international airline by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department) under relevant bilateral air services agreements for a specific route. Most bilateral agreements permit Australia to designate more than one carrier to operate to any given country. This provides an opportunity for competition. This process should occur prior to an application being made to the Commission for allocation of capacity for a specific route, as only Australian carriers that have been designated through this process will be able to access capacity entitlements under Australia's bilateral air services arrangements for that route.

### Legislative requirements

The Commission is an independent statutory authority, established under the *International Air Services Commission Act 1992* (the Act). Under the Act, the Commission's primary function is to make determinations allocating air route capacity entitlements to Australian carrier for the operation of international air

services. These determinations identify that an Australian carrier<sup>13</sup> is permitted to operate on a route, and the number of frequencies, seats or amount of freight allocated to that airline for that route, in line with arrangements established as part of relevant bilateral air services agreements. Each determination also specifies a period for which it is in force, to be reviewed at the end of that period.

The Act also enables the Minister to make policy statements about the way in which the Commission is to perform its functions, including the criteria to be applied by the Commission in assessing the benefit to the public of allocations of capacity.

### Application for Capacity

Any person may apply to the Commission for available capacity at any time. The application must be in writing and delivered either by post or email to the Commission. As part of the application process, applicants are asked to provide a detailed application that includes information such as: the route to be served; the capacity sought; aircraft types to be operated and their capacity; identity of all carriers proposed to utilise the capacity (including any wholly-owned subsidiary); proposed commencement of services and when the capacity is expected to be fully utilised; the duration of the determination sought; and whether approval is sought to use the capacity to provide joint services with another carrier (including code share arrangements).

### Prospective new Australian operator

For a prospective new Australian carrier making an application for available capacity, the Commission requires substantially more information than it would from an established Australian carrier that is already operating international airline services. As set out in the *Procedures for Handling Applications for Capacity*<sup>14</sup>, prospective new Australian carriers would also need to submit a detailed business plan, providing information such as details of the company; ownership structure to demonstrate substantial ownership and effective control are vested in the hands of Australian nationals; aircraft information; financial statements (balance sheets, profit and loss statements and cash flow statements) for the period up to commencement and projections for two years from the commencement of services; and information about funding arrangements/ sources.

13 For the purposes of the *International Air Services Commission Act 1992*, the term Australian Carrier, in relation to particular capacity, means a person who: a) conducts, or proposes to conduct, an international airline service to and from Australia; and b) under the bilateral arrangement to which the capacity relates, may be permitted to carry passengers or freight, or both passengers and freight, under that arrangement as an airline designated, nominated or otherwise similarly authorised by Australia.

14 [https://www.iasc.gov.au/sites/default/files/documents/1-procedures-1-applications-for-capacity-20211220\\_1.pdf](https://www.iasc.gov.au/sites/default/files/documents/1-procedures-1-applications-for-capacity-20211220_1.pdf)

The Commission normally requires that the applicant has satisfactory funding arrangements in place, or failing this, that the applicant provides evidence of sufficient funding to cover start-up and all subsequent costs for a period of three months from the commencement of operations, assuming no revenue is earned during that period. In limited circumstances, the Commission may consider applications on a 'subject to finance' basis. The key prerequisite for consideration of such proposals is that the applicant must present a strong and credible business plan, including a convincing explanation of firm plans to secure finance (if not already achieved) and adequate consumer protection measures in place in the event of financial failure. The Commission's primary focus in the first instance will be to examine the nature and quality of the funding arrangements and the profile of the relevant capital market participants.

Prospective new Australian carriers will also need to seek and obtain various approvals from the Department, the Civil Aviation Safety Authority (CASA) and the Department of Home Affairs, prior to being able to operate international air services.

Upon receiving an application from a new Australian carrier, the Commission will write to the Department seeking its advice as to whether the prospective carrier is likely to be reasonably capable of obtaining the approvals necessary to operate. Generally, these approvals will relate only to approvals by Australian authorities. The Department's advice assists the Commission to assess whether a prospective carrier meets all of the requirements as set out in section 8 of the Minister's Policy Statement 2018 (Policy Statement). While the Department cannot grant an international airline licence to a carrier until it holds an allocation of capacity from the Commission, applicants can work towards satisfying the requirements of the Department (and CASA) in parallel with dealing with the Commission.

Before considering an application, the Commission will notify the public about the application and invite other applications for the capacity in accordance with section 12 of the Act. The Commission will not make a decision for a period of 10 working days<sup>15</sup> from the date of notification to allow other interested parties to make an application during the consultation period. If one or more competing applications are received, the Commission will call for submissions from interested parties about the applications. A further period of 10 working days will be given interested parties to make a submission. As part of this process, each applicant will also have the opportunity to make a submission about the application of other/s.

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15 To give effect to the full 10-working-day period, the Commission will accept applications up until 11:59 pm on the 10th working day of the consultation period.

If no submission contesting the application is received, the Commission will assess whether the application for capacity allocation is of benefit to the public using the criteria set out in section 8 of the Policy Statement. These criteria relate to whether the applicant is likely to be reasonably capable of a) obtaining any licences, permits or other necessary approvals to operate and service the proposed route and b) using the allocated capacity.

In certain circumstances, in addition to the criteria set out in section 8, the Commission will also apply the additional criteria set out in section 9 of the Policy Statement related to competition, tourism and trade, relevant information obtained from Australian Government agencies and any other consideration that the Commission considers to be relevant. These additional criteria are generally applied in situations such as a) where there is more than one applicant and the amount of available capacity under existing bilateral air services arrangements is less than the total amount applied for; b) where a submission is received opposing the application; and/or c) where the Commission considers that an application raises competition concerns.

### Administrative guidelines

The Commission has published procedures to assist airlines and other interested parties when making applications to the Commission. The guidelines, developed in consultation with airline stakeholders, are designed to be consistent with the requirements of the Act and its implementing regulations, the Policy Statement and the principles of natural justice. They are intended to give applicants and other interested parties procedural fairness, ensure that the Commission's processes are as open as possible, and provide guidance to anyone wishing to apply for, or make submissions about, an allocation of air route capacity.



## Efficiency of financial resources

The Commission's total expenditure for 2021–22 was \$118,758.

The Commission demonstrated efficiency in financial resource usage by operating for significant periods of 2021-22 with just two Commissioners, reflecting the reduced workload of the IASC during COVID-19. IASC expenditures relate to the fees paid to the Commission members (including superannuation), expenses in connection with the Commissioners' small amount of domestic travel to attend meetings, and the production of the annual report.

These funds are provided by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department).

The Department's expenditures that supported the Commission's operations during 2021-22 covering the salary and superannuation of up to two Departmental officers from the International Aviation, Technology and Services Division, corporate overheads and property operating expenditure, are captured as part of the Department's budget.



## PART 4

### Management and accountability

#### Corporate governance practices

As the Commission is a small organisation, it requires less complex corporate governance structures than those of larger bodies such as Government departments. The Commission considers its corporate governance arrangements to be appropriate for its small size and consistent with its statutory role and responsibilities. There are two parts to the governance arrangements. The first of these addresses the Commission's responsibilities under the *International Air Services Commission Act 1992* (the Act). The second part of the governance structure concerns staffing of the Commission's Secretariat and the expenditure of the Commission's budget.

Part 4 of the Act sets out procedures with which the Commission must comply. The Commission considers that it meets these requirements in full. The most significant of the requirements concerns the holding of meetings. The Commission usually meets at its offices in Canberra. However, when urgent issues arise and it is not practicable to have a face-to-face meeting in Canberra, the Commission conducts meetings by video or teleconference. The use of electronic media for conducting meetings reduces travel costs associated with face-to-face meetings, representing a saving to the Commission's budget. A quorum of two members is present at all meetings and minutes are kept of proceedings at all of its meetings.

During its meetings, the Commission discusses the applications from carriers and make determinations and decisions in accordance with the Act and the Minister's Policy Statement. Additionally, administrative issues such as staffing, financial and risk management issues, as appropriate, are discussed at these meetings. Commissioners and the Secretariat maintain regular contact via email and telephone about matters requiring the Commission's attention in the periods between meetings.

Part 4 of the Act enables the Commission to hold hearings at its discretion. No hearings were held this year.

Part 5 of the Act deals with the membership of the Commission. The Chairperson and members are appointed by the Governor-General. A member may be appointed on a full-time or part-time basis and the Minister may determine the terms and conditions of appointment on matters not provided under the Act. The Act also provides that a Commissioner may be appointed for a period not exceeding five years. All Commissioners have been appointed as part-time and for a period of no longer than three years. When Dr Ian Douglas' term as Chairperson ended in August 2021, Ms Genevieve Butler was appointed by the Governor-General as Chairperson of the Commission for a three-year term commencing on 5 August 2021. Ms Karen Gosling vacated the position of Commission Member on 29 October 2021.

