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MEDIA RELEASE

BRINDABELLA IN ADMINISTRATION - A WAKE-UP CALL TO THE MINISTER FOR INFRASTRUCTURE AND REGIONAL DEVELOPMENT

As forewarned by Regional Express (Rex), aviation in Australia is in dire straits today after six years of neglect and oppressive policies by the Federal Labor Government. Qantas, Virgin Australia and Tiger are all expected to suffer heavy losses this financial year but it is regional aviation in particular that is in danger of an irreversible terminal decline as it does not have the deep pockets needed to survive the current environment.

Such is the toxicity of this environment that Brindabella, an erstwhile excellent regional carrier with almost two decades of proud history, is not able to escape the fate that has already claimed about a dozen well-established regional airlines (including Sunshine Express, Macair, O'Connor Airlines, Great Western, Airlines of South Australia, Horizon Airlines, Big Sky Express and Emu Airways), and has had to ground its entire operation and call in administrators from KordaMentha over the weekend.

Rex calls on the Federal and State governments to take immediate action to reverse the decline instead of prevaricating endlessly with review committees and committees of inquiry. In particular, Rex calls on the Federal Minister for Infrastructure and Regional Development, Warren Truss, to deliver on the election promises embodied in his action plan for aviation which included the reversal of disastrous policies of its Labor predecessors by removing the carbon tax, reducing increased compliance costs and re-introducing the en-route rebate scheme.

Rex's Executive Chairman Lim Kim Hai warns, "If nothing significant is achieved within the next three months, Brindabella's collapse could well be a precursor of more to come in the regional sector. It would be ironic if the decimation and collapse of regional aviation in Australia took place under the Nationals' watch."

"Rex is drawing up plans to provide emergency services to some of the communities that are no longer serviced by Brindabella if and when Transport NSW removes the licensed exclusivity of Brindabella to these routes. As for the Sydney to Orange and Sydney to Newcastle routes that Rex already services, Rex will provide access to our cheapest fares for Brindabella's passengers that have already paid for a confirmed seat. These passengers can call our Customer Contact Centre for a booking on 13 17 13."

"Rex will also do its best to alleviate the difficulties and uncertainties of Brindabella staff affected during this festive period. Already we are being inundated by job applications and we will be doing our utmost to confirm job opportunities for interested applicants before Christmas."

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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