

# Guidelines for international airlines – Cabotage requests

## Introduction

Cabotage is the practice of allowing foreign airlines (airlines domiciled in countries other than Australia) the right to carry passenger and freight for reward on domestic routes within Australia.

Within Australia, with the exception of New Zealand carriers, foreign international carriers are not permitted to serve domestic routes unless there are exceptional circumstances where no domestic carrier is able to transport certain domestic traffic within a reasonable time.

Foreign airlines must request and receive a cabotage dispensation from the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department) prior to the service occurring.

These guidelines are designed to assist foreign airlines applying to the International Aviation Branch of the Department for permission to operate cabotage services.

An application for permission to operate cabotage is required to satisfy a number of other regulatory requirements relating to safety, security, and environmental protection. These additional requirements and the relevant contact details are set out below.

These guidelines are for information only. They are not and do not purport to be legal advice on an applicant's duties, rights and responsibilities. These guidelines may be changed from time to time to reflect changes in policy, or clarify various matters in the light of enquiries or submissions received.

Applicants should contact the Department at the time of their cabotage application about whether any changes to these guidelines are likely to affect consideration of their application.

## Who should read these guidelines?

You should read these guidelines if you are a representative of a foreign airline proposing to utilise cabotage rights within Australia.

Cabotage is the right of a foreign airline to operate a commercial domestic flight, that is the carriage of passengers or cargo, between two airports within Australia.

If you are unsure whether your proposed flight(s) are cabotage, please contact the Department in advance.

## Australian Government policy objectives and strategy

The Australian Government's policy in relation to cabotage is to improve connectivity and freight transport in parts of Australia with limited aviation connectivity.

The Government will meet this objective by:

- Considering cabotage requests on a case-by-case basis;
- Linking favourable consideration of a cabotage request to consumer needs where there is a:
  - demand that no Australian airline operator is able to satisfy, or
  - the proposed route is not currently served by an Australian airline operator;

- Ensuring that international airlines' meet Australia's aviation safety and security requirements and protect Australian consumers from financial loss in the event that the foreign airline fails to fulfil its obligations to them.

### **How do I apply for permission to operate cabotage services within Australia?**

To obtain permission to operate cabotage services and uplift cargo or passengers in Australia, an international airline must make an application to the Department. This should be done by email to [internationalaviation@infrastructure.gov.au](mailto:internationalaviation@infrastructure.gov.au).

Applications should be lodged at least seven days prior to the operation of the proposed flight(s). Where relevant, the Department will align approvals with the two international airline timetable periods (Northern Winter and Northern Summer).

The application must contain the following information:

- the relevant flight details;
- the domestic traffic to be transported (e.g. number of passengers or the freight to be carried);
- details of on whose behalf the traffic is being transported, if it is not the airline itself; and
- confirmation that no domestic carrier is able to transport the traffic on a timely basis – usually in the form of an email from the relevant Australian carriers.

### **Consideration of an application to operate cabotage services within Australia**

When determining a cabotage application, the Secretary or delegate will have general regard to the following:

- **The need for passengers, cargo or mail to be transported by aircraft**

The Secretary will take into consideration the route, including whether services are one off, seasonal or taking place to transport passengers or cargo to a special event. In doing so, the Secretary will favourably consider those applications that respond to consumer needs.

- **The promotion of trade and tourism in Australia**

The Secretary will favourably consider services that promote Australia's domestic trade and tourism—for example, those that serve new or developing markets that no Australian carrier is able to satisfy.

- **Whether the route serves a wide range of places in Australia**

The Secretary will favourably consider services that serve more than one Australian airport and improves connectivity and freight transport to parts of Australia with limited aviation connectivity.

- **Whether the Australian aviation industry will benefit from the services**

The Secretary will consider what benefits the Australian aviation industry will receive from these services. Examples of such benefits may include, aeronautical fees paid to airport operators, and the international airlines use of Australian ground-handling, catering and other aviation-related services.

## Other necessary approvals

The foreign airline shall at all times operate the approved services in accordance with the provisions of the *Air Navigation Act 1920*, the *Civil Aviation Act 1988*, the *Aviation Transport Security Act 2004* and the regulations made under these three Acts.

All services conducted by the airline shall at all times be operated in accordance with the following:

- a valid [Transport Security Program](#) approved under part 2 of the *Aviation Transport Security Act 2004*;
- a [valid Foreign Air Transport Air Operator's Certificate, Air Operator's Certificate](#) or other appropriate approval issued by the Civil Aviation Safety Authority or delegate thereof OR, for New Zealand carriers operating under Australia and New Zealand ANZA privileges, appropriate approval issued by the New Zealand Ministry of Transport;
- a valid charter or timetable approval issued by the Secretary to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts or delegate thereof; and
- any specified conditions applied or applicable to such approvals.

This service must also be operated in accordance with a valid [section 27A approval](#) issued by the Civil Aviation Safety Authority of Australia.

The [National Passenger Processing Committee](#) also requires that advance notice be given to border control authorities when domestic passengers are proposed to be carried on the same service as international passengers.