The Act further provides that the Minister may appoint a person to act as Chairperson or Member of the Commission under certain circumstances, pursuant to section 48 of the Act. Ms Jane McKeon was initially appointed by the Minister under section 48 as Acting Member of the Commission from 1 October 2021 to 26 December 2021. On 16 December 2021, the Governor-General appointed Ms McKeon as Commissioner, pursuant to section 40 of the Act, for a three-year period until 15 December 2024.

The Remuneration Tribunal sets the Chair and Members' remuneration and travel entitlements pursuant to the *Remuneration Tribunal Act 1973*.

Section 47 of the Act requires members to disclose any interest that could conflict with the performance of their functions in relation to proceedings conducted by the Commission. Commissioners disclose potential conflict of interests at every Commission meeting.

Section 53 of the Act requires the Commission to prepare and give to the Minister a report of its operations for the financial year. The Commissioners review drafts of the annual report during its preparation. The final report is cleared and signed off by all Commissioners and is provided to the Minister in accordance with the requirements of the Act. The report is tabled in both Houses of Parliament.

The second part of the Commission's corporate arrangements arises from the Commission's relationship with the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department). Secretariat staff members are officers of the Department and are subject to the same responsibilities and obligations applying to all departmental staff. The Commission's Director is responsible for the day to day management of the Secretariat, in accordance with these obligations and responsibilities.

## External scrutiny

There was no formal external scrutiny of the Commission and no determinations or decisions made by it were the subject of judicial (or administrative) review<sup>16</sup>.

## Management of human resources

As at 30 June 2022, the Secretariat was comprised of one full-time Executive Level 2 officer as Director of the Secretariat.

As officers of the Department, Secretariat staff members are subject to the Australian Public Service Values and Code of Conduct and all other relevant public service terms and conditions.

The Secretariat staff members are responsible directly to the Commissioners on Commission matters. Secretariat staff support the Commission's work through the preparation of briefing and agenda papers for meetings; preparing all Commission meeting requirements; drafting determinations and decisions for consideration by Commissioners; responding to queries from the public; and providing advice to the Commissioners and other external stakeholders.

## Asset management

Asset management is not a prominent aspect of the business of the Commission and is managed in accordance with Departmental policies and procedures.

## Purchasing

The Commission made no significant purchases during the year.

## Consultants, contractors and competitive tendering

During the reporting period, the Commission did not engage the services of consultants or contractors and did not engage in competitive tender processes.

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16 Decisions made by the Commission are not subject to merits review by the Administrative Appeals Tribunal.



# APPENDICES







# APPENDIX 1

## Determinations and Decisions

This table summarises briefly the determinations and decisions issued during financial year 2021–22. A full summary is at Appendix 2. Individual determinations, decisions and renewals may be viewed on the Commission’s website at [www.iasc.gov.au](http://www.iasc.gov.au)

Route	Airline	IASC Number	Date	Capacity Allocated	Comment
Fiji	Qantas	[2021] IASC 120	29 Nov 21	852 seats	Renewal of Determination [2016] IASC 111
Fiji	Virgin Australia	[2021] IASC 121	29 Nov 21	907 seats	Renewal of Determination [2016] IASC 112
Fiji	Virgin Australia	[2022] IASC 104	11 Feb 22	242 seats	Renewal of Determination [2018] IASC 102
Fiji	Qantas	[2022] IASC 111	28 Feb 22	258 seats	Renewal of Determination [2018] IASC 111
France	Qantas	[2021] IASC 106*	22 Jul 21	250 one-way code share seats	Renewal of Determination [2016] IASC 108
Hong Kong	Tasman Cargo Airlines	[2021] IASC R09	20 Dec 21	-	Resolution extending the date of utilisation due to travel restrictions
India	Qantas	[2021] IASC 119*	9 Nov 21	Unlimited passenger capacity	Allocation of unlimited passenger capacity on the India route
Indonesia	Qantas	[2021] IASC 107*	22 Jul 21	100 seats	Renewal of Determination [2017] IASC 112

Route	Airline	IASC Number	Date	Capacity Allocated	Comment
Indonesia	Qantas	[2021] IASC 118*	5 Oct 21	1,300 seats	Renewal of Determination [2017] IASC 122
Indonesia	Virgin Australia	[2021] IASC R07	4 Nov 21	-	Resolution extending the date of utilisation due to travel restrictions
Indonesia	Qantas	[2021] IASC R08	8 Nov 21	-	Resolution extending the date of utilisation due to travel restrictions
Indonesia	Qantas	[2022] IASC 110	28 Feb 22	1,260	Renewal of Determination [2018] IASC 104
Italy	Qantas	[2021] IASC 115	30 Aug 21	300 third country code share seats	Renewal of Determination [2017] IASC 118
Italy	Virgin Australia	[2021] IASC 116	18 Oct 21	300 third country code share seats	Renewal of Determination [2017] IASC 119
Italy	Qantas	[2022] IASC 101	13 Jan 22	3 frequencies per week	Allocation of 3 frequencies per week of passenger capacity in each direction on the Italy route
Italy	Virgin Australia	[2022] IASC 106	11 Feb 22	300 seats	Renewal of Determination [2017] IASC 107
Italy	Qantas	[2022] IASC 109	28 Feb 22	300 third country code share seats	Renewal of Determination [2018] IASC 101
Japan	Qantas	[2021] IASC R05	4 Nov 21	-	Resolution extending the date of utilisation due to travel restrictions
Japan	Virgin Australia	[2021] IASC R06	4 Nov 21	-	Resolution extending the date of utilisation due to travel restrictions
Papua New Guinea	Qantas	[2021] IASC 109*	23 Jul 21	1,000 seats	Renewal of Determination [2016] IASC 110
Samoa	Virgin Australia	[2021] IASC 117	18 Oct 21	880 seats	Renewal of Determination [2017] IASC 120
Singapore	Qantas	[2022] IASC 108	28 Feb 22	300 seats	Renewal of Determination [2017] IASC 106

Route	Airline	IASC Number	Date	Capacity Allocated	Comment
Singapore	Virgin Australia	[2022] IASC 105	11 Feb 22	400 seats	Renewal of Determination [2017] IASC 105
Solomon Islands	Virgin Australia	[2022] IASC 103	31 Mar 22	360 seats	Renewal of Determination [2016] IASC 114
South Africa	Qantas	[2022] IASC 107	28 Feb 22	7 frequencies	Renewal of Determination [2017] IASC 102
South Korea	Qantas	[2021] IASC 108*	22 Jul 21	500 seats	Renewal of Determination [2016] IASC 109
South Korea	Qantas	[2022] IASC 113	10 May 22	2,193 seats	Allocation of 2,193 seats per week of passenger capacity in each direction to operate services on the South Korea route
Thailand	Qantas	[2021] IASC 110*	23 Jul 21	35.6 B747 equivalent units and 26 third country code share frequencies of passenger capacity	Renewal of Determination [2017] IASC 108
Timor-Leste	Qantas	[2022] IASC 112	11 Mar 22	5 frequencies	Allocation of 5 frequencies per week to operate passenger services in each direction on the Timor-Leste route
Vietnam	Qantas	[2021] IASC 105*	22 Jul 21	7 frequencies	Renewal of Determination [2017] IASC 103
Vietnam	Qantas	[2022] IASC 102	13 Jan 22	1 frequency	Allocation of 1 frequency per week to operate dedicated freight services on the Vietnam route
Vietnam	Qantas	[2022] IASC 201	2 Feb 22	-	Decision to vary Determination [2022] IASC 102 providing permission for Jetstar to use the capacity allocation to operate dedicated freight services

\* Indicates a determination or decision made by the Commission's delegate.



## APPENDIX 2

### Route-by-route summary of Commission determinations, decisions and resolutions in financial year 2021–22

This appendix provides a summary of the Commission’s determinations and decisions for financial year 2021–22. Full determinations and decisions can be viewed on the Commission’s website at [www.iasc.gov.au](http://www.iasc.gov.au)

#### Fiji

Upon the application of Qantas, the Commission issued, on 29 November 2021, **Renewal Determination [2021] IASC 120**, which renewed Determination [2016] IASC 111, allocating to Qantas 852 seats of passenger capacity per week in each direction on the Fiji route, subject to certain conditions. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar. The determination is valid for five years from 5 November 2022.

Upon the application of Virgin Australia, the Commission issued, on 29 November 2021, **Renewal Determination [2021] IASC 121**, which renewed Determination [2016] IASC 112, allocating to Virgin Australia 907 seats of passenger capacity per week on the Fiji route, subject to certain conditions. The determination is valid for five years from 5 November 2022.

Upon the application of Virgin Australia, the Commission issued, on 11 February 2022, **Renewal Determination [2022] IASC 104**, which renewed Determination [2018] IASC 102, allocating to Virgin Australia 242 seats per week in each direction on the Fiji route, subject to certain conditions. The determination is valid for five years from 22 February 2023.

