

**Rural & Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Supplementary Budget Estimates November 2013

**Infrastructure and Regional Development**

**Question no.:** 160

**Program:** n/a

**Division/Agency:** (AA) Airservices Australia

**Topic:** CASA 172

**Proof Hansard Page/s:** 78 (18/11/2013)

**Senator Xenophon asked:**

**Senator XENOPHON:** Can I just ask you to pause there. I guess an easier way of dealing with these issues is to ask you whether Airservices Australia has formally responded to CASA's report on their organisation and whether—

**Ms Staib:** Yes, Senator.

**Senator XENOPHON:** There has been a formal response?

**Ms Staib:** Yes.

**Senator XENOPHON:** Is that publicly available?

**Ms Staib:** It is not publicly available.

**Senator XENOPHON:** Can I ask you to table that response?

**Ms Staib:** Can I take that on notice?

**Senator XENOPHON:** Is there anything in there that would be commercial-in-confidence at all?

**Ms Staib:** My recollection is no, so I can table that response.

**Senator XENOPHON:** Yes. Thank you.

**Ms Staib:** We have progressively—

**CHAIR:** I think you are entitled to take it on notice.

**Senator XENOPHON:** CASA wrote a report critical of Airservices Australia. I made it very clear to Ms Staib that it was not under her watch, at the time the report was prepared.

An honourable senator interjecting—

**Senator XENOPHON:** Well, it's true. It is true. The situation is that, presumably, Airservices Australia has given a formal response to CASA's report.

**Ms Staib:** Yes, that is correct.

**Senator XENOPHON:** So I am just asking for a copy.

**CHAIR:** Senator, we do not have an objection if the chief executive wants to do it. But, if she wants to think about it, she is entitled to think about it.

**Ms Staib:** Senator Xenophon, there have been several responses, in fact. There was the first response, and I have been providing the director with progress reports on our action plans. So we submitted our action plan to him, with the courses of action that we were taking, and also progress reports in regard to milestones completed. So there has been continuing feedback to CASA about our response to that report.

**Senator XENOPHON:** Okay. I would be grateful for copies of those.

**Answer:**

Please find attached the three Airservices responses to the CASA 172 Report. Attachment 1 was provided to CASA on 14 December 2012, Attachment 2 was provided 31 January 2013, and Attachment 3 was provided on 22 July 2013.

**Rural & Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Supplementary Budget Estimates November 2013

**Infrastructure and Regional Development**

**Question no.:** 161

**Program:** n/a

**Division/Agency:** (AA) Airservices Australia

**Topic:** Maintenance of AWIS

**Proof Hansard Page/s:** 79 (05/12/2013)

**Mr Hood:** Senator, we are also obviously doing our own follow-up on the fog incidents in Adelaide and in Mildura. My understanding is that the airport is responsible for the maintenance of the AWIS, but we are following that up and if clarification is required of which agency is responsible—

**Senator XENOPHON:** So it is not necessarily the Bureau of Meteorology, it is not Airservices Australia; it is the actual airport?

**Mr Hood:** That is my understanding. But I am happy to take that on notice and provide a full response in relation to that.

**CHAIR:** Just pausing there, why would that plane—is this the one that held over the airport and then did an illegal landing?

**Senator XENOPHON:** Well, it wasn't illegal; it was all about running out of fuel.

**CHAIR:** Yes, but you wouldn't—

**Senator XENOPHON:** He was under the minimum.

**CHAIR:** But why, in god's name? It could have gone to bloody Woomera or anywhere else. Why did it hang around there if the weather was shit?

**Mr Hood:** Senator, we are also obviously—

**Senator XENOPHON:** Did Hansard get the expletive on your part, Chair?

**CHAIR:** But it's true. That could have been a fatal—just with a simple decision—

**Senator STERLE:** With the greatest of respect, Mr Hood was about ready to answer and you just both jumped in on him.

**CHAIR:** No, no.

**Senator STERLE:** I reckon he could mix it with the pair of you!

**CHAIR:** There is no simple answer. It was not very sensible to hold it—

**Senator STERLE:** Chair, he didn't get the opportunity! He was just about ready to answer and then Senator Xenophon picked up on your choice of language and then you were all into it.

**CHAIR:** But you will—

**Senator STERLE:** You are doing it again. He hasn't got the answer.

**CHAIR:** I haven't finished the question.

**Senator STERLE:** You did. You just spoke then.

**CHAIR:** You will concede that the guy could have diverted to Woomera or somewhere instead of risking a landing that could have been a catastrophe.

**Mr Hood:** There are over four million aircraft movements in Australia a year, very few of which cause us significant concern. I think it is fair to say this is a concerning incident. We are cooperating fully with the ATSB. It is our hope that the ATSB will establish all of the facts and make appropriate recommendations, on which we will act.

