



Advancing the interests of our members and the profession

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19 April 2011

Committee Secretary
Senate Standing Committee on Rural Affairs and Transport
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Secretary,

Re: Rural Affairs and Transport References Committee Inquiry, Pilot training and airline safety including consideration of the Transport Safety Investigation Amendment (Incident Reports) Bill 2010

We refer to the above inquiry that was established by the Senate on 30 September 2010 by way of notice of motion from Senator Xenophon.

We trust you will appreciate that the Australian and International Pilots Association (AIPA), as the representative association of Qantas Group and international pilots, has a significant interest in the outcome of this inquiry.

AIPA has been represented at all of the hearings thus far held by the Committee. However, the constraints of time for hearings are such that AIPA remains concerned that some issues may have been diverted by the very appropriate scrutiny afforded to the practices of one group of operations.

AIPA requests the indulgence of the Committee to consider this Supplementary Submission.

Our intention is to offer a broad strategic overview in the context of our original concerns and the public evidence provided to the Committee. The broad nature of our approach is such that specific Terms of Reference are touched upon but do not drive the format. AIPA requests that the Committee consider our Supplementary Submission as supporting and strengthening our original submission.

If you require any further information please contact me, AIPA's Vice President, Captain Richard Woodward or AIPA's In-house Legal Counsel, Mr Kristian Bolwell

Yours faithfully,

Captain Richard Woodward
AIPA Vice President



Advancing the interests of our members and the profession



AUSTRALIAN SENATE
Rural Affairs and Transport References Committee

**Australian and International Pilots Association
Supplementary Submission**

*Pilot training and airline safety including consideration of the
Transport Safety Investigation Amendment (Incident Reports) Bill 2010*

April 2011

AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION

**SUPPLEMENTARY SUBMISSION TO THE AUSTRALIAN SENATE
RURAL AFFAIRS AND TRANSPORT REFERENCES COMMITTEE**

ON

PILOT TRAINING AND AIRLINE SAFETY INCLUDING CONSIDERATION OF THE
TRANSPORT SAFETY INVESTIGATION AMENDMENT (INCIDENT REPORTS) BILL
2010

INTRODUCTION

The Australian and International Pilots Association (AIPA) has been represented at all of the hearings thus far held by the Committee. As the members are aware, AIPA has appeared twice and we are very appreciative of that opportunity. However, the constraints of time for hearings are such that AIPA remains concerned that some issues may have been diverted by the very appropriate scrutiny afforded to the practices of one group of operations.

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SAFETY, INDUSTRIAL OR POLITICAL OPPORTUNISM?

In a somewhat classic attempt at diversionary damage control, one of the executives whose practices and management style attracted significant scrutiny suggested in the media that the Inquiry should be seen as an exercise in industrial and/or political opportunism.

AIPA maintains the view that the Inquiry was always and remains motivated by flight safety issues.

However, we do believe that there are flight safety consequences that flow from the climate and culture of the work environment in airlines in Australia. We would expect therefore that such matters would arise and, given that the process is necessarily a Parliamentary process, we would also expect that the pursuit by the Committee of an accurate picture of the subject matter may be pejoratively described as political, despite the multilateral interests of the Committee.

AIPA has no interest in damaging the "brand" of any of Australia's airlines, particularly as that may affect the continuing employment of our members and the members of affiliated representative bodies. Our considered view is that such focus by the Committee as may have evolved came as a result of the apparent behaviour of the executives and their management philosophies.

AIPA, having fully participated in this process, believes that the existence of current and future risks to safe airline operations have been confirmed in evidence. None of the identified problems are insolvable. However, many require time, money and an appropriate sense of purpose to resolve. Clearly, the challenge will be to identify the legislative and political processes to ensure adequate resources are applied to the task before we suffer an unacceptable outcome.

We have adopted a Question and Answer format as a simple means to suggest to the Committee some issues that we believe worthy of your consideration.

