

REX AIRLINES — INTRASTATE AIR ROUTES

525. Mr P.J. RUNDLE to the Minister for Transport:

I, too, as shadow Minister for Sport and Recreation on behalf of the opposition wish the Matildas all the best for tonight.

I refer to the recent announcement that Rex Airlines has been awarded for five years exclusive rights to operate on select regional Western Australian routes, which are fully regulated by the state government, including routes between Perth and Albany, Esperance, Carnarvon and Monkey Mia.

- (1) Noting the concerning trend of significant delays and unreliability of services provided, what specific time lines and measures have been put in place to ensure that Rex Airlines complies with its obligations to provide residents, medical professionals, and accommodation and tourism providers with a service they can rely on?
- (2) Can the minister outline to the house what steps she will take as minister if Rex Airlines fails to meet its obligations?

Ms R. SAFFIOTI replied:

I thank the member for the question.

- (1)–(2) I find the whole issue of aviation deeply interesting. During COVID we saw a lot of airlines struggle. Post COVID we are now seeing a massive bounce back in travel around the world, across the nation and within WA. As a result, many airlines have been struggling with getting pilots back in their planes and also with aircraft availability. As a result, all airlines, whether people have experienced this nationally, internationally or domestically, have had a level of cancellations and some on-time performance, whether departures or arrivals, has not been what is expected. It is an issue across the economy and the aircraft sector.

In relation to areas that only one flight, or aircraft, services, any issues of cancellation and on-time performance are exacerbated because people do not have another choice. I understand and respect the views from many in Albany, in particular, and Esperance and the representatives from those areas. The member for Albany and Hon Shelley Payne have raised some of the community's concerns with Rex's performance. But in looking and considering the independent assessment of the tender process, I asked to look at the cancellation rates and the on-time performance rates of this airline compared with others operating in WA. It is not the worst. In some cases, its on-time performance or cancellation rates are a lot lower than others. Its on-time performance is comparable to others.

Mr R.S. Love: On those particular routes, though?

Ms R. SAFFIOTI: It is the only ones flying those routes.

Mr R.S. Love: You are talking about national things, are you?

Ms R. SAFFIOTI: No, I am talking about on-time performance and cancellation statistics in WA.

As I said, Rex is not the worst. In some cases it is the top one or two in relation to its performance. I will say, the problem in these ports is that it is the only service, so people feel the impact of any cancellation because there are no other services. I understand the community concern.

In WA we have had, in a sense, an immature aviation market. We are trying to create more activity across WA. The good thing is that our airfare cap scheme is seeing more activity. As I outlined yesterday, under the airfare cap scheme, 151 000 flights have been booked. If we look at the level of activity across WA, intrastate activity is actually up. There is more activity and more people are flying in WA now than ever because of the cap scheme. There is massive demand on pilots and aircraft.

I think the member for North West Central highlighted that in some of these markets, there was only one tenderer. I would say that that is the number one point. We can have either no service or this service. The second point is that I spoke directly to the managing director about a couple of things, including its communication. I think it needs to communicate better, in particular when there is a cancellation or a performance issue. It needs a better presence and better communication in WA. I have spoken to the managing director, and I understand that senior executives will be coming to WA in the next two weeks to inform themselves better about how they should communicate.

We talked about capacity and contingency. In many instances, if there is a maintenance issue with an aircraft, an airline wants to have redundancy and another aircraft to fly. It has also purchased, over the past six months, a fly-in fly-out charter, and it has now purchased another charter that will help expand capacity in the Carnarvon route, for example. That will also provide some redundancy in its network.

Rex is also working to attract more pilots. I think it has hired 60 additional pilots, and it is giving priority to WA services ahead of over-east services. With all those considerations and because of the decision-making of the independent assessment panel, Rex has held onto those areas.

I have a view that the more services and airlines we have operating in WA, in particular in regional WA, the better. I have a view that we have to increase the number of people flying and support more services across the state because I believe that air services play a key role in WA. That is why we are creating subsidised airfares and will continue to work with airlines.

Going forward, there are targets for on-time performance and cancellations, as well as direct communication. I will say that Rex's performance is in line with the market, and I am not about to basically cut from WA an airline that sometimes is the only airline willing to service some of our communities.

The SPEAKER: I will note that, given the time, this will be the last question, given that I want to get on to private members' business.