

Source: Mudgee Guardian

## **REX calls route unviable without rebate**

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REX has told the Mudgee Guardian that it would consider maintaining the Mudgee to Sydney route if the federal government's enroute rebate were maintained.

We asked REX managing director Jim Davis "if it were not cancelled, would you commit to maintaining the Mudgee-Sydney service" and a spokeswoman for Mr Davis replied "there are other factors involved but we would certainly consider it."

This would place the ball squarely in the court of Federal Minister for Infrastructure, Transport, Regional Development and Local Government Anthony Albanese.

We also asked how the route was unviable since passenger numbers had grown markedly since 2002 and were told Mudgee would have to triple its current passenger numbers to warrant keeping the service.

"Mudgee is the best of the routes currently serviced by the piston engine aircraft. However once the other, less viable, routes cease we would have to maintain the piston aircraft for just one route with all the associated overheads (including the not insignificant cost of flying such a small aircraft into Sydney airport) and it would not be viable," the spokeswoman said.

"Similarly we could not support a 19-seat turbo prop aircraft with its overheads for one RPT route of around 9000 passengers.

"The aging fleet with the piston engine aircraft that were all built between 1979 and 1983 and some of which are approaching the end of their certified life. They do not make these aircraft anymore. On Rex's 30 routes, we carry approximately 1.4 million passengers annually, so the average route is between 40,000 and 50,000 passengers annually. Dynamics vary considerably from route to route but in today's operating climate we require at least 30,000 annual passengers to make a regional route viable."

Mudgee currently has about 9000 passengers annually.