

Source: Travel Daily, 28 Aug 14

Rex the “last man standing”

REGIONAL Express today reported a \$7.725m profit for the year to 30 Jun, reiterating its mantra that “Australian aviation is in crisis.”

The carrier said the decline was due to continued deterioration of the economy which saw passenger numbers down 3.4%, combined with record high fuel prices and lower interest income.

Rex says it is the “last man standing” in regional aviation, amid a litany of airlines which have failed in the last decade.

“In the last nine months alone, three more names have been added to the graveyard of Australian regional carriers,” said chairman Lim Kim Hai, citing departures such as Horizon Airlines (2004), Great Western Airlines (2005), Airlines of South Australia (2005), Emu Airways (2005), Aboriginal Air Services (2006), Sunshine Express (2006),

Big Sky Express (2006), Transair (2006), O’Connor Airlines (2007), Aero-Tropics Air Services (2008), MacAir Airlines (2009), Regional Pacific Airlines (2010), Tasair (2012), Aeropelican (2013), Brindabella Airlines (2013) and Vincent Aviation (2014).

Despite the conditions, the Rex Group is “Australia’s most profitable listed passenger airline for the third year running”.

Lim Kim Hai said the carrier had embarked on an ambitious investment program, and was facing the year ahead with “serenity and muted optimism.

“There are already some very preliminary signs that we are near the bottom of the economic downturn,” he said, adding that the recent removal of the carbon tax should give the economy a further boost.

“I am confident that our best is yet to be,” Lim added.

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