

Source: Mudgee Guardian

Yes or no Air Link?

BY LISA GERVAIS
13/11/2008 5:06:00 PM

Mayor Percy Thompson and general manager Warwick Bennett asked Regional Express (REX) Airlines managing director Jim Davis some tough questions at crisis talks last night in Sydney.

For example, they demanded to know why REX is blaming the future loss of a federal government enroute rebate for cutting the Mudgee to Sydney service when that rebate will remain in place for another four years.

In announcing its plans earlier this week, Mr Davis said "we are heeding the federal government's advice to prepare for the termination of the enroute rebate by starting to phase out all marginal routes that would not be commercially viable without the incentive."

However, a spokesman for federal transport minister Anthony Albanese confirmed the enroute rebate would remain in place until 2012. The rebate decision has since come under fire and Member for Parkes, Mark Coulton has joined council in seeking its reinstatement.

Another of the key questions is, would REX commit to maintaining the service if the federal government can be convinced to retain the enroute rebate.

The Mudgee Guardian is also chasing Mr Davis for an explanation about the viability of the service since it appears that passenger numbers on the Mudgee-Sydney route have grown significantly since 2002-2003 and the community has asked for more flights and larger airplanes.

REX has also blamed spiralling costs, ever increasingly regulatory requirements and the shortage of pilots and engineers for its decision to cease operations on December 20.

Cr Thompson said he would be focusing on urging the federal government not to scrap the rebate - which is worth \$6 million a year to airlines.

"The important thing is that it doesn't happen. Why would they want to cut funding that helps airlines fly into isolated areas, for example, bringing medical specialists. It is just unbelievable."

Mr Bennett has also confirmed that he, the mayor and Mr Coulton will meet with Mr Albanese on December 4 in Canberra.

If the rebate is scrapped, Cr Thompson said he would go after the state government for funding.

Cr Thompson, who is attending a mayor's meeting in Sydney today, was hoping to schedule a meeting with State Transport Minister David Campbell. He is also attending the Australian Council of Local Government inaugural meeting in Canberra next Monday and Tuesday and hopes to raise the issue.

Cr Thompson could not believe there was no public consultation before Monday's announcement that the service would be cut five days before Christmas.