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## MEDIA RELEASE

### REX CONSIDERS LAUNCHING LEGAL ACTION AGAINST QANTAS FOR PREDATORY ACTIONS

Rex said today it was seeking legal advice on its legal remedies in the face of Qantas' anti-competitive behaviour in the form of capacity dumping and predatory practices.

This is in addition to Rex's formal complaints lodged with the Australian Competition and Consumer Commission (ACCC) regarding enforcement action on this matter.

Since Rex's announcement in June last year of its foray into domestic routes, Qantas has tried to intimidate Rex by commencing services into nine regional routes in competition against Rex. These routes were just marginal for one carrier and certainly too small for two operators especially for a carrier using aircraft that has twice the capacity.

When this failed to make Rex withdraw from domestic expansion, Qantas then dumped 80% extra capacity on Rex's domestic launch route in March this year, even though February's load factor for this route was only about 55%.

"Now Qantas has publicly begged for another bailout from the Federal Government in the form of a JobKeeper-style support, even though it has already received about \$2 billion commitments in Federal and State assistance," Rex Deputy Chairman, the Hon John Sharp AM, said.

"Qantas is already the recipient of one of the biggest bail-outs in Australian corporate history even though it has performed badly in comparison to other global airlines over the past 12 years." Mr Sharp said.

"It would be an irresponsible use of public funds to provide Qantas with even more government money when they have demonstrated no hesitation in using tax payer funds to finance loss-making predatory activities that are designed to destroy competition."

"Providing Qantas with more funds would simply be encouraging more loss-making anti-competitive behaviour, resulting in higher fares for the travelling public and fewer jobs if Qantas succeeds in destroying its competitors. At a time when most businesses are still suffering badly from the pandemic, it is simply unconscionable to continue pouring hundreds of millions of dollars to a company that has acted so blatantly against the public interest."

**Rex** is Australia's largest independent regional and domestic airline operating a fleet of 60 Saab 340 and six Boeing 737-800NG aircraft to 61 destinations throughout all states in Australia. In addition to the airline Rex, the Rex Group comprises wholly owned subsidiaries Pel-Air Aviation (air freight, aeromedical and charter operator) and the two pilot academies, Australian Airline Pilot Academy in Wagga Wagga and Ballarat.

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