



COMMUNITY LOSES OUT OVER UNFAIR COUNCIL DECISION

Dear Rex passenger,

We would like to keep you informed of the latest developments relating to the Dubbo airport screening charges issue. Unfortunately the steadfast unfairness of the Council has led to the entire community losing out.

Please see below for our latest media release (published 14 Mar 13) regarding this issue. We have also included a copy of our media release published on 28 February which further explains our decision.

The Rex Team.

MEDIA RELEASE
14 MARCH 2013

REX REDEPLOYS DUBBO SERVICES

Regional Express (Rex) has today announced that it will redeploy services from the Dubbo to Sydney route to the Wagga Wagga to Sydney route with effect from April 2013.

Rex had earlier announced on 28 February 2013 that it would set in motion plans for the redeployment of Dubbo services to other NSW regional centres that do not impose charges for airport screening.

This followed a decision by Dubbo City Council (DCC) that requires Rex passengers to be screened and to pay screening charges of about \$9.00 per departing passenger which equates to an annualised screening charge to Rex of more than \$300,000 for a requirement that is only legally applicable to QantasLink Q-400 operated services.

Effective from April 2013 the number of Rex services between Dubbo and Sydney will be cut from 82 weekly services to 73 weekly services, equating to a reduction in annual seats of 15,912. The Dubbo to Sydney cutbacks will see week day services reduced from 7 return services to 6 return services. The reduction of 9 weekly frequencies between Dubbo and Sydney are all linked to peak Sydney airport slots which have been reallocated to Rex's Wagga Wagga to Sydney route.

Commenting on the Rex network changes, Rex General Manager of Network Strategy and Sales said that "Rex had to respond to the significant screening charges being imposed by Dubbo airport as it represents a material step-change in operating costs of more than \$300,000 on an annualised basis. Such screening costs don't exist elsewhere in our NSW regional network, including at Wagga Wagga, where Rex also operates parallel services with QantasLink Q-400 services on the Wagga Wagga to Sydney route"

"Rex will continue to redeploy its Dubbo resources over the next few years whenever suitable opportunities present themselves."

Regional Express (Rex) is Australia's largest independent regional airline operating a fleet of more than 40 Saab 340 aircraft on some 1,300 weekly flights to 35 destinations throughout New South Wales, Victoria, Tasmania, South Australia and Queensland. The

Rex Group comprises Regional Express, air freight and charter operator Pel-Air Aviation and Dubbo-based regional airline Air Link, as well as the pilot academy Australian Airline Pilot Academy.

End of Media Release

MEDIA RELEASE
28 FEBRUARY 2013

DUBBO MAYOR NOT COMMITTED TO FINDING SOLUTION

At the initiative of the Regional Express (Rex) Executive Chairman, a meeting was held today with the Mayor of Dubbo to explore solutions to the deadlock on the security screening charges issue at Dubbo airport.

On 25 February 2013, Dubbo City Council (DCC) passed a resolution requiring Rex passengers to be screened and to pay screening charges of about \$9 per departing passenger. Rex passengers are not required to be security screened under the Office of Transport Security (OTS) Air Transport Safety Regulations (ATSR). QantasLink's passengers travelling on the larger Dash 8 Q400 aircraft are legally required to be screened.

Rex feels that it is blatantly unfair for its passengers to be subsidising QantasLink by more than \$300,000 per annum for a requirement that is only legally applicable to QantasLink.

Following the meeting between Rex Management and the Dubbo Mayor today, Rex has formed the view that the Mayor is not committed to finding a solution in a timely manner. Consequently, Rex will set in motion plans for the redeployment of Dubbo services to other NSW regional centres that do not impose charges for airport screening. Rex will also refuse to pay any security charges imposed henceforth.

The Regional Aviation Association of Australia (RAAA) that represents over 100 airlines and aviation-related companies has strongly condemned the position taken by DCC: "Dubbo City Council's decision to apply screening charges to all operators, whether they trigger passenger screening or not, is unjust and should be repealed immediately. Dubbo's decision is clearly out of step with the majority of local councils with RPT airports."

"In short, the RAAA believes that if an operator is captured by the security regulations it is that operator alone who should pay for the security screening charges applied by the airport owner."

The NATIONALS Leader and Shadow Minister for Infrastructure and Transport Warren Truss has also weighed in on this matter: "There has been no substantial security case established to justify requiring security screening of passengers on these smaller aircraft."

Rex thanks the more than 200 concerned constituents who have lodged their protest. The petitions can be viewed at www.rex.com.au (click on *Stop Screening Charges at Dubbo*).

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Rex currently services the Dubbo community with 8 daily services to Sydney and Broken Hill and deploys 75 of its weekly NSW regional ring-fenced Sydney airport slots during the peak periods to these services.

End of Media Release

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