

Rural and Regional Affairs and Transport

QUESTION ON NOTICE

Additional Estimates 2025 - 2026

Infrastructure, Transport, Regional Development, Communications, Sport and the Arts

Departmental Question Number: SQ26-000045

Division/Agency Name: DIV - Domestic Aviation and Reform

Hansard Reference: Spoken, Page No. 55-56 (09 February 2026)

Topic: Obligations for Rex-only routes

Senator Matthew Canavan asked:

Senator CANAVAN: How many are Rex-only routes?

Ms Purvis-Smith: It's 23, I believe, from memory. I'm happy to be corrected.

Senator CANAVAN: By the sounds of it, and I know this would be quite stringent, they don't have to keep going with the 41 to get this interest-free deal.

Ms Purvis-Smith: There are some requirements on minimum service level standards.

Senator CANAVAN: But they don't have to maintain the exact routes.

Ms Purvis-Smith: Not the exact routes. They can change their routes—for example, if a route is not profitable and loss making. We do want Air T and Rex to be profitable. But there is also a requirement that, if they are to withdraw from a route, they engage with the state government a certain amount of time prior to them doing so.

Senator CANAVAN: Presumably you'd be involved as well.

Ms Purvis-Smith: They would have to alert us as well. But it's about the state government so that they can engage with the state government.

Senator CANAVAN: Do any of these routes, particularly the Rex-only ones, receive any state government support at the moment?

Ms Purvis-Smith: It depends. Again, I don't want to provide information that provides information to competitors, but they have contracts with Queensland, for example. That would be governed by the Queensland contracts. It's the same with WA. They have contracts with WA. They will be governed by the contracts with those particular states.

Senator CANAVAN: And that's the reason for the state consultation. If they are to pull out of a route, there might be a negotiation to be had there.

Ms Purvis-Smith: For those particular ones, they will need to, but that will be governed by their contracts already. What we have in there also is, if they're going to withdraw from a route that's not covered by those contracts, they need to engage with the relevant state government.

Senator CANAVAN: Are any of the conditions on this triggering this interest-free concession? Do they create greater obligations on the 23 Rex-only routes compared to the ones where there is competition? Is that distinguished in the contract?

Ms Purvis-Smith: Again, narrowing down exactly what routes there are is providing information to competitors.

Senator CANAVAN: Maybe you can take it on notice.

Ms Purvis-Smith: I can take it on notice.

Answer:

As at 17 February 2026, Rex was the sole operator of 22 routes, including 11 regulated routes (operated on behalf of state governments).

There are greater obligations under the Rex Regional Commitments for routes where Rex is the sole operator. For example, the Rex Regional Commitments require Rex to provide at least 90 days' prior notice to the Commonwealth and engage in a good faith with the relevant state government before:

- ceasing any routes where the Rex is the sole operator; or
- not retendering for existing regulated routes before the relevant contract expires.