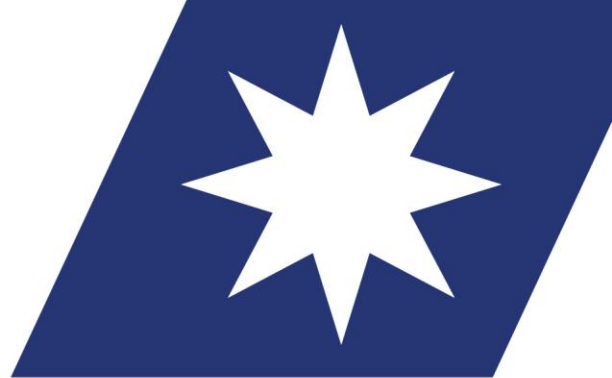


ROBBIE KATTER

Member for Traeger

MEDIA RELEASE



May 14, 2020

KAP CAUTIOUS BUT KEEN ON STATE'S VIRGIN BID

Katter's Australian Party (KAP) MPs, who have long been proponents of people's-owned airline, have "cautiously welcomed" the news that the Queensland Government will bid for ownership of Australia's second largest carrier.

It was revealed late yesterday that state-owned funds management group Queensland Investment Corporation (QIC) would advise the state on its bid for Virgin Australia, which could take the form of a direct equity stake, a loan or a guarantee.

The KAP are keenly awaiting more information on the bid, and stressed that all checks and balances must be performed before a cent of taxpayers' money was invested.

In April, the KAP led a call for the Federal Government to attempt to resolve growing concerns about the future of Australia's aviation industry by buying into Qantas, which is the national carrier and the industry's most dominant player.

KAP Leader and Traeger MP Robbie Katter said while the Federal Government had been silent on this matter, it was encouraging to see the state showing some leadership.

"The recent Federal Senate Inquiry into the airlines revealed pervasive issues throughout the industry but disappointingly offered no real solutions to the problems within the domestic market that were identified," he said.

"At the time the government weren't even game to entertain the notion of again owning an airline – we need to remember that Qantas was owned by the people for over two thirds of its life.

"We are cautiously supportive of this announcement by the Palaszczuk Government and in particular, it's good to see that we not just selling assets off but are looking to acquire things that we, as the people of Queensland and Australia, should own."

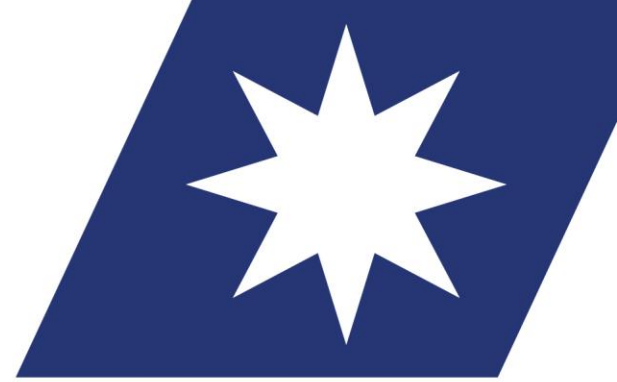
KAP Member for Hinchinbrook Nick Dametto said he had long supported the notion of an airline "buy-in".

"My position has always been clear. I do not support an airline bail out; I believe in an airline buy-in," he said.

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"The fact the State Government has chosen the QIC to investigate the viability of putting together an offer to purchase a controlling stake in Virgin Australia is something I would support in principle, but I believe Queenslanders should be wary about whether this isn't just another Labor election ploy to convince Queensland workers that they care about them.

"As with any business deal, it is necessary for this airline bid process to run its course, where the QIC will have to make an informed decision of what Virgin is actually worth, taking into consideration its liquidatable assets and the current state of the company.

"Queenslanders deserve to see their money to be spent in such a way that this should be an investment which pays off and doesn't turn into a black hole where taxpayers' money is wasted.

"There's no point throwing good money after bad."

—ENDS—

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