

**Basin chief quits**

Mike Taylor delivers parting shot at Government announcing his resignation from Murray-Darling Basin Authority.

■ See p11

www.theland.com.au

AGRIBUSINESS

Aviation's shining light

Rex profits from diverse bush flying experience



By ANDREW MARSHALL

BUSH airline, Regional Express (Rex), is making determined headway in the turbulent regional aviation market with help from lower fuel costs and some new and novel diversification strategies.

While the young company's main business involves 1300 weekly flights to and from 35 country airports in eastern Australia, it also has a handy, if unconventional, sideline flying targets into live missile and radar training exercises for the armed forces.

Rex subsidiary, Pel-Air Aviation, is currently tendering to expand its aerial target work with the Australian Defence Force, while also about to take over the Victorian Air Ambulance contract as part of its charter service activities.

Pel-Air has hopes to also expand into a Northern Territory aero-medical service contract in addition to other regular charter work such as flying staff to and from remote mining locations and government contracts.

The defence work ranges from flying Learjets in simulated enemy attack profiles against Royal Australian Navy vessels, to towing targets and unmanned remote control aircraft through live firing zones.

Rex, which this year notches up eight years since it was formed from the Hazelton and Kendell remnants of the Ansett Airlines collapse, achieved a record \$24.6 million after tax profit in 2009-10 despite a five per cent drop in passenger numbers for its second year in a row.

Tax concessions associated with last year's Federal Government's rebates on new investment spending aided the final profit result, as did careful attention to costs and a



Rex At A Glance

- Regional Express (Rex) flies regular services to 35 destinations in NSW, Victoria, Tasmania, South Australia and Queensland
- Country airports on Rex flight paths range from Ceduna, Coober Pedy and Kangaroo Island in SA, to Longreach and Mt Isa in Queensland, and King Island and Burnie in Tasmania
- The Rex group also includes air freight and charter operator, Pel-Air Aviation, Dubbo-based regional airline, Air Link, and the Australian Airline Pilot Academy at Wagga Wagga
- Net profit after tax in 2009-10 was \$24.6 million

20pc lower fuel bill than 2008-09.

Early this year Rex established a new Queensland base in Townsville, beginning regular services direct to Mt Isa and State Government-subsidised routes to Winton and Longreach and Hughenden, Richmond, Julia Creek and Mt Isa.

The year ahead was likely to see consolidation of Rex's current commercial services rather than more new routes established, accord-

Focus on pilot training

HAVING helped save Regional Express from a serious pilot drought during the past two years, the Wagga Wagga-based Australian Airline Pilot Academy (AAPA) is preparing to focus greater training efforts on recruits for other airlines.

The AAPA recently signed a contract to train up to 80 pilots a year for Boeing subsidiary, Jeppesen, and expects several other overseas airlines to send cadets to the newly completed \$20 million training facility in the near future.

"We initially planned to lift our intake in stepped stages of 40 students a year, but while it's

still early days, our numbers look like growing much faster," said general manager of flying operations, Geoff Cook.

Mr Cook (pictured) said surging overseas demand for pilots, particularly in China, India and the Middle East, was putting strain on existing pilot numbers worldwide, driving strong inquiry for the AAPA's services to supply new blood to the industry.

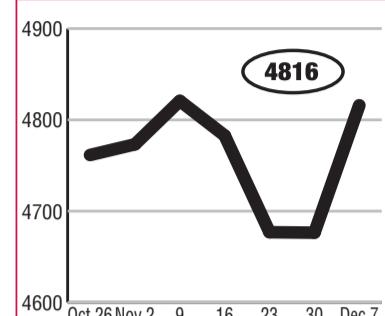
The AAPA expects to train about 30 Rex cadets this financial year, many of whom come from the company's regional heartland, including farms.

— ANDREW MARSHALL

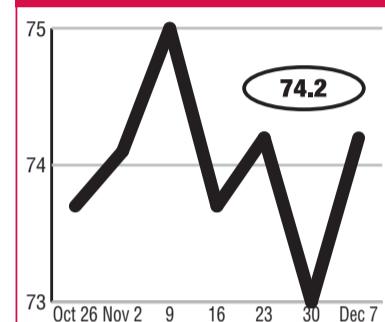
The Australian Airline Pilot Academy, started in Melbourne in 2007, opened its newly built Wagga Wagga campus in April and is already poised to double its on-site accommodation facilities to handle up to 200 students.

■ Continued p58

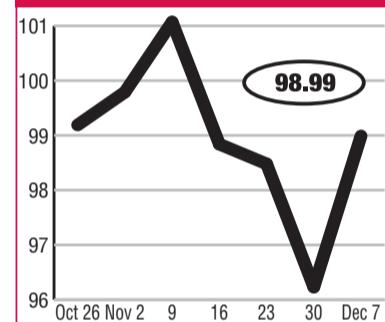
All Ordinaries



Trade Weighted Index



Aussie Dollar (US cents)



Making News

John Holland wins tender: Railway asset management company, John Holland, a subsidiary of Leighton, has won the tender for the 10-year, \$1.5 billion NSW Government Country Regional Network (CRN) upgrade.

The contract involves the operation, management, maintenance and upgrade of country railway lines across the State, including 2700 kilometres of operational freight and passenger lines and 3100 kilometres of non-operational lines.

Work is expected to start in late 2011 and will run through 2021.

The company is Australia's largest rail construction contractor and the CRN contract now establishes John Holland as Australia's largest private railway asset management company.

THE MO MIGHT BE GONE, BUT THE REBATES HAVE STAYED.

CUSTOMER INSTANT REBATES.

- UP TO \$400 on ride-on mowers & compact tractors (18-26hp)
- UP TO \$800 on zero turn mowers & out front mowers
- UP TO \$1,000 on utility tractors (26-57hp) & utility vehicles
- UP TO \$2,500 on farm tractors (60-135hp)
- UP TO \$7,000 on run out powershift tractors (95-125hp)



More than a whisker off this December

Although the mo's have been shaved, Kubota have kept the instant cash rebates available all the way through to December 31. Making sure you have the opportunity to take advantage of these great cuts.

To receive your Customer Instant Rebate on any new Kubota mower, tractor or utility vehicle contact your nearest Kubota dealer or visit www.kubota.com.au

*The Customer Instant Rebate is deducted as a discount off the dealer's standard selling price at the time of sale and is not exchangeable for cash. Offer ends 31 December 2010 and is subject to availability.

Kubota
For Earth, For Life