

29 March 2019

Senate Standing Committees on Rural and Regional Affairs and Transport

Dear Committee Secretariat,

Regional Express (Rex) refers to the Inquiry into the operation, regulation and funding or air service delivery to rural and regional communities and the public hearing held in Darwin on Friday 15 March 2019.

Rex prefers to page 22 of the proof Hansard with reference to questions by Senator Rex Patrick to Qantas in regards to security screening.

Senator Patrick: I'm trying to understand what that particular regulation, (referring to security screening 40 seat aircraft threshold) were it to pass through the parliament, would do in terms of putting regional routes at risk and, indeed, what effect you think it would have to the cost of the other routes that you would have to adjust. I want a really clear understanding of the effect that this will have on your operations.

Rex states for the record that with the introduction of the proposed security measures for regional airports, there will not be any regional airport in Australia that is at risk of losing its regional air service solely because of the proposed new aircraft seat thresholds for security screening at regional airports.

Rex operates regional air services to 60 destinations, which includes more than 50 regional ports and Rex will continue to service these regional communities under the proposed new security screening regime. The concerns raised by Senator Patrick in this area are therefore misguided.

For the awareness of the Committee, I have also attached Rex's response to the Productivity Commissions Draft Report into the Economic Regulation of Airport. Specifically I refer to page 10 of the Rex submission that highlights that airport costs make up a significant proportion of Rex's operating costs.

Yours Sincerely,

Warrick Lodge General Manager

Network Strategy & Sales Regional Express (Rex)

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