STRATEGIC ISSUES Q&A

Cost Pressures and Aviation Safety

Is the constant pressure to reduce costs, whether it be within airlines, CASA or the ATSB, actually putting pressure on the maintenance of aviation safety standards?

AIPA believes that there is ample evidence that cost reduction strategies within the industry have led to the sacrifice of quality for lowest cost compliance. This can be seen in such examples as the reduction in the ratio of licensed to unlicensed maintenance personnel and the shifting of training costs from operator to employee. AIPA further believes that cadet schemes such as those engineered by Jetstar appear to be motivated by converting a cost centre into a revenue centre as well as transmitting business to offshore entities.

AIPA believes that budgetary pressures on CASA have led to a gradual decline in pilot licence, instructor and instrument rating training standards and inadequate control of aircraft conversion training. While this decline is slowly being reversed by recent CASA activities, AIPA is not convinced that CASA has sufficient experienced resources to quickly recover flight standards.

AIPA believes that ATSB similarly lacks sufficient experienced resources to properly identify and investigate flight safety issues with the appropriate level of importance.

Alternative models for supplementing CASA and ATSB staff with appropriate industry personnel must be explored urgently. AIPA believes that the costs should primarily be absorbed by operators as a cost of entry to the industry.

Are the prescribed regulatory minima adequate to act as a safety net when operators abandon organisational excellence in favour of minimum compliance?

AIPA believes that the present rule set and supporting material is inadequate to ensure long term flight standards resilience.

AIPA supports the current CASA activities in redressing the issues but is concerned that there is still insufficient attention being given to the negative aspects of operating highly automated aircraft.

The current regulations reflect a now-outdated approach to industry practices and business models and are unsuitable as a safety net for minimum compliance.

How can we identify and protect the minimum investment that must be made by industry and Government to protect aviation safety standards?

AIPA has made a number of recommendations to the Committee, both in our original submission and in our Statement of Concern on Diminishing Flight Standards, in regard to consultative methods for the identification of current and future risks in the airline industry. Any identified risks will require investment in appropriate mitigators and those investments should form part of the entry requirements for current as well as prospective operators.

AIPA believes that it is abundantly clear that operators will seek to cut costs until prevented by legislation or the public response to a serious incident or accident. Unregulated market forces will inevitably end up with operators taking calculated risks

that technology can offset quality training and that a hull loss may not cause the demise of the business.

AIPA is adamant that there can be no possibility of operators underinvesting in operational and training systems and exposing the Commonwealth to pick up the pieces. Proper base models of organisational systems and processes are essential to set the baseline investment. It may be necessary for additional agencies such as the Australian Competition and Consumer Commission (ACCC) or the Productivity Commission (PC) to become involved in looking at the financial and economic viability of fare levels to provide greater assurance of financial viability.

As the earthquake and tsunami in Japan has demonstrated, highly improbable events do occur and, like the nuclear power industry, both Government and industry must ensure that appropriate investment and oversight is maintained to provide system resilience in the face of the unexpected.

Given the increased international activity in flight standards and safety research and widespread consultation, CASA must be funded to directly participate in these activities as well as to directly participate in safety research within Australia. CASA needs an equivalent of the FAA Academy that not only trains CASA staff but, of equal importance, makes the same or equivalent training available to the industry. AIPA believes that collaborative efforts, such as industry Quality Assurance staff assisting CASA in audit planning and analysis or CASA staff providing specialist regulatory training to industry personnel, can be conducted without conflicts of interest.

Similarly, AIPA believes that ATSB should be able to draw on industry expertise whenever the need arises without compromising its independence.

Are operators adequately investing in risk management knowledge and behaviours?

AIPA is of the view that the shift to a formal risk management approach by introducing Safety Management Systems (SMSs) has been inadequately supported in terms of identifying appropriate training models for operators' staff. Operators have not fully committed to widespread risk management training due to the potential costs of exceeding CASA's expectations, which at this stage are neither consistent nor well-defined.