Upon the application of Qantas, the Commission issued, on 28 February 2022, **Renewal Determination [2022] IASC 111**, which renewed Determination [2018] IASC 111, allocating 258 seats per week on the Fiji route, subject to certain conditions. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar. The determination is valid for five years from 15 June 2023.



## France

Upon the application of Qantas, the Commission's Delegate issued, on 22 July 2021, **Renewal Determination [2021] IASC 106**, which renewed Determination [2016] IASC 108, allocating to Qantas 250 one-way code share seats of capacity per day on the France Route 1 for code share services with British Airways, Emirates Airline and Air France, subject to certain conditions. The determination is valid for five years from 22 May 2022.



## Hong Kong

Upon the application of Tasman Cargo Airlines, the Commission issued, on 20 December 2021, **Resolution [2021] IASC R09**, varying Determination [2021] IASC 103, to extend the date of utilisation from no later than 31 August 2021, to 31 October 2022. Tasman Cargo Airlines was not able to commence the new services to and from Hong Kong as originally planned due to the COVID-19 pandemic and associated travel restrictions.



## India

Upon the application of Qantas, the Commission issued, on 9 November 2021, **Determination [2021] IASC 119**, allocating to Qantas unlimited capacity for passenger services on a third and fourth freedom basis on the India route. The determination is valid for 99 years from 9 November 2021.



## Indonesia

Upon the application of Qantas, the Commission's Delegate issued, on 22 July 2021, **Renewal Determination [2021] IASC 107**, which renewed Determination [2017] IASC 112, allocating to Qantas 100 seats per week in each direction of passenger capacity on the Indonesia route. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar, subject to certain conditions. The determination also permits Jetstar to provide services jointly with Emirates Airline, and for Jetstar to provide code share services with KLM Royal Dutch Airlines, subject to certain conditions. The determination is valid for five years from 26 June 2022.

Upon the application of Qantas, the Commission issued, on 5 October 2021, **Renewal Determination [2021] IASC 118**, which renewed Determination [2017] IASC 122, allocating to Qantas 1,300 seats per week in each direction of passenger capacity on the Indonesia route. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar, subject to certain conditions. The determination also permits Jetstar to provide services jointly with Emirates Airline, and for Jetstar to provide code share services with KLM Royal Dutch Airlines, subject to certain conditions. The determination is valid for five years from 22 September 2022.

Upon the application of Virgin Australia, the Commission issued, on 4 November 2021, **Resolution [2021] IASC R07**, varying Determination [2019] IASC 128 to extend the date of utilisation of capacity allocated to Virgin Australia on the Indonesia route from no later than 30 October 2021 to 30 October 2022, due to the COVID-19 pandemic and associated quarantine requirements disrupting the international operations of airlines.

Upon the application of Qantas, the Commission issued, on 8 November 2021, **Resolution [2021] IASC R08**, varying Determination [2020] IASC 101 to extend the date of utilisation of capacity allocated to Qantas on the Indonesia route from no later than 31 October 2021 to 30 October 2022, due to the COVID-19 pandemic and associated quarantine requirements disrupting the international operations of airlines.

Upon the application of Qantas, the Commission issued, on 28 February 2022, **Renewal Determination [2022] IASC 110**, which renewed Determination [2018] IASC 104, allocating 1,260 seats per week in each direction of passenger capacity on the Indonesia route. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar. The determination also permits Jetstar to provide code share services with KLM Royal Dutch Airlines, subject to certain conditions. The determination is valid for five years from 22 February 2023.



## Italy

Upon the application of Qantas, the Commission issued, on 30 August 2021, **Renewal Determination [2021] IASC 115**, which renewed Determination [2017] IASC 118 allocating to Qantas 300 third country code share seats per week on the Italy route for code share services with Emirates Airline and British Airways, subject to certain conditions. Additionally, the capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar. The determination is valid for five years from 31 August 2022.

Upon the application of Virgin Australia, the Commission issued, on 18 October 2021, **Renewal Determination [2021] IASC 116**, which renewed Determination [2017] IASC 119 allocating to Virgin Australia 300 third country code share seats per week on the Italy route for code share services with Singapore Airlines and Etihad Airline, subject to certain conditions. The determination is valid for five years from 10 August 2022.

Upon the application of Qantas, the Commission issued, on 13 January 2022, **Determination [2022] IASC 101**, allocating to Qantas three frequencies per week in each direction of passenger capacity on the Italy route. The determination is valid for five years from 13 January 2022.

Upon the application of Virgin Australia, the Commission issued, on 11 February 2022, **Renewal Determination [2022] IASC 106**, which renewed Determination [2017] IASC 107, allocating to Virgin Australia 300 seats per week in each direction on the Italy route, for code share services with Singapore Airlines and Etihad Airline, subject to certain conditions. The determination is valid for five years from 8 April 2023.

Upon the application of Qantas, the Commission issued, on 28 February 2022, **Renewal Determination [2022] IASC 109**, which renewed Determination [2018] IASC 101, allocating to Qantas 300 third country code share seats per week on the Italy route for code share services with Emirates Airline and British Airways, subject to certain conditions. The determination is valid for five years from 8 August 2023.



## Japan

Upon the application of Qantas, the Commission issued, on 4 November 2021, **Resolution [2021] IASC R05**, varying Determination [2019] IASC 118, to further extend the date of utilisation of capacity allocated to Qantas on the Japan route to serve Tokyo-Haneda from no later than 31 October 2021 to 30 October 2022, due to the COVID-19 pandemic and associated quarantine requirements disrupting the international operations of airlines.

Upon the application of Virgin Australia, the Commission issued, on 4 November 2021, **Resolution [2021] IASC R06**, varying Determination [2019] IASC 119, to further extend the date of utilisation of capacity allocated to Virgin Australia on the Japan route to serve Tokyo-Haneda from no later than 31 October 2021 to 30 October 2022, due to the COVID-19 pandemic and associated quarantine requirements disrupting the international operations of airlines.



## Papua New Guinea

Upon the application of Qantas, the Commission's Delegate issued, on 23 July 2021, **Renewal Determination [2021] IASC 109**, which renewed Determination [2016] IASC 110, allocating to Qantas 1,000 seats of passenger capacity per week in each direction on the Papua New Guinea route. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar. The determination is valid for five years from 1 July 2022.



## Samoa

Upon the application of Virgin Australia, the Commission issued, on 18 October 2021, **Renewal Determination [2021] IASC 117**, which renewed Determination [2017] IASC 120, allocating to Virgin Australia 880 seats per week in each direction on the Samoa route, subject to certain conditions. The determination is valid for five years from 10 August 2022.



## Singapore

Upon the application of Qantas, the Commission issued, on 28 February 2022, **Renewal Determination [2022] IASC 108**, which renewed Determination [2017] IASC 106, allocating to Qantas 300 seats per week in each direction on the Singapore route to exercise own stop-over rights between Singapore and Colombo, subject



to certain conditions. The determination permits Qantas to provide code share services with Emirates Airline and Sri Lankan Airlines, to Colombo via Singapore. The determination is valid for five years from 28 March 2023.

Upon the application of Virgin Australia, the Commission issued, on 11 February 2022, **Renewal Determination [2022] IASC 105**, which renewed Determination [2017] IASC 105, allocating to Virgin Australia 400 seats per week in each direction on the Singapore route to exercise own stop-over rights between Singapore and Colombo. The determination also permits Virgin Australia to code share on services operated by Singapore Airlines to Colombo via Singapore. The determination is valid for five years from 28 March 2023.



## Solomon Islands

Upon the application of Virgin Australia, the Commission issued, on 31 March 2022, **Renewal Determination [2022] IASC 103**, which renewed Determination [2016] IASC 114, allocating to Virgin Australia 360 seats per week in each direction on the Solomon Islands route, subject to certain conditions. The determination is valid for five years from 10 December 2022.



## South Africa

Upon the application of Qantas, the Commission issued, on 28 February 2022, **Renewal Determination [2022] IASC 107**, which renewed Determination [2017] IASC 102, allocating to Qantas seven frequencies per week to operate passenger services on the South Africa route. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar. The determination also permits Qantas to provide code share services with El Al Israel Airlines, subject to certain conditions. The determination is valid for five years from 17 December 2022.



## South Korea

Upon the application of Qantas, the Commission's Delegate issued, on 22 July 2021, **Renewal Determination [2021] IASC 108**, which renewed Determination [2016] IASC 109 allocating to Qantas 500 seats of capacity per week in each direction on the South Korea route. The capacity may also be used by Qantas to provide code share services with Asiana Airlines, subject to certain conditions. The determination is valid for five years from 1 July 2022.

