

Question on Notice
No. 1190
Asked on 3 December 2020

Mr R Katter asked Premier and Minister for Trade (Hon. A Palaszczuk)—

QUESTION:

With reference to taxpayer hand-outs given to embattled airlines navigating the COVID-19 pandemic, including \$60m given by the Federal Government to regional operator REX airlines and \$200m given by the Queensland Government to Virgin Airlines—

Will the Premier outline what the State Government will do to ensure this public money will be used, at least in part, to ensure ongoing connectedness for rural and regional parts of Queensland which for many years have been failed by the commercial airlines?

ANSWER:

The Queensland Government currently regulates seven air service routes across regional Queensland to ensure that regional and remote communities have access to essential services such as health, education and employment.

The COVID-19 global pandemic has had a largescale and unprecedented impact on the aviation industry, and I can assure the member that keeping our regional and remote communities connected is a priority for my Government.

The Queensland Government is also keenly aware that having two national airlines makes a vital contribution to Queensland's economy, including most importantly, maintaining jobs and competition for regional aviation services in Queensland.

Virgin Australia is an employer of thousands of Queenslanders, both in Brisbane and across the entire state. It connects regional communities to essential services and provides freight services both domestically and internationally that enables our producers to thrive.

Since June 2020, Queensland Investment Corporation has engaged with Bain Capital and developed a support package that reflects the outcomes sought by the state, including the retention of Virgin Australia's key operations in Queensland.

In addition, funding support has been provided to QantasLink, Regional Express Airlines (Rex), Skytrans and Hinterland Aviation through COVID-19 transport assistance packages to ensure the maintenance of minimum service levels on all regulated and some non-regulated air routes. Without this funding, many remote communities may not have been able to stay connected to major regional centres, access critical services and maintain essential links to other communities.

The Queensland Government COVID-19 funding assistance, together with Federal Government funding provided through the Regional Airline Network Support program, has assisted the majority of regional air services to resume operations.

On 25 April 2020, my Government announced a \$54.5 million package to keep Queensland moving during COVID-19. The package has allowed regional transport services to keep running while social distancing measures were in place, and to support people in regional Queensland stay in employment and connect communities to essential supplies and services.

Under my Government's \$15 million Aviation Recovery Fund, funding has been provided to 16 Queensland airports to negotiate with airlines to fast track the return of aviation routes and develop new routes into regional Queensland and Brisbane. As at 8 December 2020, the Aviation Recovery Fund was supporting 18 services which will deliver 173,181 seats on up to 52 return services per week, which are estimated to support 536 jobs and \$66.1 million in overnight visitor expenditure.

This is in addition to the Queensland Government investing \$3.028 million in the Local Fare Scheme in 2019–20 to assist with affordable air transportation for eligible residents living in remote parts of Far North Queensland.

Regional aviation challenges are not unique to Queensland, and a national response is still needed. All levels of government, airlines and airport operators need to work together to address the issues facing regional airline operations.