AIPA believes that CASA should immediately include risk management as a more formal and distinct theory element of the knowledge base that underpins Commercial Pilot Licence (CPL) and Airline Transport Pilot Licence (ATPL) training as well as for approvals, permissions and delegations granted to industry personnel. While not our area of expertise, AIPA also believes that this requirement should also apply to maintenance training and management.

Specific aviation risk management guidance material is required as a matter of urgency.

AIPA believes that appropriate consultation must be initiated with the tertiary sector to define specific aviation risk management courseware and to appropriately accredit training providers.

Is it in the public interest to allow airlines to come and go, prosper or fail, in an unrestrained free enterprise model or should there be an essential services approach that seeks to prevent market catastrophes?

AIPA believes that the constraints of geography and alternative transport infrastructure in Australia demand that an essential services obligation be embedded in the regulatory control of domestic airline operations. We do not believe that the more

normal laissez-faire approach to business is appropriate for public transport by air. This will necessarily impose a cost imposition on the travelling public.

AIPA does not believe that there is sufficient spare capacity in the current domestic market to allow airlines to fail. We are unaware of any Government contingency plans to provide a short-term solution to the collapse of a significant airline operation.

AIPA does not support direct financial assistance to operators, but rather believes that higher prudential standards and appropriate scrutiny by Government financial and economic regulators is necessary.

Is the mantra of “safety before all else” that is ubiquitously proclaimed by airline CEOs actually being reflected in the business practices of those airlines?

AIPA believes that the “safety before all else” mantra is not being reflected in the business practices of some airlines. There is significant evidence, albeit untested due to widespread concerns about potential retaliation within the workplace, that the management mantra is not being viewed by the workforce as a true commitment to operational safety.

AIPA is concerned that Safety Departments, like Training Departments, are often viewed as cost centres rather than quality assurers and come under commercial pressures to generate the appearance of activity rather than generate genuine quality improvements in airline processes. Investigation of aircraft incidents and monitoring of fatigue inducing rostering practices are examples where inadequate resourcing of Safety Departments and inappropriate management expectations can give the lie to the safety first mantra.

AIPA is also concerned that typical management contracts that embody Key Performance Indicators (KPIs) and tied bonuses are potentially counterproductive where a safety related decision will have a bottom line consequence that directly affects the remuneration of managers in safety critical decisions.

Evidence of “toxic” work environments or “an air of fear of retribution” indicate a disconnect between the management and the workforce and has no place in a safety-related activity. AIPA believes that there needs to be greater workforce involvement in ensuring that these processes actually are being pursued. All stakeholders need to have faith that the safety function is being conducted with appropriate autonomy and authority. Upholding that tenet may involve representative participation in some critical SMS functions.

Are current aviation employment models inevitable outcomes of trying to match supply shortages with excessive demand or are they mainly financial cost control models in a market where the minimum price of existing supply is considered to be too high?

AIPA believes that Australia is not currently facing a shortage of qualified pilots and we further believe that there is an adequate distribution of operational experience among the pool of prospective pilot employees available to airlines.

AIPA believes that the approach taken by Jetstar, as a prime example, has nothing to do with a shortage of suitably qualified and experienced pilots.

AIPA is firmly of the view that the recent exposure of the so-called “Jetstar Cadet Scheme” has shown it to be nothing other than a scheme to avoid Australian employment and tax rules and to shift work offshore as a means to reduce labour costs. The evidence on cadet employment practices shows some schemes are usurious and a long way from the philanthropy that some executives claimed. The flurry of activity in changing the terms and conditions of the Jetstar cadets merely

highlighted the lack of integrity in the management of the scheme and the sweatshop approach to creating new pay scales for what the management insisted were the same skills and capability as normal direct entry pilots.

Investigating the Evidence of Aviation Safety Performance

Are airlines appropriately resourcing their safety departments to ensure that SMSs are able to deliver their intended benefits?

While all parts of a business participate in the SMS, particularly in the area of risk management, Safety Departments are typically the “engine room” of the SMS which require dedicated managerial, investigative, training, promotion, emergency response and administrative resources.