Upon the application of Qantas, the Commission issued, on 10 May 2022, **Determination [2022] IASC 113**, allocating to Qantas 2,193 seats of passenger capacity per week in each direction on the South Korea route. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar. The determination is valid for five years from 10 May 2022.

## Thailand

Upon the application of Qantas, the Commission's Delegate issued, on 23 July 2021, **Renewal Determination [2021] IASC 110**, which renewed Determination [2017] IASC 108, allocating to Qantas 35.6 B747 equivalent units and 26 third country code share frequencies of passenger capacity per week in each direction on the Thailand route. The determination permits Qantas to utilise the capacity to provide code share services with Air France, Bangkok Airways, British Airways, El Al Israel Airlines, Emirates Airline, Finnair, Jet Airways, Jetstar Asia, KLM Royal Dutch Airlines, subject to certain conditions. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar. Jetstar may also utilise the capacity to provide code share services with Finnair, subject to certain conditions. The determination is valid for five years from 1 July 2022.



## Timor-Leste

Upon the application of Qantas, the Commission issued, on 11 March 2022, **Determination [2022] IASC 112** allocating to Qantas five frequencies per week in each direction of passenger capacity on the Timor-Leste route. The determination is valid for five years from 11 March 2022.



## Vietnam

The Commission's Delegate issued, on 22 July 2021, **Renewal Determination [2021] IASC 105**, which renewed Determination [2017] IASC 103, allocating to Qantas seven frequencies of capacity per week in each direction on the Vietnam route. The determination is valid for five years from 21 March 2022.

Upon the application of Qantas, the Commission issued, on 13 January 2022, **Determination [2022] IASC 102**, allocating to Qantas one frequency per week to operate dedicated freight services on the Vietnam route. The determination is valid for three years from 13 January 2022.

Upon the application of Qantas, the Commission issued, on 02 February 2022, **Decision [2022] IASC 201** varying Determination [2022] IASC 102 to permit Jetstar, a wholly-owned subsidiary of Qantas, to utilise the freight capacity on the Vietnam route.

# APPENDIX 3

## Other information

### Occupational health and safety

As the staff members of the Secretariat are employees of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department), they are subject to the same occupational health and safety arrangements as departmental officers. The Department's annual report contains details of those arrangements.

### Freedom of information

The International Air Services Commission (the Commission) is an agency subject to the *Freedom of Information Act 1982* (the FOI Act). Major reforms of the FOI Act in 2011 required relevant agencies to comply with the Information Publication Scheme (IPS) set out in Part II of the FOI Act. In compliance with the IPS requirements, the Commission has established an Information Publication Plan which is available on its website <http://www.iasc.gov.au/foi/ipp.aspx>. The Commission received one (1) request under the FOI Act in 2021–22. The Commission publishes its FOI Disclosure log [https://www.iasc.gov.au/foi/disclosure\\_log](https://www.iasc.gov.au/foi/disclosure_log)

The Commission also makes available on its website information about its organisational structure; the membership of the Commission including biographical notes of the current Members of the Commission; its functions including its decision-making powers and other powers affecting the public; copies of its annual reports; its legislative framework and its guidelines and procedures; copies of all determinations and decisions issued; applications including submissions in relation to the applications (if any); contact details of the Commission and its Director; and the Commission's operational information. Operational information refers to the information held by the Commission to assist it in performing or exercising its functions or powers in making decisions or recommendations affecting the public.

The information contained in this report meets the requirements of the FOI Act. Refer to Appendix 4 for further details.



Photo © Qantas Airways Limited

## Advertising and market research

The Commission does not advertise its functions and services. During the reporting period, the Commission did not pay any person for advertising or for performing any market research.

The Commission maintains its own website [www.iasc.gov.au](http://www.iasc.gov.au) which provides details about its functions, the applications it receives and determinations/ decisions it has issued, among other matters. The Commission updates its website on a regular basis.

## Ecologically sustainable development and environmental performance reporting

The Commission's offices and Secretariat staff are located within the Department's buildings and as such are covered by the Department's processes in this area.

# APPENDIX 4

## Freedom of information schedule

Item	Information
Access facilities	In many cases, application for information under the <i>Freedom of Information Act 1982</i> (the FOI Act) might not be required because information or documents may be readily available on the Commission's website. Formal requests under the FOI Act must be made in writing to the Director, FOI contact officer, of the Commission. The Commission maintains a dedicated FOI page on its website which sets out the information required to be published under section 8 of the FOI Act.
Arrangements for public involvement	Formal participation and consultation can be arranged by contacting the Director of the Commission whose details are listed below. The Commission welcomes views and comments from members of the public and bodies outside the Commonwealth concerning its functions.
Commission powers	The Commission exercises decision-making powers under the Act. It has the power to do everything necessary or convenient to be done for, or in connection with, performing those functions. The Commission has a range of specific powers that include convening public hearings and summoning witnesses.
Decision process	The general power to grant or refuse access to Commission documents under the FOI Act is held by the Chairperson of the Commission. On 19 August 2013, the Chairperson authorised the Director, and in his/her absence, the Senior Adviser, to exercise the Chairperson's powers and functions under the FOI Act.

Item	Information
Documents available for inspection	<p>The Commission keeps a Register of Public Documents containing public versions of applications, submissions and comments for each case before the Commission. The register is available for public scrutiny. A Register of Confidential Documents that contains material from applications and submissions deemed to be confidential by the Commission or its delegate is also maintained. The Commission applies those standards based on the FOI Act for the protection of documents relating to business affairs. Consistent with the transparency of its processes, the Commission encourages applicants and submitters to keep requests for confidential treatment of documents to a minimum.</p> <p>The Commission has published a series of guidelines that describe its procedures and processes in relation to allocating capacity. These guidelines are available on request or from the Commission's website. Documents may also be obtained from the Secretariat of the Commission via email. Operational files are maintained on all the Commission's activities and are stored at the office of the Commission. These files are not open to public access.</p>
Functions of the Commission and how it is organised	<p>The functions of the Commission, as set out in section 6 of the <i>International Air Services Commission Act 1992</i>, are to:</p> <ul style="list-style-type: none"> <li>(a) make determinations;</li> <li>(b) conduct reviews of those determinations; and</li> <li>(c) provide advice to the Minister about any matter referred to the Commission by the Minister concerning international air operations.</li> </ul> <p>The organisation of the Commission is described in Part 2 of this report.</p>
FOI Contact Officer	<p>The Director, and in his/her absence, the Senior Adviser is the Commission's FOI contact officer. Any request or query on FOI matters may be directed to the:</p> <p>International Air Services Commission  GPO Box 630 Canberra ACT 2601 Australia  Phone: (612) 6267 1100  Email: <a href="mailto:iasc@infrastructure.gov.au">iasc@infrastructure.gov.au</a></p>

# APPENDIX 5

## Commission procedures

The Commission has published procedures for making determinations allocating available capacity. The procedures are designed to be consistent with the requirements of the *International Air Services Commission Act 1992* (the Act), its implementing regulations, administrative law principles and the International Air Services Commission Policy Statement 2018 (Minister's Policy Statement) which complements the Act. The Commission's procedures are intended to ensure procedural fairness for both the applicants and other interested parties; ensure the Commission's processes are open and transparent; and provide guidance to anyone wishing to apply for, or make submissions about, matters being considered by the Commission. The Secretariat provides further individual guidance to applicants for capacity and other stakeholders when requested.

The Commission's procedures incorporate the following main steps:

- ▶ All public documents are published on the Commission's website and are distributed electronically to all stakeholders in its mailing list. Any member of the public may request to be included in the Commission's mailing list. The Commission requires a public version of all applications for, and submissions about, an allocation of capacity to be made available. A small amount of information received by the Commission is of a commercial-in-confidence or confidential nature and is held on the Commission's confidential register.
- ▶ The Commission will publish a notice inviting other applications for capacity in response to an initial application for capacity, and submissions about applications where required by the Act and Minister's Policy Statement.
- ▶ The Commission will assess the application in accordance with the relevant criteria set out in the Minister's Policy Statement. More complex public benefit criteria may be applied in cases where there are two carriers seeking the same limited amount of capacity, compared with an uncontested application from a well-established carrier.
- ▶ Where relevant, the Commission will invite the applicant(s) to submit further information addressing public benefit criteria.



- ▶ The Minister's Policy Statement requires the Commission to ensure that the applicant is reasonably capable of obtaining the approvals necessary to operate and of using the capacity if so granted.
- ▶ A hearing may be conducted by the Commission if further information is needed to establish the nature and extent of a proposal's public benefit and, in the case of two or more competing applications, decide which application would be of the greatest benefit to the public.
- ▶ The Commission will publish a draft determination in the case of competing applications or if it is proposed to reject an application, or where non-standard conditions are being proposed. This provides applicants and other interested parties with an opportunity to comment on the Commission's proposal prior to the issuing of a final determination. In other cases the Commission will proceed directly to a final determination.

