



# REGIONAL EXPRESS

Real-life accounts of how the National Workforce Development Fund is benefiting Australian transport and logistics enterprises.



# REGIONAL EXPRESS

*An unprecedented pilot shortage five years ago threatened Regional Express (Rex) Airlines' very existence, forcing the company into an immediate re-think about training and development, says independent director Jim Davis.*

Half of Rex's flying workforce left in 2007/08, more than triple its usual annual pilot attrition of 15 per cent, the "industry standard" for regional airlines.

"We typically cancel about 0.2 percent of flights a month, and we were up to 3 and 4 per cent," says Davis, a former pilot and aeronautical engineer.

"It was threatening our business. So we did what needed to be done to survive.

"We picked up the CASA (Civil Aviation Safety Authority) syllabus, we hired an instructor, rented some rooms, and started training pilots the best we could."

Post-crisis, "we got back on our feet and started talking to the Transport and Logistics Industry Skills Council (TLISC). We refined the model, built our own flying school, and became a registered training organisation (RTO).

"This was a quantum shift for us: we had to get our heads around how to become a training organisation, how to develop training courses, how to implement them. We didn't even know what it meant to be an RTO back then."

Rex invested about \$20 million in a purpose-built facility in Wagga Wagga, NSW, comprising academic, accommodation and administration buildings

adjacent to its airfield and heavy maintenance hangars, all part of live-in, full-time training.

The training includes a Certificate IV in Aviation (Commercial Pilot Aeroplane Licence), Diploma of Aviation (Instrument Flight Operations), Diploma of Aviation (Flight Instructor), and the Advanced Diploma of Aviation (Flight Instruction), with plans to move into cabin operations.

Rex industry consultant Cinthia Del Grosso says the flight instruction program is focused on cockpit competencies, rather than accumulating hours.

"We're dealing with an area that's highly regulated, and the regulation is based on hours," Del Grosso says – but hours don't necessarily equal competency.

An internal benchmarking report, submitted to a Senate committee on pilot training and airline safety, demonstrated the standard of a 200-hour Rex cadet was equal to a pilot recruited direct from General Aviation with more than 1500 hours of flying experience.

"It is the quality of training that matters much more than the number of hours of experience in an uncontrolled environment," the submission read.

The shift to capabilities brings broader horizons in a pilot's career. "I said to one of the female cadets: How do you see your career path?" Del Grosso says.

**WE GOT BACK ON OUR FEET AND TALKED TO TLISC. WE REFINED THE MODEL, BUILT OUR OWN FLYING SCHOOL, AND BECAME AN RTO.**

"She said: Well, at this point in my life I want to fly, but I want to know there's the option of flight instruction down the track if I want to stay put and have kids."

Women account for about 10 percent of cadets each course, Davis says, but "by far" most applicants are men. Entry requires a Year 12 certificate, "with a good pass in maths and physics", and higher education experience is favourable.

The National Workforce Development Fund (NWDF) supported Rex in setting up its cadetship model, a key component of its attraction and retention strategy.

"We recognise our cadets are on a career path, we're just a stepping stone," Davis says. "To have our diploma is an advantage in their resume. A lot of overseas airlines value a qualification like this."

Many cadets eventually "want to fly A380s for \$400,000 a year. We could never offer that. But by turning over pilots, but not too quickly, you retain a core of skill and experience, and you keep that enthusiasm, this passion that they just have to fly."

And fly they will. "Air travel is becoming mass transit. The worldwide demand for pilots over the next 20 years, if it continues unabated, will be 20,000 a year. This impacts us, and Australia, because we both export a lot of airline pilots."

Rex has also created an opportunity, in establishing its flying school and using diploma qualifications, to up-skill its long-term workforce.

"Out of 265 pilots, more than 70 per cent, or 190 pilots, applied to be part of the initiative, and 187 have graduated," Davis says.

Regional flying is "the closest to nine-to-five flying you're going to get", but in some ways "it is trickier" than flying metropolitan routes "where you've got controlled airspace, instrument approach systems and long runways at each end.

"Our pilots are out on their own in the bush, in all weather, flying into a small aerodrome with limited or no support. So they've got to be good."

Rex's accelerated training model is producing a higher-quality workforce faster than any other Australian airline. It also lowered its workforce attrition rate in 2011 to 12 per cent, better than the industry average of 15 per cent.

"It's the NWDF that got us started down this track," Davis says. "TLISC has been more than just helpful: they've gone out of their way to introduce us to the program and to help set it up."

The Rex Group comprises Regional Express, air freight and charter operator Pel-Air Aviation and Dubbo-based regional airline Air Link, as well as the Australian Airline Pilot Academy.



### Linking regions

Rex's fleet of aircraft flies 1300 weekly flights to 35 destinations throughout NSW, Victoria, Tasmania, South Australia and Queensland.



### 10 years strong

In their first 10 years of operation, Rex transported over 11.3 million passengers across 196,675,217 kilometres.



### NWDF value

Total value of NWDF program to date:  
**More than \$2.2million.**



### Where they are

Operating in 35 locations across NSW, Victoria, South Australia, Tasmania and North Queensland, Rex employs over 1,000 staff, 125 of which are based in the NSW regional town of Wagga Wagga.

For more information about how TLISC can assist your enterprise in accessing the National Workforce Development Fund, please contact our Workforce Development team:

**Email** [workforcedevelopment@tlisc.org.au](mailto:workforcedevelopment@tlisc.org.au)

**Telephone** 03 9604 7200

**[tlisc.org.au](http://tlisc.org.au)**