**Senator XENOPHON:** These AWISs, the automatic weather information services: who on earth owns them, controls them, is responsible for them? I am not any wiser now than I was this morning when I asked the Bureau of Meteorology. I am just trying to work it out.

**Ms Staib:** We will take that on notice. As we said, we believe it is the airport's responsibility, but we will confirm that...

**Answer:**

The Aerodrome Weather Information Service (AWIS) at Mildura provides automatically observed weather conditions, via telephone or radio broadcast, from a Bureau of Meteorology (BoM) Automatic Weather station (AWS).

The ownership and maintenance of AWIS varies from airport to airport nationally. In the case of Mildura the responsibility for the service lies with multiple parties.

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Supplementary Budget Estimates November 2013

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At the Mildura aerodrome, the BoM provides the relevant weather information and it is broadcast through the Airservices owned navigation aid system (NAVAID). AWIS transmission has also been available by telephone access provided by the BoM and was operating at the time of the 18 June incident.

Weather at Mildura Airport is measured by a BoM owned and maintained Automatic Weather Station (AWS). The AWS provides meteorological data to a separate BoM owned Automated Weather Information Broadcast (AWIB) device which vocally articulates AWS weather data.

The AWIB enables this data to be available to a telephone service and Non Directional Beacon (NDB) navigation aid (NAVAID) to provide incoming flights with up-to-the-minute weather information at the aerodrome. The line between the AWIB and the NAVAID is owned by the Airport. The NAVAID is operated by Airservices.

The Airservices NAVAID transmission is due to be decommissioned before the end of the year as a new VHF transmitter has been commissioned by the Airport since the 18 June 2013 incident.

The broadcast frequency utilised by the NAVAID transmission has been intermittent and this unavailability was published via NOTAM prior to, and during the 18 June 2013 incident. The AWIS is not a mandated service.

In summary, for Mildura, the BoM operates and maintains the Automatic Weather Station (AWS) which passes raw weather data to the BoM's Automated Weather Information Broadcast (AWIB) device (which essentially decodes the weather data and creates a voice file).

**Rural & Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates November 2013

**Infrastructure and Regional Development**

**Question no.:** 162

**Program:** n/a

**Division/Agency:** (AA) Airservices Australia

**Topic:** Corporate Hospitality

**Proof Hansard Page/s:** Written

**Senator Sterle asked:**

Can you provide the Committee, on notice, with a list of all corporate hospitality received by the Senior Executive and Board members in the last 12 months?

Can you also provide, on notice, a list of all sponsorships and corporate hospitality offered by Senior Management, the cost of each and the business case for each expenditure?

Can you provide the Committee, on notice, with details of other Executive expenditure, particularly entertainment, for the past 12 months – for example the hiring of the nightclub in Brisbane for a function, the dinner for 60 people at the Ottoman hosted by Airservices? In the case of functions like these, can you also provide the Committee with the attendance list for each function?

**Answer:**

In the 12 months to 30 November 2013, the Board has incurred corporate hospitality and entertainment expenditure of \$9,023. The Chief Executive Officer (CEO) and Executive Management have incurred expenditure of \$30,668.

Other entertainment expenditure attributed to senior management totalled \$73,723. This includes expenditure relating to staff reward and recognition and farewells for long standing staff members.

In relation to the specific functions referred to, a total of \$11,760 was incurred for a reward and recognition ceremony dinner at a function venue in Brisbane on International Air Traffic Controllers Day 2013. This function was attended by approximately 200 people including Brisbane based air traffic controllers and recipients of the rewards.

In relation to the function at the Ottoman restaurant, \$6,857 was incurred for a dinner attended by the management team and staff of our Aviation Rescue and Fire Fighting group who were in Canberra for the Annual Day of Safety and the Fire Station Managers meeting.

Airservices budgets approximately \$350,000 annually for a range of corporate sponsorship commitments. These support a number of industry organisations and events, staff-nominated charities, conferences and functions and flight training opportunities for young people and are part of our ongoing commitment to developing and fostering the Australian aviation industry.

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**ANSWERS TO QUESTIONS ON NOTICE**

Supplementary Budget Estimates November 2013

**Infrastructure and Regional Development**

**Question no.:** 163

**Program:** n/a

**Division/Agency:** (AA) Airservices Australia

**Topic:** Staffing

**Proof Hansard Page:** Written

**Senator Sterle asked:**

Can you outline for the Committee Airservices' policy on diversity in the workplace, and in particular any strategies you have in place for the recruitment and retention of women in senior management at Airservices.

On notice, can you provide the Committee with the number of women employed at a senior level at Airservices now and 12 months ago, excluding the position of CEO?