The Commission regularly updates its procedures. They are available from the Commission's website at [www.iasc.gov.au](http://www.iasc.gov.au) or upon request to the Commission.



# APPENDIX 6

## Minister's Policy Statement

NOTE: The following policy statement was issued on 20 March 2018 by the Hon. Michael McCormack, Deputy Prime Minister and Minister for Infrastructure and Transport and it came into force and effect from 28 March 2018.

### International Air Services Policy Statement 2018

made pursuant to section 11 of the

*International Air Services Commission Act 1992*

## Part 1—Preliminary

### 1 Name

This instrument is the International Air Services Commission Policy Statement 2018.

### 2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1 The whole of this instrument	The day after this instrument is registered.	

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

### 3 Authority

This instrument is made under section 11 of the *International Air Services Commission Act 1992*.

### 4 Definitions

Note: A number of expressions used in this instrument are defined in section 4 of the Act, including the following:

- (a) Australian carrier;
- (b) available capacity;
- (c) bilateral arrangement;
- (d) capacity;
- (e) code sharing;
- (f) Commission;
- (g) determination;
- (h) interim determination;
- (i) joint international air services;
- (j) transfer application.

In this instrument:

**ACCC** means the Australian Competition and Consumer Commission.

**Act** means the *International Air Services Commission Act 1992*.

**additional criteria**: see section 9.

**applicant** means an Australian carrier that has applied to the Commission for a determination allocating capacity, or for the renewal or review of such a determination.

**reasonable capability criterion**: see section 8.

**route** relates to the full set of entitlements available to Australian carriers under a particular bilateral arrangement. All combinations of origin, destination, intermediate and beyond points available to Australian carriers under the bilateral arrangement constitute a single route.

### 5 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

### 6 Object

- (1) This instrument is a policy statement intended to provide guidance about the way in which the Commission is to perform its functions.
- (2) The Commission is to perform its functions in a way that will achieve the object of the Act (that is, to promote economic efficiency through competition in the provision of international air services) by fostering, encouraging and supporting competition in the provision of international air services by Australian carriers.

## Part 2—Criteria for assessing benefit to the public

### 7 Explanatory outline of this Part

The Act requires the Commission to assess the **benefit to the public** of allocations of capacity when deciding whether to make, renew or vary a determination. This Part sets out criteria that the Commission is to have regard to in assessing the benefit to the public of allocations of capacity in particular circumstances.

There are two main sets of criteria that the Commission is to have regard to in assessing the benefit to the public: the 'reasonable capability criterion' and the 'additional criteria'. When and how the Commission is to have regard to the criteria is set out in Part 3.

In certain circumstances specified in Part 3, the Commission is to have regard to other criteria which are not set out in this Part. These include, for example, the matters referred to in paragraph 18(2)(b) or subsection 16(2) of this instrument.

The criteria set out in this Part apply equally in assessing the benefit to the public of allocations to be exercised through own aircraft operations, code share arrangements and other joint international air services.

### 8 Reasonable capability criterion

**Reasonable capability criterion** means 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.

Note: To avoid doubt, this criterion relates to all carriers that are, or would be, permitted to use the capacity allocated under a determination, including all carriers that would be entitled to use the capacity because of a condition imposed by the Commission pursuant to paragraph 15(2)(ea) of the Act.

### 9 Additional criteria

**Additional criteria** means the following criteria:

#### *Competition criteria*

- (a) the desirability of fostering an environment in which Australian carriers can effectively compete with each other and with foreign carriers on the route in question;

- (b) the number of carriers operating on the route in question and the existing distribution of capacity among Australian carriers (including through code sharing and other joint international air services);
- (c) the likely impact on consumers of the proposed allocation, including on costs of airfares, customer choice, product differentiation, stimulation of innovation by incumbent carriers, and frequency of service;
- (d) the desirability of fostering own aircraft operations by Australian carriers over code share or other joint international air services involving the marketing, by an Australian carrier, of seats on flights operated by foreign carriers;
- (e) the benefits presented by allocating the capacity to a given applicant over other competing applicants, having regard to any commercial arrangements that may be in place with other carriers;
- (f) any determinations, decisions or notifications made by the ACCC, or any determinations made by the Australian Competition Tribunal, in relation to an Australian carrier using capacity in all or part of the route;
- (g) any determinations, decisions or notifications made by a foreign agency that performs a comparable function to the ACCC or the Australian Competition Tribunal, or by a foreign aeronautical authority, in relation to a carrier using entitlements under a bilateral arrangement on all or part of the route;

*Tourism and trade criteria*

- (h) the level of promotion, market development and investment proposed by each of the applicants;
- (i) route service possibilities to and from points beyond Australian or foreign gateways;
- (j) the availability of frequent, low cost, reliable air freight movements for Australian importers and exporters;

*Relevant information obtained from Government agencies*

- (k) any information that the Commission has obtained from Australian Government agencies or statutory authorities that the Commission considers to be relevant;

*Any other relevant consideration*

- (l) any other matter or consideration that the Commission considers to be relevant.

# Part 3—How the Commission is to assess benefit to the public

## Division 1—Outline

### 10 Explanatory outline of this Part

This Part sets out how the Commission is to assess the benefit to the public of allocations of capacity in particular circumstances.

There are broadly 3 types of decision that the Commission can make under the Act:

- ▶ Making a determination allocating available capacity (see section 7 and Division 1 of Part 3 of the Act);
- ▶ Renewing a determination by making a fresh determination (see section 8 and Division 2 of Part 3 of the Act);
- ▶ Varying a determination (see section 10 and Division 3 of Part 3 of the Act).

Depending on which type of decision is being made, and the circumstances of the decision, the Commission is to apply the criteria set out in Part 2, and certain criteria specified in this Part, differently.

Division 2 sets out the criteria applicable where the Commission is proposing to make a determination that allocates available capacity under section 7 of the Act:

- ▶ Where there is unlimited available capacity, the Commission is to have regard to the reasonable capability criterion and need not have regard to any other matter (section 11);
- ▶ Where there is sufficient available capacity for all applications and the Commission does not receive any adverse submissions, the Commission is to have regard to the reasonable capability criterion and need not have regard to any other matter (subsection 12(2));
- ▶ However, where the Commission receives one or more adverse submissions, the Commission is to have regard to the reasonable capability criterion and may have regard to relevant additional criteria (subsection 12(3));
- ▶ In all other cases, the Commission is to have regard to the reasonable capability criterion and to relevant additional criteria (section 13).

Division 3 sets out the criteria applicable where the Commission is considering renewing a determination that allocates capacity under section 8 of the Act:

- ▶ Paragraph 8(2)(a) of the Act provides a presumption in favour of renewing a determination. However, the Commission may decline to do so if it is satisfied that the determination is no longer of benefit to the public. In deciding this, the Commission is to have regard to the matters set out in section 14 of this instrument;
- ▶ If the Commission declines to renew a determination, it may make a different determination. In doing so, it is to have regard to the reasonable capability criterion and to relevant additional criteria (section 15).

Division 4 sets out the criteria applicable where the Commission is considering whether to vary a determination in a way that varies, or has the effect of varying, an allocation of capacity:

- ▶ If the Commission has initiated the review, and the reason for variation relates to the condition that allocated capacity be fully used, the Commission is to have regard to the criteria set out in paragraphs 24(3) (a)-(d) and need not have regard to any other matter (subsection 16(2));
- ▶ If the Commission has initiated the review for any other reason, and the Commission does not receive any adverse submissions, the Commission is to have regard to the reasonable capability criterion and need not have regard to any other matter (subsection 16(3));
- ▶ In all other cases where the Commission has initiated the review, the Commission is to have regard to the reasonable capability criterion and may have regard to relevant additional criteria (subsection 16(4));
- ▶ If the carrier has applied for a variation, and the Commission does not receive any adverse submissions, the Commission is to have regard to the reasonable capability criterion and need not have regard to any other matter (subsection 17(2));
- ▶ In all other cases where the carrier has applied for a variation, the Commission is to have regard to the reasonable capability criterion and may have regard to relevant additional criteria (subsection 17(3));
- ▶ Where a carrier has submitted a transfer application, the Commission is to have regard to the reasonable capability criterion and to the matters set out in paragraph 18(2)(b) (as relevant), and may have regard to relevant additional criteria (section 18).

The provisions in this Part apply equally in assessing the benefit to the public of allocations to be exercised through own aircraft operations, code share arrangements and other joint international air services.

## Division 2—Determinations allocating capacity

### 11 Available capacity not limited

- (1) This section applies where the Commission proposes to make a determination allocating available capacity on a route under section 7 of the Act, and available capacity on the route is not limited under the relevant bilateral arrangement.
- (2) In assessing the benefit to the public of the allocation of available capacity under the proposed determination, the Commission:
  - (a) have regard to the reasonable capability criterion; and
  - (b) need not have regard to any other matter.