AIPA believes that, of the wide range of staffing models in the industry, there are some which we do not believe provide appropriate resources to manage the safety task. This is particularly the case in the investigation and reporting of Human Factors events.

AIPA is not convinced that SMSs should run on a skeleton full-time staff that is supplemented by line resources when required. That normally means that operational production is favoured over proper safety support.

AIPA believes that all operators should have access to properly trained Human Factors (HF) investigators. Where operators choose to have their investigators fly, we believe that the priority should be that their HF investigators are provided with line experience, rather than their line pilots are provided with HF investigation experience. Our view is that properly functioning SMSs require dedicated staff for continuity and quality and there is no shortage of activities upon which to keep investigators employed, particularly in terms of non-technical skills (NTS) research and training.

Is CASA providing relevant and timely advice, developed in collaboration with the ATSB, to airlines on the selection and training of those staff who directly support the SMS?

Neither CASA nor the ATSB have developed baseline models for resourcing Safety Departments.

AIPA believes that joint CASA/ATSB/industry standards for SMS staffing should be established as a matter of urgency. Those resourcing models should be public knowledge and should indicate typical positions by type and number of personnel as well as qualifications, training and professional development targets.

Is the effectiveness of an airline's SMS assessed against any standards or benchmarks in an equivalent approach to that applied to Flight Operations and Training & Checking?

AIPA is unaware of any standards or benchmarks for SMS performance. The International Civil Aviation Organization (ICAO) SMS Manual provides comprehensive guidance on the concept of SMS but AIPA believes that there is a big difference between the appearance of having a comprehensive SMS and the reality of its effectiveness. There should be guidance on the quality of risk assessments, incident investigation, feedback mechanisms, safety promotion and emergency response planning.

Is there a widespread culture of free and open reporting of aviation safety data or are there persistent impediments to establishing that culture?

AIPA believes that there are persistent impediments to establishing a culture of free and open reporting of aviation safety data.

Historically, aviation personnel are distrustful of management and cultural shifts in reporting activities are hard won and easily lost. The required level of transparency requires an overt implementation program and, in our view, unprecedented levels of access and review. Separately and perhaps more problematic, there are also entrenched ego and self-esteem issues at the operating level that are inherently difficult to overcome.

While "Just Culture" is on everyone's lips, there is much anecdotal evidence of inadequate training of managers and many managerial responses that have created distrust and a fear of retribution where reports are critical of operator policies and procedures. AIPA believes that each operator must develop and certify "Just Culture" competencies for managers from the CEO down.

How widespread is the view that industry should be part of a system of censorship of public reporting in order to prevent the ATSB from being swamped with data?

Some evidence to the Inquiry has suggested that SMSs are designed to filter out low level incidents so that only important incidents are reported to ATSB.

AIPA believes that not only is this a misrepresentation of the intention of SMSs but also operators have a vested interest in censoring data for brand protection. We do not believe that it is sufficient for pilots to report only to the operator and then to rely on the operator to report to the ATSB. Pilots and other front line personnel must have the knowledge and capacity to report directly to the ATSB in parallel to reporting to the operator.

AIPA is of the view that ATSB should not rely on the operator to categorise events. If ATSB chooses to give weight to an operator's characterisation of the importance of a safety event, then there must be some form of review to ensure that important system improvement opportunities are not lost.

Are the investigation and reporting of HF contributions to aviation events being unnecessarily inhibited by laws protecting privacy and related issues?

AIPA believes that suggestions that HF investigations cannot be fully exposed in public documents due to privacy considerations overstate the intent of those laws.

Failing to explore HF issues is sacrificing the opportunity for system improvement which benefits the many for the avoidance of possible embarrassment of the very few. Identifying errors and mistakes in a meaningful way is not the same as attributing blame and the aviation industry must lead the way in achieving the cultural shift that recognises the frailty of the human component in increasingly complex systems.

AIPA believes that the Privacy Act may be being misinterpreted or misapplied to HF in aviation and that valuable lessons are being lost. We believe that there is a substantial public interest issue in enhancing the safety outcomes of investigations.