**Answer:**

Airservices recognises and values diversity and is committed to increasing the representation of Indigenous Australians, women, people with disabilities and people from cultural and linguistically diverse backgrounds (CALD), together with providing flexible working arrangements and supporting its mature-aged workforce. Airservices aims to create a work environment where all employees are supported and differences are embraced. Airservices includes an equity and diversity progress report as part of Airservices' annual report.

The number of female senior and executive managers was 78 at 30 June 2013 compared with 69 as at 30 June 2012.

As at 30 June 2013, women made up 19.5 per cent of our total workforce (819 women) compared with 19 per cent at 30 June 2012.

**Rural & Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates November 2013

**Infrastructure and Regional Development**

**Question no.:** 164

**Program:** n/a

**Division/Agency:** (AA) Airservices Australia

**Topic:** Airservices New Systems Project

**Proof Hansard Page/s:** Written

**Senator Sterle asked:**

Airservices will be investing heavily in a new air traffic control system. Whilst I understand tenders have closed and I wouldn't want you to comment on the evaluation process I am interested in what benefits you hope to get from this new system. Can you also detail and actual quantitative and non-quantitative benefits this new system will bring.

The new system is a joint project with the Department of Defence and the RAAF. Presumably there is quite a significant economy of scale to be gained from this arrangement. What will the scale of benefit be and does that mean that your customers, and ultimately the taxpayer, will benefit from this arrangement?

As I understand it, you are leading this joint procurement. Does this also mean that you will be financing defence's portion of the project?

**Answer:**

OneSKY will comprise a full air traffic management (ATM) system replacement for both the Airservices and Defence ATM systems, which are coming to end of life.

The OneSKY Australia program will deliver savings and benefits to the industry through reduced operating costs and providing new flexibility and new capability to manage increasing and more complex air traffic. The provision of detailed quantitative benefits is not available at this time, as the implementation of the benefits realisation function for OneSKY is still being completed.

The benefits for industry will flow on to end customers through increased performance by air traffic control in flight management, as well as the potential of financial savings to be passed on by the airlines.

Airservices is the lead agency in the OneSKY Australia program and the associated procurement process. Airservices is not intending to fund Defence's portion of the system implementation associated with OneSKY.

Airservices is currently working with Defence in establishing the on-supply agreement and distribution of costs for the program. Defence has budgeted for its portion of the costs of OneSKY under its Project 5431.

**Rural & Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Supplementary Budget Estimates November 2013

**Infrastructure and Regional Development**

**Question no.:** 165

**Program:** n/a

**Division/Agency:** (AA) Airservices Australia

**Topic:** Airservices Board

**Proof Hansard Page/s:** Written

**Senator Sterle asked:**

Can you outline for me the Board's program for stakeholder engagement? Note – the Board's program not management's. Does the Board have a program; if not does it intend to develop one?

Does the Board meet outside of Canberra? When was the last time a full Board meeting was held out of Canberra – and where was it held?

**Answer:**

The Board of Airservices Australia conducted an extensive stakeholder engagement program in 2013. This included attendance by Board members at the following events:

01/03/13 - Avalon Airshow, Victoria  
16/04/13 - Learning Academy Hot Fire Training Ground opening, Melbourne  
27/05/13 - Papua New Guinea Air Services Limited Board meeting, Port Moresby  
30/07/13 - Brisbane Airport Community Aviation Consultation Group, Brisbane  
01/08/13 - ATS Airline Safety Forum, Sydney  
23/08/13 - Virgin Australia Board Safety Committee luncheon  
11/09/13 - Chief Executive Women Annual Dinner, Sydney  
17/09/13 - Australian Airports Association Conference, Darwin  
09/10/13 - Regional Aviation Association of Australia Convention, Queensland  
16/10/13 - Safeskies Conference, Canberra  
06/11/13 - Waypoint Conference, Canberra.

The stakeholder engagement program for 2014 has not yet been finalised but will include engagement with stakeholders, and visits to Airservices staff and operational sites in Sydney and Western Australia (likely Perth, Karratha and Broome).

The Board of Airservices made a decision in October 2012 to hold all Board meetings in Canberra, and to replace the 'away' meetings with a series of staff and industry engagement days for individual or smaller groups of Directors. This decision was made on the basis of cost – because meetings for the full Board in other locations are more expensive, given the number of Airservices staff who are required to attend and/or support meetings of the full Board. As a result, an annual program is developed for the Board to enable it to engage with staff and stakeholders, both nationally and internationally.

A Board Strategy Day, attended by all Board members, was held on 22 November 2013 in Sydney. Prior to that, the last time a full Board meeting was held outside Canberra was on 23 August 2012, in Airservices' Operations Centre, Melbourne.