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Rex defends fares as O'Connor's future discussed

The administrator of O'Connor Airlines is meeting the South Australian Government to discuss the company's future.

The airline, based at Mount Gambier in South Australia, has gone into voluntary administration with debts of several million dollars, but flights will continue as normal for now.

O'Connor flies between Adelaide, Mount Gambier and Mildura in north-west Victoria, and is the only operator flying direct between Adelaide and Port Augusta.

Another airline, Regional Express (Rex), has defended its pricing policy, saying it has nothing to do with its competitor's financial woes.

O'Connor Airlines blames tough competition and discount prices for its debts.

But Jim Davis, from Rex, says his company's prices are set only with its customers in mind.

"We haven't gone out of our way to target any competitor. We just put our prices as cheap as we're able to, even when we're the only operator, and that's been the way Rex has gone by providing a cheaper product or a better price," he said.



Competitor Rex says its pricing policies cannot be blamed for the troubles faced by O'Connor Airlines. (Rex)