Is the existing ATSB/CASA framework sufficiently resourced to be able to properly identify and quickly and accurately investigate incidents that come to their attention?

AIPA is concerned that there does not appear to be a consistent approach from either ATSB, CASA or operators to the accurate categorisation of events and the depth of investigation that attaches thereto.

An operator's SMS should be able to ensure that initial reports to the ATSB are not so brief as to obscure the real issues and also should assist the ATSB in understanding the real operational implications of incidents.

AIPA believes that CASA must be capable of conducting "knowledge" audits based on a consistent standard of operators' SMSs to ensure that proper categorisation of incidents takes place. CASA should also ensure that the operator's investigations and feedback to their crews are robust and timely.

AIPA does not believe ATSB or, to a lesser extent CASA, have sufficient well-qualified and experienced professionals within their ranks to meet this particular task. Neither agency can compete financially for expertise and may never have sufficient resources to meet their workload. We need to be able to supplement the normal resources in time of need.

Are ATSB Reports serving their intended safety purpose or are they too late and too superficial to be anything other than records of bureaucratic activity?

AIPA is of the view that recent major reports are not serving their safety improvement purpose due to a lack of depth, particularly in regard to HF, and a lack of timeliness. We believe that, without the technical and HF insight that is required for complete understanding of complex failures, it is difficult to defend against an inaccurately or inadequately described problem.

Similarly, if nobody really remembers the problem or they think it has already been solved before a report is issued several years after the event, then the report has lost its value (other than a record of activity). The roadblocks to timely publication must be eliminated.

AIPA believes that there needs to be a formal system for multilateral industry assistance to the ATSB to supplement its resources, particularly in regard to specialist operational and technical knowledge.

Is the CASA focus on documentation of risk assessments improving safety management or creating another compliance task that diverts safety managers from the real issues?

AIPA is concerned that the fundamental cultural changes that underpin SMSs, as so often in the past characterised ISO 9000, are being lost in the focus on the documentation task with its emphasis of creating evidence of a process.

Demanding documentation without providing guidance is inefficient and counterproductive. The process is intended to improve the quality of decision making, not choke it to death. There must be clarity of CASA's expectation and a single standardised approach from all CASA officers.

AIPA believes that all elements of the industry, i.e. Government, operators and employee representative bodies, need to combine to identify the scope and cost of appropriate risk management training and to provide guidance on the expected risk management processes, including documenting the "evidence". Allowing operators to decide how much or how little they will do, coupled with inconsistencies in advice from

local CASA Inspectors, merely generates uncertainty and confusion and inexorably leads to documentation being created to give the impression of activity.

Are SMSs the “silver bullet” for developing adequate safety cultures at all levels of organisations?

AIPA believes that SMSs represent a potential quantum leap in improving the management practices of operators.

However, there are two critical elements essential to realising the potential gains: first, the regulator having a single agreed benchmark for the SMS model, and second, a Quality Assurance process involving both internal and external scrutiny that properly balances process and product.

In order to develop an appropriate “sum of all the parts” approach, AIPA believes that operators should consider having employee representatives on review panels so that the SMS can be seen to be working for all levels of the organisation.

AIPA also believes that there is significant potential for enhancing safety data through cooperative arrangements. ATSB should be able to “data mine” SMS data that is otherwise not reportable. Operators should share data with other operators through some form of safety collective type arrangements, subject to appropriate security and privacy protections. However, CASA should not be able to use SMS data to identify individuals or events by way of “fishing expeditions”.

The Real Value of Experience in Aviation

Are operational experience and flight training exclusive or complementary concepts? How much of one can be substituted by the other?

AIPA is concerned that much of the evidence provided to the Committee treats operational experience as something of an alternative to sound training.

That is not the case.

Experience is understanding and recalling the lessons that come from practical application of training. As in any field of endeavour, quality of performance is the product of the combination of training and experience.

AIPA's position has always been that training must be modernised and improved to reflect current technologies, but it must also be complemented by appropriate operational experience before large groups of the travelling public are exposed to the risks attending to a critical crewmember having minimal exposure to the real world of aviation.

