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MEDIA RELEASE

REX CAUTIONS REGIONAL COUNCILS AGAINST CEDING CONTROL OF ITS AIRPORTS

Regional Express (Rex) has today responded to recent media articles relating to Adelaide Airport's interest in controlling 7 regional South Australian airports as well as Broken Hill in Western NSW.

Rex said that regional airports are a critically important public asset that has been vested by the Commonwealth to the local communities. Together with regional airlines, regional airports play a pivotal role in providing an essential connection between regional Australia and its capital cities which is critical for the socio-economic fabric of the regional communities. Decisions concerning the airport should not be made purely on commercial outcomes but on consideration of the overall cost/benefits to the local community.

As the sole provider of regional air services to the majority of the smaller regional communities in South Australia, Victoria, Tasmania and New South Wales, Rex has witnessed first hand the effects of councils commercialising its airport or treating the airport as a profit centre.

Invariably the new management would lose sight of the strategic importance of the airport and the essential air services operating to it and focus its attention on the short term commercial outcome. This myopic approach inevitably leads to higher airport charges that trigger a downward spiral of higher ticket prices, fewer passengers, reduced flight frequencies and in some cases even a withdrawal of services. An airport without an air service is then only useful to property developers.

Should a council seriously consider handing over control of its airport then it should undertake a fully transparent, thorough and public tender evaluation process with the most efficient operator being chosen to operate the airport.

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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