

Rural and Regional Affairs and Transport References Committee
ANSWERS TO WRITTEN QUESTIONS ON NOTICE
Infrastructure, Transport, Regional Development and Communications

Division/Agency: Domestic Aviation & Reform

Inquiry: The future of Australia's aviation sector, in the context of COVID-19 and conditions post pandemic

Topic: Payments to Regional Express (Rex) under the Regional Airlines Funding Assistance (RAFA) program

Proof Hansard Page: Written (04 March 2021)

Senator Tony Sheldon asked:

Senator SHELDON: We heard also from Rex's deputy chairman, John Sharp, yesterday. He insisted that the grants were not untied money but subject to strict terms and conditions—I'm talking about RAFA—about what the grants could be allocated to and how they could be spent. How much, in total, did Rex initially request, including expenses or requests that were rejected by the department?

Mr Wood: I don't have the breakdown at that level of detail, because this occurred iteratively over a number of months. In the first month, we made an initial assessment, but the funding was changed on at least one occasion subsequently. However, I can tell you that Rex, in total, sought \$104.7 million, of which \$53.9 million was approved.

Senator SHELDON: Is it possible to get the figures for the monthly breakdown on the basis of that? Not right now, but if—

Mr Wood: We can provide that on notice, I believe.

Ms Dacey: We will probably just clump them into activities. I don't particularly want to have to send my staff to go through hundreds of lines again—because it was hundreds of lines. Are you happy for us to try and group things together?

Senator SHELDON: I am fine with that. Was Rex effectively given an opportunity to provide a shopping list to the department for what it wanted and how much it would cost?

Ms Dacey: No. They weren't. No.

Answer:

Regional Express sought funding totalling \$104.68 million from the Regional Airlines Funding Assistance program, including in its initial application and subsequent requests for grant variations and extensions, of which a total of \$53.86 million was approved as follows:

- \$64.45 million in its initial application of 8 April 2020, of which \$43.15 million was approved.
- \$19.58 million in its first variation request of 21 April 2020, of which \$10.71 million was approved.
- \$10.16 million in its second variation request of 11 May 2020, none of which was approved.
- \$10.49 million in its variation and extension request of 8 September 2020, none of which was approved.

Please refer to attachment for details of payment claims submitted and amounts paid.

Attachments

- Regional Express – Payment Claims / Amounts Paid

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Regional Express - Payment Claims / Amounts Paid						
Date Received	Detail	Amount claimed	Date Approved	Amount approved	Payment amount	Date Payment Made
8 April 20	April claim	21,613,847	17-Apr-20	21,613,847	21,613,847	20-Apr-20
11-May-20	May claim	29,920,439	25-May-20	15,614,241	15,614,241	26-May-20
19-Jun-20	June claim	16,603,801	26-Jun-20	4,842,309	4,842,309	29-Jun-20
10-Jul-20	July claim	6,778,969	10-Aug-20	4,747,483	4,747,483	12-Aug-20
11-Aug-20	August claim	13,670,390	21-Aug-20	7,044,849	7,044,849	24-Aug-20
Total	53,862,730	88,587,446			53,862,729	