### 12 One or more applicants and sufficient available capacity

- (1) This section applies where:
  - (a) the Commission has received one or more applications for determinations allocating available capacity on a route under section 7 of the Act; and
  - (b) there is sufficient available capacity on the route for the Commission to make the determinations sought in all of the applications; and
  - (c) section 11 of this instrument does not apply.
- (2) If the Commission does not receive any submissions:
  - (a) opposing the allocation of the capacity under any of the determinations sought in the applications; or
  - (b) requesting or opposing the inclusion of a specified condition in any of the determinations;then, in assessing the benefit to the public of an allocation of available capacity under the determinations, the Commission:
  - (c) is to have regard to the reasonable capability criterion; and
  - (d) need not have regard to any other matter.
- (3) In all other cases, in assessing the benefit to the public of an allocation of available capacity under a proposed determination, the Commission:
  - (a) is to have regard to the reasonable capability criterion; and
  - (b) may have regard to any of the additional criteria that it considers to be relevant.

### 13 All other cases (including two or more applicants and insufficient capacity)

- (1) This section applies where:
  - (a) the Commission proposes to make a determination allocating available capacity on a route under section 7 of the Act; and
  - (b) sections 11 and 12 of this instrument do not apply.

Note: For example, this section will apply where the Commission has received two or more applications for determinations allocating available capacity under section 7 of the Act, and there is insufficient available capacity for the Commission to make the determinations sought in all of the applications.

- (2) In assessing the benefit to the public of an allocation of capacity under a proposed determination, the Commission:
  - (a) is to have regard to the reasonable capability criterion; and
  - (b) is to have regard to any of the additional criteria that it considers to be relevant.

## Division 3—Renewal of determinations

### 14 Presumption in favour of making the same allocation of capacity

- (1) This section applies where:
  - (a) the Commission is proposing, while a determination is in force, to make a fresh determination allocating the capacity to which the original determination relates under section 8 of the Act; and
  - (b) the Commission is considering whether the allocation of capacity in the original determination is no longer of benefit to the public for the purpose of subparagraph 8(2)(a)(i) of the Act.
- (2) Without limiting the matters to which the Commission may have regard, an allocation is generally no longer of benefit to the public if:
  - (a) the carrier seeking renewal has failed to service the route effectively; and
  - (b) there are other applications for some or all of the capacity; and
  - (c) the Commission, having regard to the reasonable capability criterion and any of the additional criteria that it considers relevant, is satisfied that a different allocation of the capacity would be of greater benefit to the public.

Note: In accordance with paragraph 8(2)(a) of the Act, the Commission must make the same allocation of capacity as the original determination unless it is satisfied that the allocation is no longer of benefit to the public. This operates as a presumption in favour of the incumbent carrier.

### 15 Making a different allocation of capacity

- (1) This section applies where, in the course of considering the renewal of a determination, the Commission is satisfied, for the purposes of subparagraph 8(2)(a)(i) of the Act, that the allocation of capacity in the original determination is no longer of benefit to the public.
- (2) In assessing whether an allocation of capacity made by a fresh determination is of benefit to the public for the purpose of subsection 8(3) of the Act, the Commission:
  - (a) is to have regard to the reasonable capability criterion; and
  - (b) is to have regard to any of the additional criteria that it considers to be relevant.



## Division 4—Review of determinations

### 16 Variations on review for cause

- (1) This section applies where:
  - (a) the Commission has conducted a review for cause in relation to a determination pursuant to section 10 of the Act; and
  - (b) the Commission is considering making a decision to vary the determination under paragraph 23(1)(b) of the Act in a way that varies, or has the effect of varying, an allocation of capacity.
- (2) If the grounds on which the review was initiated relate to a condition imposed under paragraph 15(2)(c) of the Act, in assessing whether the allocation, as so varied, would be of benefit to the public for the purpose of subsection 23(3) of the Act, the Commission:
  - (a) may have regard to the criteria set out in paragraphs 24(3)(a) to (d) of this instrument; and
  - (b) need not have regard to any other matter.

Note: Paragraph 15(2)(c) of the Act allows for the imposition of a condition that capacity be fully used.

- (3) If the review was initiated on any other grounds, and the Commission does not receive submissions opposing the variation being considered by the Commission, then in assessing whether the allocation, as so varied, would be of benefit to the public for the purpose of subsection 23(3) of the Act, the Commission:
  - (a) is to have regard to the reasonable capability criterion; and
  - (b) need not have regard to any other matter.
- (4) In all other cases, in assessing whether the allocation, as so varied, would be of benefit to the public for the purpose of subsection 23(3) of the Act, the Commission:
  - (a) is to have regard to the reasonable capability criterion; and
  - (b) may have regard to any of the additional criteria that it considers to be relevant.

### 17 Variations on application

- (1) This section applies where:
  - (a) the Commission has conducted a review to decide an application (other than a transfer application) for a determination to be varied; and
  - (b) the Commission is considering making a decision to vary the determination under paragraph 24(1)(b) of the Act in a way that varies, or has the effect of varying, an allocation of capacity.

- (2) 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:
  - (a) is to have regard to the reasonable capability criterion; and
  - (b) need not have regard to any other matter.
- (3) In all other cases, 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:
  - (a) is to have regard to the reasonable capability criterion; and
  - (b) may have regard to any of the additional criteria that it considers to be relevant.

## **18 Transfer applications**

- (1) This section applies where:
  - (a) the Commission has conducted a review to decide a transfer application; and
  - (b) the Commission is considering making a decision to vary the determination concerned in a way that gives effect to the variation requested in the transfer application; and
  - (c) the Commission's decision to vary the determination would vary, or have the effect of varying, an allocation of capacity.
- (2) In assessing whether the allocation, as so varied, would not be of benefit to the public for the purpose of subsection 25(2) of the Act, the Commission:
  - (a) is to have regard to the reasonable capability criterion; and
  - (b) is to have regard to the following matters to the extent that they are relevant to the variation under consideration:
    - (i) the undesirability of approving a transfer where doing so will, or is reasonably likely to, permit or encourage any form of speculative activity, including trading in capacity allocations for commercial benefit;
    - (ii) the undesirability, other than in exceptional cases, of approving a transfer application made by a carrier that has never exercised an allocation, or has only exercised an allocation for a period of less than six months; and
  - (c) may have regard to any of the additional criteria that it considers to be relevant.

## Part 4—Duration and types of determinations

### 19 Explanatory outline of this part

This Part sets out how the Commission is to fix the periods during which determinations are to be in force, and in what circumstances the Commission should make interim determinations.

### 20 Fixing periods during which determinations to be in force

- (1) This section sets out how the Commission is to fix the period during which a determination is to be in force.
- (2) If a determination would allocate capacity on a route where capacity is not limited under the relevant bilateral arrangement, the period during which the determination is to be in force should be fixed at 99 years.
- (3) If a determination relates to an application in which a carrier has requested that the period during which the determination is to be in force be fixed at:
  - (a) if the determination is an interim determination—less than 3 years; or
  - (b) if the determination is not an interim determination—less than 5 years;the period during which the determination is to be in force should be fixed at the period requested in the carrier's application.
- (4) In all other cases, the period during which a determination is to be in force should be fixed at:
  - (a) if the determination is an interim determination—3 years; or
  - (b) if the determination is not an interim determination—5 years.

### 21 Interim determinations to be made only in exceptional circumstances

The Commission should make interim determinations only in exceptional circumstances.

## Part 5—Inclusion, variation and revocation of conditions in determinations

### 22 Explanatory outline of this part

This Part sets out matters relating to the inclusion of conditions in determinations, and the variation or revocation of such conditions.

Section 23 deals with additional conditions the Commission should include in a determination if it intends to include a condition that allows joint international air services.

Section 24 deals with how the Commission should impose conditions relating to the full use of capacity, and how the Commission should proceed if it has undertaken a review of a determination on the grounds that an Australian carrier has not complied with such a condition.

### 23 Conditions relating to joint international air services

If the Commission intends to include a condition in a determination that allows joint international air services pursuant to paragraph 15(2)(e) of the Act, the Commission should also include a condition requiring the Australian carrier to take reasonable steps to ensure that passengers are informed at the time of booking that one or more other carriers may operate the flight.

### 24 Conditions relating to the full use of capacity

- (1) For the purpose of specifying a period during which capacity need not be fully used pursuant to subparagraph 15(2)(c)(i) of the Act, the Commission:
  - (a) should specify as short a period as is reasonably possible, having regard to the full range of things necessary to be done by the Australian carrier in order to commence operating under the determination; and
  - (b) should not specify a period of more than two years other than in exceptional circumstances.
- (2) Where the Commission has commenced a review process under sections 10 and 23 of the Act because an Australian carrier has not complied with a condition that capacity be fully used, the Commission may have regard to the criteria set out in subsection (3) for the following purposes:
  - (a) deciding whether to confirm, vary, suspend or revoke the determination under subsection 23(1) of the Act;
  - (b) assessing whether the allocation, as varied, is of benefit to the public under subsection 23(3) of the Act, in accordance with subsection 16(2) of this instrument.

