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Regional Express scraps Snowy Mountains route

By: Zachary Coronos

Regional Express Holdings Limited (REX) has made a number of flight changes as a result of the continuing pilot shortage. Rex said it would withdraw from the Cooma, Snowy Mountains to Sydney route indefinitely, which had been planned to recommence from 6 June 2008, as well as reducing flying activities elsewhere in the network.

General manager of network strategy and sales, Warrick Lodge said when the company announced the decision to suspend the summer schedule for Cooma, they were counting on a lessening of the recruitment activities of the major carriers over the winter period.

Unfortunately this was not to be and in the most recent month of April, Rex experienced 5% attrition in their pilot ranks, with the attrition rate in this FY tracking above 50%.

“The continued high attrition rate means that our flight schedules remain vulnerable to last minute sickness of the flight crew,” the company said.

“We believe that the responsible course of action is to reduce the flight schedule, which will provide us with more reserve pilots and in turn will translate into a reduction of last minute flight cancellations.”

Other changes in the Rex network include some flight reductions, particularly relating to lower demand weekend flights, Rex said.

“Routes impacted include Adelaide to Mount Gambier, Melbourne to Mount Gambier, Melbourne to Mildura, Melbourne to Albury and Sydney to Griffith,” The airline said in a statement to the ASX.

“Overall this will see a reduction in the planned flying activities of around 3%.”

Rex recently announced that it had taken full ownership of the pilot academy, which is now called the Australian Airline Pilot Academy (AAPA).

Chief pilot and general manager of flight operations, Chris Hine said the second batch of 23 cadets commenced their training on 7 April 2008, bringing the total cadets to 39.

“With the first batch of cadets now well into the flying stage of the training, everything is on track for this first batch to graduate later in the year and commence their conversion training onto Rex’s Saab 340 aircraft,” he said.

“Once our cadets start to enter into service late this year, we believe that we will be in a much better position to be in control of our pilot strength and

hopefully we could envisage a gradual resumption of our network expansion.”

Rex is Australia’s largest independent regional airline operating a fleet of 38 Saab 340 aircraft on more than 1,200 flights weekly to 23 destinations from Sydney, Melbourne and Adelaide.

By 1453 AEST, shares in **REX** had retreated 1.5c **\$1.065**.

