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## MEDIA RELEASE

### REX REGRETS CAIRNS AIRPORT POSITION ON COMMUNITY FARE

Regional Express (Rex) is responding to the position taken by Cairns Airport as reported in The North West Star on 23 January 2018:

*Cairns Airport Chief Commercial Officer Aviation, Paul McLean, said he has been in ongoing discussions with Rex on how Cairns Airport might most effectively work with them on the community airfares initiative.*

*"Airport charges are a small portion of total airfare and travel costs," Mr McLean said. "Cairns Airport charges \$13.62 for an arriving passenger and \$16.45 for a departing passenger. For comparison, the cost of a taxi from Cairns Airport to the city is around \$25."*

The Community Fare is designed to provide residents who require travel for medical, educational and family reasons, with access to low fares. These low fares are normally not possible as they are commercially unviable. To achieve these low fares, Rex and the airport owners will forfeit their profits on any seats booked under the Community Fare.

It is regrettable that Cairns Airport is not willing to assist the less fortunate in the community by foregoing the head tax for the Community Fare, which would have resulted in the ticket prices reducing by a further \$15 per sector.

Cairns Airport seems to view the \$15 per passenger as small change. However, for a family of four that needs to make a return trip, this would cost the family an additional \$120. For Rex, its earnings per passenger are not even \$14.

In fact, Rex is not asking the airport to receive less revenue on the route. Rex is prepared to guarantee the annual revenue on the route for the next five years with CPI increases. Cairns Airport refusal to participate in the Community Fare Scheme means that it is in fact profiting on the backs of families that would not have travelled by air, if not for the scheme.

We applaud Queensland Airport Limited, the owner of Mount Isa Airport, for assuming its Corporate and Social Responsibilities by participating in the scheme. Rex is committed to extending this partnership to Cairns Airport, if and when they are ready to assist the less fortunate in the community.

**Regional Express (Rex)** is Australia's largest independent regional airline operating a fleet of more than 50 Saab 340 aircraft on some 1,500 weekly flights to 58 destinations throughout all states in Australia. In addition to the regional airline Regional Express, the **Rex Group** comprises wholly owned subsidiaries **Pel-Air Aviation** (air freight and charter operator), **Air Link** (Dubbo-based regional airline) and the **Australian Airline Pilot Academy**.

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