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MEDIA RELEASE

REX CALLS FOR ACCC INQUIRY AS A PRELUDE TO PRODUCTIVITY COMMISSION REVIEW

Rex today commended the Government for its announcement of a Productivity Commission (PC) review of airport pricing, investment and services as part of a major public inquiry into the economic regulation of the major Australian airports.

Rex noted that Minister Albanese was making good on the Government's promise made in April this year to bring forward the PC Inquiry from 2012 as a result of serious concerns flagged by the ACCC with regard to Sydney Airport in its *Airport Monitoring Report* released earlier this year.

However the PC does not have the legal powers to compel Sydney Airport to fully open up its books and be fully transparent with its pricing regime. Only an ACCC Inquiry ordered by the Minister under Part VIIA of the Trade Practices Act can achieve this outcome.

Rex Managing Director Jim Davis commented that "Rex has made a formal submission on 17 November 2010 to Minister Albanese to convene such an Inquiry. This Inquiry would establish the factual and objective baseline for the deliberations of the PC and is a necessary precondition for the successful deliberations of the PC given that the last time such a study was conducted was about 10 years ago when conditions were drastically different."

Rex has called on its regional stakeholders to join it in urging the Government to institute an ACCC Inquiry into Sydney Airport and is gratified with the extent of support received. Stakeholders can visit:

www.rex.com.au/AboutRex/InTheCommunity/Petition/background.aspx to participate in this initiative.

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.

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