- (3) The criteria which the Commission may have regard to for the purposes specified in subsection (2) are:
  - (a) whether, at the time of the review, there exists an application from another Australian carrier for an allocation of capacity on the route, and the unused portion of the capacity allocated under the reviewed determination prevents the making of a determination in favour of the competing applicant; and
  - (b) whether there is seasonal variation in demand on the route in question; and
  - (c) whether the carrier was prevented from fully using the capacity by circumstances that could not reasonably have been foreseen; and
  - (d) any other matter that the Commission considers to be relevant.

## Part 6—Application and Transitional provisions

### 25 Explanatory outline of this part

This Part sets out application and transitional provisions.

Section 26 deals with the application of this instrument and sets out transitional provisions relating to applications received by the Commission prior to the commencement of this instrument.

### 26 Application and transitional provisions

- (1) The Commission is to apply this instrument in deciding:
  - (a) an application for a determination allocating capacity; or
  - (b) an application for renewal of a determination; or
  - (c) an application for variation of a determination;that is received by the Commission on or after the commencement of this instrument.
- (2) Despite the repeal of the International Air Services Policy Statement No.5 by Schedule 1, the Commission is to apply that Policy Statement in deciding
  - (a) an application for a determination allocating capacity; or
  - (b) an application for renewal of a determination; or
  - (c) an application for variation of a determination;that is received by the Commission before the commencement of this instrument as if that repeal had not happened.

## Schedule 1—Repeals

### International Air Services Policy Statement No.5

#### 1 The whole of the instrument

Repeal the instrument.



# APPENDIX 7

## Service Charter

This charter sets out what we do and the standards of service that you can expect from us.

### From the Chairperson

This charter sets out the standards of service that you can expect from the International Air Services Commission and its staff. These standards apply to how we make decisions and to how we deal with you. We want to give you the best service possible and we welcome your ideas for helping us do so.

**Ms Genevieve Butler**  
*Chairperson*

### About the Commission

The Commission is an independent statutory authority comprised of three part-time Commissioners – a Chairperson and two members – supported by a small secretariat. It is established under the *International Air Services Commission Act 1992* (the Act). The aim of the Act is to enhance the welfare of Australians by promoting economic efficiency through competition in the provision of international air services.

Our role is to allocate capacity available under Australia's bilateral air service agreements to Australian carriers so they can operate these international air services. We assess applications for capacity from carriers, using the criteria provided in the Act, its implementing regulations and the policy statement given to us by the Minister for Infrastructure, Transport, Regional Development and Local Government. If an application meets the criteria, we make a determination granting capacity to the airline concerned. We also decide on airlines' applications to vary determinations, usually to allow for code sharing, and to renew determinations.

For more straightforward cases, we have authorised our delegate, usually the Commission's Director, to make determinations and decisions on our behalf.

The Commissioners decide on the more complex applications. In either case, you can expect the same high level of service from us and our staff.

## Making an application

If you wish to apply for capacity, or make a submission when we have invited these in certain cases, procedures for doing so can be found on our website at [www.iasc.gov.au](http://www.iasc.gov.au). We suggest that prospective new airlines first contact the Commission's Director.

## Our clients

In the broadest sense, the Australian community is our primary client because competitive air services promote the welfare of Australians. At a practical level though, airlines are the clients most directly affected by our decisions. However, our work is also relevant to many other parties. These include:

- ▶ the travelling public;
- ▶ the tourism and air freight industries, including Australian exporters;
- ▶ the wider aviation industry, including airport owners, providers of services to airlines, and employee associations;
- ▶ the Minister for Infrastructure, Transport, Regional Development and Local Government;
- ▶ Australian and State government departments and agencies; and
- ▶ the aviation industry media and analysts.

## Our services to you

We aim to provide you with the highest standards of service, both in the way we deal with you and in making our decisions. We make these commitments to you:

### In our dealings with you, we will

- ▶ act with as little formality as possible;
- ▶ treat you courteously and professionally;
- ▶ provide you with clear and accurate advice;
- ▶ include contact names and phone numbers in our correspondence;
- ▶ answer phone calls promptly by name or return any missed calls within one working day if you leave a message;
- ▶ reply to your emails within two working days;
- ▶ reply to your letters within ten working days; and
- ▶ respond constructively to your suggestions for improving our service.



### In our decision-making processes, we will:

- ▶ notify you within five working days of receiving an application for capacity;
- ▶ follow our published procedures for handling applications – the procedures are on our website or we will post, email or fax them to you upon request;
- ▶ seek only information that we consider is reasonably necessary for us to best carry out our functions;
- ▶ protect information you provide to us in confidence (although we prefer to keep confidential information to a minimum to ensure transparent decision making);
- ▶ make our decisions consistent with the requirements of the Act and the Minister's policy statement;
- ▶ make decisions about uncontested applications, including renewals within four weeks after the end of the notification period and contested or opposed applications within twelve weeks, or inform the airline/s involved if there are reasons why a decision may take longer than this. In the case of contested renewals, the Commission will make decisions at least six months prior to the expiry date, circumstances permitting. These timeframes are applicable where the Commission has received all the necessary information from the airline/s in order to make a decision; and
- ▶ notify applicants by email within one working day of a decision being made, and other interested parties by email and on our website as soon as practicable thereafter.

### What we ask of you

We ask you to:

- ▶ provide comprehensive and accurate information within the required timeframe and by the due date;
- ▶ be open and straightforward in your dealings with us;
- ▶ cooperate fully in response to requests for information that we think is relevant to a matter before us; and
- ▶ be courteous and respectful towards our staff and work with us to resolve issues and problems.

### Accessibility

We will keep you informed quickly and comprehensively about our activities. We also endeavour to make contacting us as easy as possible. Contact details conclude this charter.

Our primary method of communication is by email. We provide information about current cases directly to interested parties who ask for it by this means. We advise you of applications received, and Commission decisions about those applications. We can email

copies of these documents to you, or provide links to the documents on our website. Please contact us if you wish to be added to either notification list.

Our website at [www.iasc.gov.au](http://www.iasc.gov.au) provides up-to-date information about the Commission's business. It includes applications received, documents relating to current cases and all Commission determinations and decisions. Other important documents are on the site, including the Act and the Minister's policy statement, as well as the Commission's procedures.

## Feedback and improving our service

We will monitor our performance against our service commitments. We encourage you to comment on our performance, including suggesting ways in which we can improve our service. Comments should be provided to the Commission's Director by mail, email or telephone.

At the end of each financial year we will assess how we have performed against our service standards. We will invite your comments on our service performance through a brief confidential questionnaire. The aggregated results of the assessments will be summarised in our annual report.

## Making a complaint

We regard complaints as part of the feedback process which helps us improve our performance.

If you are dissatisfied with any aspect of our service, it is important that you tell us so we can address your concerns. If you have a complaint you should first try to resolve the issue with the secretariat staff member you dealt with. If you are still not satisfied you should contact the Director.

## Review

We will review this charter through an ongoing consultative process with our stakeholders to ensure that it is meeting your requirements.

## Contact details

International Air Services Commission

Telephone: (02) 6267 1100  
Email: [iasc@infrastructure.gov.au](mailto:iasc@infrastructure.gov.au)  
Internet: [www.iasc.gov.au](http://www.iasc.gov.au)  
Postal address: GPO Box 630, Canberra ACT 2601  
Premises: Level 4, 111 Alinga Street, Canberra, ACT

# APPENDIX 8

## Commission office holders since 1992

The following tables set out the Chairpersons and Members of the Commission since the Commission was established in 1992.

