

28 February 2023

Ms Jasmina Ackar Director International Air Services Commission PO Box 630 CANBERRA ACT 2601

Via email: Jasmina.Ackar@infrastructure.gov.au

Dear Ms Ackar

## Indonesia Route - Renewal of Determinations [2017] IASC 132 and 133

I refer to your email of 16 February 2023, in relation to Determinations [2017] IASC 132 and 133 which allocate capacity to Virgin Australia international Airlines (Virgin Australia) on the Indonesia route.

As the Commission is aware, Virgin Australia recommenced services to Indonesia (Denpasar) from Melbourne, Brisbane, and Sydney in mid-2022.

Since that time, Virgin Australia has also extended its network to include services from Adelaide (recommenced in December 2022), and the first ever services from the Gold Coast (commencing in March 2023).

As a result, Virgin Australia is utilising all capacity allocated to it (4924 seats per week in both directions) through B737-800 services from Melbourne (14 per week), Brisbane (7 per week), and Sydney (7 per week) with unrestricted capacity on services from its other current ports (Adelaide and the Gold Coast).

## **Determination [2017] IASC 132**

Determination [2017] IASC 132 initially allocated a total of 1980 seats per week in each direction on the Indonesia route, but a variation sought by Virgin Australia and approved by the Commission in December 2017 reduced the allocated capacity allocated to 692 seats per week.

A further variation was also sought by Virgin Australia and approved by the Commission in December 2022, to recognise Virgin Australia's new partner airline and code share arrangements.

Virgin Australia advises that it is seeking to renew the Determination as varied by Determination [2022] IASC 221 for a period of five years and is not proposing any other changes to the conditions which have previously been set out by the Commission.

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## **Determination [2017] IASC 133**

Determination [2017] IASC 133 allocates a total of 1260 seats per week in each direction on the Indonesia route. There have been no capacity reductions in relation to this Determination.

However, a variation was sought by Virgin Australia and approved by the Commission in December 2022 to recognise Virgin Australia's new partner airline and code share arrangements.

Virgin Australia advises that it is seeking to renew the Determination as varied by Determination [2022] IASC 221 for a period of five years and is not proposing any other changes to the conditions which have previously been set out by the Commission.

## **IASC Act and Policy Statement Considerations**

Virgin Australia requests that the Commission consider this application pursuant to section 25 (1) of the *International Air Services Commission Act 1992* and the 'reasonable capability criterion' as defined in section 8 of the Minister's Policy Statement.

Virgin Australia would be pleased to provide further information if required and thanks the Commission for its consideration of these matters.

Yours sincerely

Chris Daffey

**Head of Government Affairs**