

Rex to take Qantas service to ACCC

REGIONAL Express Holdings Ltd (Rex) has complained to the competition watchdog about the behaviour of a Qantas carrier servicing a route in North Queensland.

Regional carrier Rex has called on the Australian Competition and Consumer

Commission (ACCC) to investigate QantasLink's pricing practices on the Townsville to Mackay route in North Queensland.

Rex announced in August that it would begin commercial air services between Townsville and Mackay

from October 1 this year.

REX general manager for network strategy and sales Warrick Lodge said QantasLink immediately responded by dropping its entry level fare by 35 per cent to \$99 and "dumping an additional 40,000 annual seats on the route".

Mr Lodge said

QantasLink's equivalent fares on the Mackay to Rockhampton route, where there was no alternative carrier, "remained at \$135 and were in fact recently increased to \$140".

"Rex is not afraid of fair competition and we have been competing suc-

cessfully with QantasLink for the past seven years," Mr Lodge said in a statement yesterday.

"However, we do not have the deep pockets of Qantas and we cannot continue hemorrhaging on a route indefinitely."