Chairs	Period
Stuart Fowler	July 1992 to April 1993
James Bain	July 1993 to June 1998
Russell Miller	July 1998 to January 2000
Michael Lawriwsky and Stephen Lonergan (Members presiding at alternate meetings)	January 2000 to August 2000
Ross Jones	August 2000 to August 2003
John Martin	November 2003 to November 2009
Philippa Stone and Ian Smith (Members presiding at alternate meetings)	November 2009 to June 2010
Ian Smith and Stephen Bartos (Members presiding at alternate meetings)	July 2010 to February 2011
Jill Walker	9 February 2011 to 11 August 2014
Ian Douglas and John King (Members presiding at alternate meetings)	August 2014 to November 2015
Ian Douglas (Acting)	8 November 2015 to May 2016
Ian Douglas	5 May 2016 to 5 August 2021
Genevieve Butler	5 August 2021 to present



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Members	Period
Brian Johns	July 1992 to June 1997
Russell Miller	July 1992 to June 1998
Michael Lawriwsky	December 1997 to February 2007
Stephen Lonergan	August 1998 to August 2004
Vanessa Fanning	November 2004 to November 2007
Philippa Stone	July 2007 to July 2010
Ian Smith	November 2007 to February 2011
Stephen Bartos	1 July 2010 to 30 June 2013
Ian Douglas	8 November 2012 to 8 November 2015
John King	1 July 2013 to 31 December 2016
Jan Harris	24 November 2016 to 1 September 2019
Karen Gosling	1 November 2017 to 29 October 2021
Genevieve Butler	14 May 2021 to 5 August 2021
Jane McKeon (Acting)	1 October 2021 to 16 December 2021
Jane McKeon	16 December 2021 to present

# APPENDIX 9

## Glossary of terms

Act	in this report, means the <i>International Air Services Commission Act 1992</i> , as amended.
Air services arrangement	is a set of treaty and/or lower level understandings or arrangements between Australia and another country which permits the carriage by air of passengers or freight or both on agreed routes.
Allocation	a finding by the Commission, included in a determination, that an Australian carrier is permitted to use a specified amount of capacity.
Australian carrier	means a person who conducts, or proposes to conduct, an international airline service to and from Australia; and under the air services arrangements to which the capacity applies, may be permitted to carry passengers or freight, or both passengers and freight, under that arrangement as an airline designated, nominated or otherwise authorised by Australia.
Available capacity	means that an operational decision is not in force in relation to an amount of capacity available under air services arrangements, so an Australian carrier may seek an allocation of some or all of that capacity.
Benefit to the public	occurs if the Australian carrier to whom the capacity is allocated uses that capacity.
BITRE	means the Bureau of Infrastructure, Transport and Regional Economics.
Capacity	is an amount of space available on an aircraft for the carriage of passengers and/or freight. It may be expressed within air services arrangements in various ways, such as in number of seats, units of capacity, or frequency of service, usually per week, in each direction on a route.

Code sharing	is a form of joint service between two carriers. It involves an arrangement under which one carrier sells capacity under its own name on flights operated by another airline.
Commission	means the International Air Services Commission, established by section 6 of the Act.
Commissioner	means a member of the Commission including the Chairperson.
Contested application	involves two or more applicants seeking an allocation of the same limited amount of capacity.
Decision	affects an existing determination, either by confirming, varying, suspending or revoking it.
Delegate	refers to the IASC Director who has been given delegation to perform certain functions of the Commission.
Determination	allocates capacity to an Australian carrier, usually for a period of five years, but in some cases for three years (an interim determination), or for 10 or 99 years (where capacity is not limited under the air services arrangements in question).
Department	means the Department of Infrastructure, Transport, Regional Development, Communications and the Arts.
Frequency	refers to the number of flights that may be or are being operated, usually on a weekly basis.
Hand-back	where a carrier decides it no longer wishes to use allocated capacity, and applies to return some or all of the capacity.
IASC	means the International Air Services Commission, established by section 6 of the Act.
IATA	means the International Air Transport Association.
Interim determination	is a determination that is in force for three years, rather than the five (or in some cases 10) years for a standard determination. It does not carry the rebuttable presumption in favour of an incumbent carrier that usually attaches to a standard determination at the renewal stage.
Jetstar	means Jetstar Airways Pty Ltd.

Joint service	an arrangement entered into by an Australian carrier with another carrier to operate services on a joint basis. It may take different forms such as one or more of code sharing, joint pricing, or revenue and/or cost sharing or pooling. Australian carriers must receive approval from the Commission before using allocated capacity in joint services.
Member	means a member of the Commission.
Minister's policy statement	is a written instrument made by the then Minister for Transport and Regional Services on 20 March 2018 under subsection 11(1) of the Act. It sets out the way in which the Commission is to perform its functions under the Act.
Opposed application	a situation in which an interested party makes a submission arguing that an application from a carrier should not be granted by the Commission.
Qantas	means Qantas Airways Limited.
Register of available capacity	sets out the amount of capacity under each of Australia's air services arrangements available for allocation, after deducting any allocations already made by the Commission. The Department maintains the Register and is publicly available on its website.
Renewal determination	a new determination that renews an allocation of capacity made under a determination that is approaching its expiry. It may include updated terms and conditions at the Commission's discretion.
Review	involves an examination of an existing determination, either at the request of a carrier which wishes to vary the determination, or on the Commission's initiative if it is concerned that a carrier has or will breach a condition of the determination. In the case of a carrier-initiated review, the Commission may either vary the determination as requested by the carrier or confirm the determination. For a Commission-initiated review, the Commission may decide to confirm, vary, suspend or revoke the determination.
Revocation	a decision by the Commission to revoke (cancel) a determination.



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Route	is the combination of origin, destination, intermediate and beyond points (cities) which an Australian carrier may serve under an air services arrangement.
Tasman Cargo	means Tasman Cargo Airlines.
Variation	a decision amending a determination, including conditions attached to it.
Virgin Australia	refers to Virgin Australia International Airlines Pty Ltd and/ or Virgin Australia Airlines (SE Asia) Pty Ltd.



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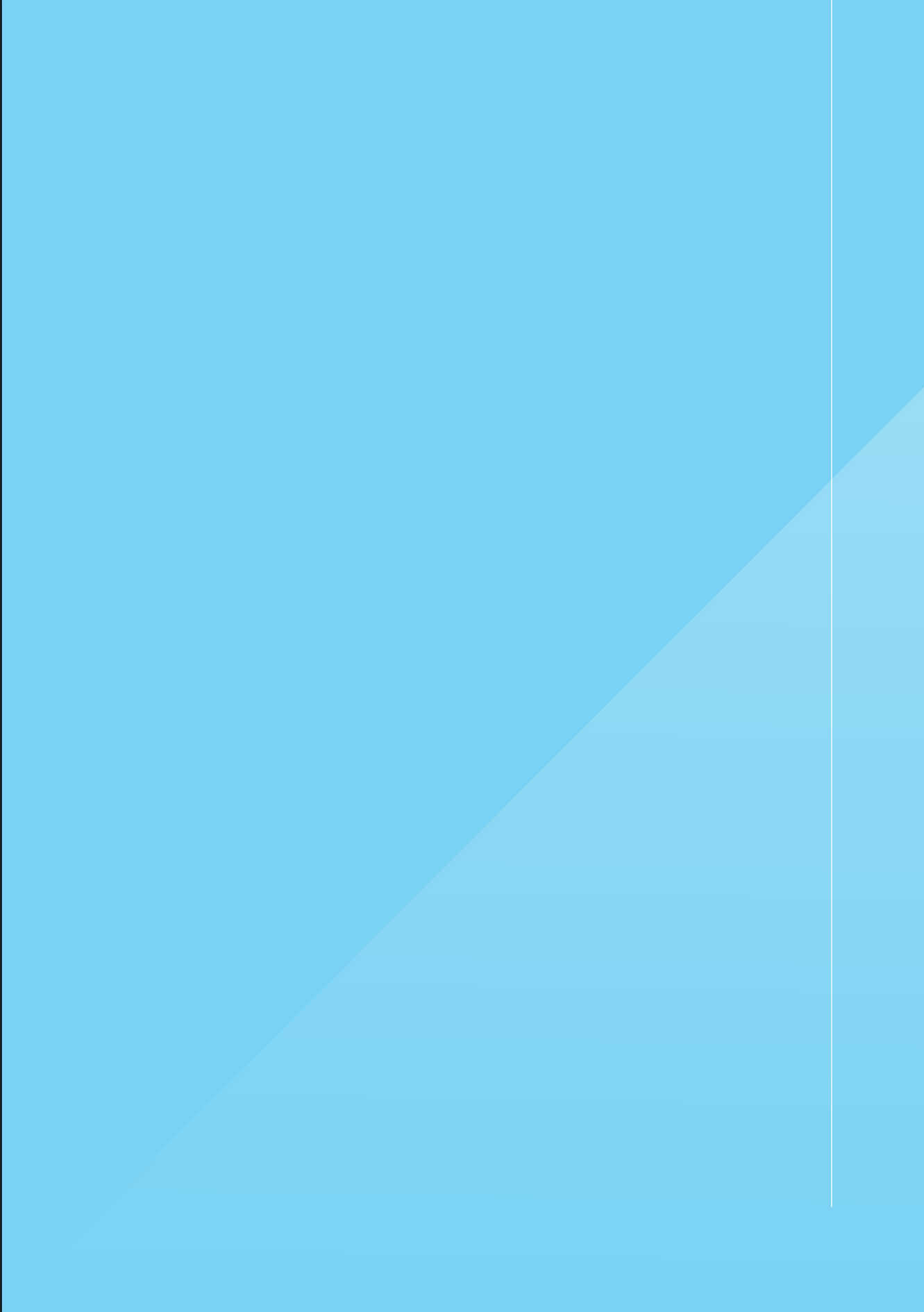
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