

Gillard Government policies hitting Rex hard

The Gillard Government is undermining the viability of key aviation routes on the North Coast with the Carbon Tax and red tape hitting regional carrier Rex hard, Federal MP Luke Hartsuyker said today.

Rex has released a statement highlighting how many regional airlines are 'struggling for survival' because Federal Government policies were 'decimating regional aviation'.

"The Carbon Tax has cost Rex \$1.3 million in the first six months of this financial year which equates to around 10 per cent of its total profit.

"Rex has made it clear it is being squeezed by both the Carbon Tax and the increased burden of regulatory measures introduced by the Gillard Government.

"The airline has also confirmed that government policies have been responsible for increased costs and a drop in passenger numbers.

"Rex delivers an invaluable service to many North Coast communities, including Lismore, Ballina, Grafton and further south to Taree. They are important to the tourism sector and ensure communities have access to both business and government services.

"The loss of aviation services in some regions can lead to the loss of other services such as health where medical professionals need direct access to those communities.

"To remain competitive all airlines have to consistently review the viability of its operations.

"It is clear that some routes are more marginal than others and that's what the Federal Government simply doesn't understand.

"Rex has already announced that it expects further 'degradation' of its performance in the second half of this financial year.

"I fear this may be the tipping point for some of the most marginal routes but I hope the airline retains all services on the North Coast. The Federal Member for Page Janelle Saffin should be standing up for regional aviation and getting rid of the Carbon Tax

“If elected to govern on September 14 the Federal Coalition is committed to axing the Carbon Tax and cutting red tape for business.

“This will give regional aviation the boost it needs and help with the economic development of our regional communities,” Mr Hartsuyker said.
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