



Australian Government
Civil Aviation Safety Authority

OFFICE OF THE DIRECTOR OF AVIATION SAFETY

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Ms Donna Hogan
Standing Committee on State Development
New South Wales Legislative Council
Parliament House
Macquarie Street
SYDNEY NSW 2000

Email: Donna.Hogan@parliament.nsw.gov.au

Dear Ms Hogan

Inquiry into regional aviation services

I refer to evidence I gave on 15 August 2014 to the Inquiry into regional aviation services being conducted by the New South Wales (NSW) Legislative Council Standing Committee on State Development.

At that hearing I took on notice a question on whether the NSW State Government contacted the Civil Aviation Safety Authority (CASA) when they are looking at granting a route approval to an operator. I am advised that Transport NSW does make contact with CASA's Sydney Region Office in regard to such matters.

The Committee also submitted a number of supplementary written questions. Responses to these questions are attached. I have also included a minor amendment to the Hansard.

I trust this information is of assistance.

Yours sincerely

Terry Farquharson
Acting Director of Aviation Safety

1. *NSW Transport has advised the committee that part of their licensing requirements for RPT is that the provider must have an air operating certificate, issued by CASA. CASA assesses the financial viability of applicant before issuing the certificate. Given that a number of airlines have gone into receivership recently or withdrawn services because of financial difficulty, could this process be improved?*

CASA response:

The initial assessment of an Air Operator's Certificate (AOC) for Regular Public Transport includes a financial viability assessment. This assessment is performed to ensure the applicant has the financial foundation and business acumen available to create the environment to support safety outcomes necessary for the operation of an AOC. CASA's assessment is performed **as an entry control activity** as part of the wide range of assessments undertaken during the application process. It does not form a function of ongoing financial assessment of an AOC holder. The process is performing its intended function.

2. *The issue of security screening has been raised by both airports and RPT providers, many of whom believe the costs imposed by its introduction are unreasonable and the requirements disproportionate to the risks involved. What was the basis of these changes and were funds provided by the Federal Government to support the implementation of the required changes to infrastructure?*

CASA response:

Security screening is not part of CASA's responsibilities and this question should be directed to the Office of Transport Security in the Department of Infrastructure and Regional Development.

3. *The Australian Airports Association has noted that it is a considerable challenge for airport operators to keep abreast of the complex and diverse range of regulatory requirements that are regularly changed. Is it part of CASA's role to communicate these changes and provide training for those organisations required to implement new requirements? Is there room for improvement?*
4. *Since 2001, there has been significant change to the regulatory requirements for airports. The committee has received evidence that some stakeholders believe they have not been adequately consulted or informed about proposed changes. What is your view on this?*

CASA response to 3 and 4:

The advice from industry cited above does not accord with what the industry has told CASA, which is that regulatory change for aerodromes has not proceeded quickly enough. In a document dated May 2014 which reviews the Manual of Standards (MOS) for Part 139 (which governs aerodrome operations), the Australian Airports Association (AAA) has stated that this MOS requires regular and complex review and that industry is concerned that amendment of the MOS by CASA is taking too long. The Association has established a Working Group to recommend the development of new aerodrome standards.

CASA is committed to a productive relationship with the industry and to working with the AAA and other industry stakeholders to advance a review of the relevant regulations. CASA's regulatory change procedures involve extensive industry consultation including CASA/industry working parties, discussion of changes at its Standards Consultative Committee and notification of proposed rule changes for public consultation.