

MEDIA RELEASE

JOHN ANDERSON

DEPUTY PRIME MINISTER
MINISTER FOR TRANSPORT
AND REGIONAL SERVICES
LEADER OF THE NATIONAL PARTY

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FOREIGN INTERNATIONAL AIRLINES AND DOMESTIC SERVICES

The Federal Government will not extend the temporary cabotage dispensations that were issued to foreign international airlines following the grounding of Ansett, the Deputy Prime Minister and Minister for Transport and Regional Services, John Anderson, announced today.

The cabotage dispensations enabled sixteen foreign international airlines to carry domestic passengers. The dispensations were issued on the basis that they expired on 31 December 2001, and will not be extended.

"The grounding of Ansett dramatically reduced the number of seats available on Australia's domestic air routes. As part of our response, the Government allowed international airlines to carry domestic passengers on a temporary basis.

"Qantas and Virgin Blue have significantly expanded the number of aircraft they are operating, and Tesna is expected to start flying at the end of January, subject to the necessary safety approvals. We do not believe it is necessary to extend the dispensations.

"The Government is aware that United Airlines has inadvertently sold tickets for flights from Sydney to Melbourne after 31 December 2001. The airline will be contacting the affected ticket holders in the immediate future to put together alternative flight arrangements," Mr Anderson said.

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