AIPA does not believe that training alone can substitute for appropriately supervised operational experience.

However, we do agree that better training will always form a better foundation for the quality of experience. AIPA has identified a need to re-examine supervision within General Aviation (GA) and perhaps look at continuing professional development approaches to capitalise on the exposure to real world operations. We do not believe that there is any substantiated need to put low experience pilots into public transport jet aircraft and hence no need to accept the higher risk.

What are the appropriate proxies and benchmarks for ensuring an acceptable level of performance of safety-related activities?

The inherent difficulty in ultra-safe activities such as public transport in large aircraft is to determine when the safety buffer has been eroded to the point that existing defences are brought under pressure. For example, there is no definite point at which an adverse outcome clearly changes from being “highly unlikely” to “likely”.

In the main, risk assessments are not quantitative but rather rely on the qualitative judgement of seasoned professionals - in short, the judgement of those who have “been there, done that” rather than those who have merely “read the book”!

AIPA believes that experience in business may not be sufficient to be CEO of an aviation company, just as experience as a pilot may not be sufficient to be Chief Pilot. We believe that there must be a rational approach to complying with the requirements for a “sufficient number of suitably qualified and competent employees” required by legislation, since theoretical competence may not constitute an appropriate basis to conduct a safety-critical role.

All levels of people involved in the aviation industry act in concert to shore up the safety performance that the public demands. AIPA strongly believes that that concerted effort is enhanced by experience and weakened by the lack thereof.

It hardly matters whether we talk about low experience pilots or low experience managers, the inherent risk is inversely proportional to experience in that or similar roles. Unfortunately, in this regard, CASA has always been reactive (perhaps as a result of policy restraints) rather than set some minimum benchmarks for safety-critical appointments.

AIPA recognises that certified training is one benchmark for ensuring an acceptable level of performance of safety-related activities. However, on a realistic industry-wide basis, there are few training programs that require certification and of those AIPA harbours serious concerns about their relevance to modern aviation. Similarly, the few requirements for practical on-the-job gaining of experience under close supervision require review.

Are existing benchmarks and standards an adequate reflection of modern aviation safety practice?

AIPA believes that few existing benchmarks and standards reflect the current and future risks that the aviation industry faces.

The current rules reflect a bygone era where aviation was conducted by “reasonable people behaving reasonably” and technology was relatively unsophisticated. Neither situation prevails today and the future will most certainly introduce new risks.

AIPA believes that the cooperation between Government, CASA, ATSB, industry representatives and academia needs to be reinforced and expanded to tackle the dilemma now, rather than wait to conduct a forced patch-up job if there is a major accident.

Human performance can generally be measured in terms of knowledge, skills and behaviours – is there adequate definition of the required benchmarks for those three elements in general, but more critically, is there adequate understanding of the interrelationships and compensatory mechanisms between the three elements if an acceptable level of performance of safety-related activities is to be maintained?

There is a lot of research and experience-based examination currently underway around the world on this very subject. Australia will benefit from the intellectual and financial investment in this work by overseas agencies and organisation.

However, AIPA believes that Australia has yet to embrace the full integration of knowledge, skills and behavioural training that is necessary to move forward to the much more difficult area of understanding the interrelationships and compensatory mechanisms between those three elements. We believe that most training still treats these three elements separately.

AIPA is of the view that most currently available aircraft type ratings tend to treat predominantly skills in the simulator with minimal reinforcement of knowledge and virtually no HF/NTS training. We believe that instructors have to be capable of HF/NTS training and assessment in order to integrate the training. Unfortunately, airline training of instructor staff is unregulated and very patchy, as is typical of course development. There is a paucity of guidance material and regulatory standardisation.

AIPA believes that the stumbling block is the cost of getting it right.

Operators driven by the bottom line want the cheapest training that meets the minimum regulatory requirements. Training providers want to sell a product that is cheap but profitable and which cleanly limits their associated liability. Regulators are not resourced to properly design and implement the required level of training and Government wants to minimise intervention in the market.

Nonetheless, AIPA believes that this 'Gordian knot' must be decisively cut. Government must accept that there is a floor to airline ticket prices and accept that the regulator needs to be more prescriptive in defining training requirements, particularly in regards to the integration of HF and the quality of aviation training. Operators must bear these costs as the cost of doing business.

How should people in safety critical positions gain experience?

AIPA recognises that there must be pathways to gaining experience in all aviation-related activities, particularly if there are prescriptive requirements set for those activities.

AIPA suggests that evidence so far provided to the Inquiry indicates that short term pursuit of shareholder returns may be damaging to the long term safety culture of airlines. Stronger scrutiny of management practices and stronger sanctions for demonstrable management failures affecting safety are essential.

AIPA believes that the pathways to gaining operational experience should be focused on situations that reduce the exposure of the travelling public to the risk of an error caused by inexperience.

Until such time as compelling evidence is provided of a shortage of pilots suitable for progression to jet operations, AIPA is of the view that, subject to appropriate supervision and mentoring, low experience pilots should enter the system through operations that employ non-jet aircraft with 50 or fewer seats. Proposals to employ low experience pilots on jet aircraft and larger non-jet aircraft should be possible, but only after rigorous controls are established and monitored.

AIPA believes that this approach ensures alternative pathways to airline pilot careers, bolsters GA and low capacity airlines as the experiential pathway and provides an acceptable approach to the mitigation of the risk attendant on low flying experience.

The Committee is requested to note that AIPA has slightly modified the view expressed previously in our primary submission about flight crew experience and qualifications. While we previously chose High Capacity Regular Public Transport (RPT) aircraft as a convenient "line in the sand" consistent with existing legislation, we are now persuaded that a more appropriate division occurs between jet and non-jet aircraft. This approach is also more practical when devising training modules for transition training to high altitude/high speed aircraft.

Consequently AIPA's revised view is that the Captain and Co-Pilot of jet public transport aircraft should hold ATPLs and, until such time as the existing legislation is modified, that a minimum hours experience requirement be established for High Capacity RPT aircraft Captains and Co-Pilots.

We believe that the scheme should be progressive so that the pathway is achievable. The current ATPL hours requirements, subject to review of the validity of glider and ultralight experience, would be appropriate for co-pilots and current industry practice for command selection could inform CASA for regulating minimum experience for Captains.

What interventions are indicated to ensure that overall training and experience is appropriate?

AIPA believes that the current regulatory controls of training and experience require substantial review. There must be a clear and well-defined model that is properly supported by guidance material. The requirements must be transparent and applied on an equal footing for all operators.

AIPA believes that the combination of SMSs, minimum experience requirements for all safety critical positions and well defined Training & Checking requirements will provide a sound foundation for the future.

Maintaining an Holistic View of the whole Aviation Safety System

The aviation industry consists of many sectors – what is an appropriate risk-based balance of regulatory priority for these sectors?

AIPA believes that public transport by air requires priority because the outcomes of a hull loss, while generally unacceptable, will be in proportion to the number of passengers potentially affected.

Unlike previous regulatory focuses, the priority then needs to shift to two main groups of activities: those that provide training and experience for entrants to the public transport sector and those that may in other ways put public transport aircraft at risk.

AIPA is of the view that the good work that CASA has done in recapturing regulatory control of the pilot licence training sector needs to be expanded into instrument rating training, type endorsement training, line training and recurrent training as a matter of urgency. We believe that cultural change (both within CASA and the industry) must come with the new regulations. No more delays should be accepted and the cost of the implementation of the new rules should not be underestimated by Government. Additional funding may be required.

If we were to divide the industry sectors into two broad categories of sophisticated and unsophisticated operations, would that form a reasonable basis for consideration of how best to manage those sectors from a public interest perspective?

AIPA believes that there are two broad distinctions to be made in the level of technology and the attendant risks in operating that technology.

AIPA believes that the extant system of regulation, although still requiring improvement, is reasonably matched with the unsophisticated operations for which it was developed.

Given the many departures that have occurred from traditional regulatory models, AIPA strongly advocates that a new regulatory perspective needs to be applied that accounts not only for the sophisticated technologies of today but also the sophisticated business models that have emerged. We believe that CASA needs to get involved in some serious risk assessment activities with industry and Government stakeholders, including the Department of Infrastructure and Transport (DIT), Department of Education, Employment and Workplace Relations (DEEWR), ACCC, PC and Department of Immigration and Citizenship (DIAC) and the new national regulator for the vocational education and training, the Australian Skills Quality Authority (ASQA).

Would a critical analysis of the sources of human capital and the sector interdependencies better inform regulatory oversight?

AIPA believes that a broader view of the aviation industry will reveal a number of issues on the supply side of aviation industry economics. While much has been made of the projected shortages of pilot and maintenance personnel on the international scene, the outlook for the domestic market is less clear.

AIPA believes that the training schools may not be producing a consistent product and that low end operators may not be value adding to their employees' experience. It may be instructive if the PC examined whether there is really a shortage of suitable candidates for the bigger airlines and, if there is, the underlying reasons. Similarly, the PC or the Bureau of Infrastructure, Transport and Regional Economics (BITRE) should investigate the likely trajectory of Australian domestic airline pilot employment to inform the debate and future planning for the training industry.

While the spotlight is clearly on the clumsy Qantas attempts to offshore jobs through various subsidiary arrangements, the focus must remain on whether domestic supply can match future demand. This is particularly pertinent in terms of the financial engineering evident in the so-called Jetstar Cadet Scheme and whether such schemes will create long-term disincentives for future entrants.

AIPA is of the view that the cost of running cadet schemes should be cost neutral with direct entry schemes because the training should elicit the same graduate competencies. If Government believes that direct intervention is inappropriate, then AIPA strongly suggests that consideration should be given to extending HECS support to Air Transport Pilot Licence (ATPL), Instructor and type rating training.

Unlike other jurisdictions, we do have a viable GA industry to supply pilots for airlines. AIPA also believes that risk-related minimum experience requirements for jet public transport operations will also provide economic support to the lower capacity non-jet sectors of the industry by directing low experience pilots through those sectors.

Are there appropriate feedback mechanisms, both market-based and regulatory, between dependent sectors to ensure system responsiveness and resilience?

AIPA is of the view that there are insufficient and inadequate feedback mechanisms to ensure system responsiveness and resilience.

The Industry Associations and representative groups appear to be fragmented and lack both the cohesion and influence to drive the industry forward. Many of the regulatory forums have either been sidelined or have become ineffective in guiding the regulatory debate or assisting in disseminating the issues and outcomes to the industry at large.

AIPA believes that it is in the interests not only of the industry but also Government and the regulator to ensure that there are effective and appropriate feedback mechanisms.

Is there an appropriate holistic view of the aviation system to prepare for the future?

AIPA recognises the importance of the Government's National Aviation Policy White Paper in providing a comprehensive holistic view of the Australian aviation system.

However, the White Paper is necessarily very high level in its approach and AIPA remains unclear whether the government intended to develop subsidiary documents that would continue the strategic planning into the operating levels of the industry, sector by sector. It seems reasonable to expect that sub-plans would be necessary to maintain the impetus of the White Paper.

AIPA is of the view that any examination of the industry as we have recommended here and in previous documents must be informed by the policy intentions of Government at a much more detailed level. Similarly, we believe that CASA could adopt an approach similar to the UK Civil Aviation Authority's (UKCAA) "Significant Seven" initiative - see UKCAA Paper 2011/03 at:

http://www.caa.co.uk/docs/33/2011_03.pdf

The Internationalisation of Domestic Airline Operations

What are the benefits for the Australian public from the crewing models that see foreign nationals operating Australian domestic flights and do those benefits, if any, offset the loss of employment within Australia?

AIPA believes that these international crewing models do not confer any public benefit on Australian travellers.

Domestic ticket costs are based in part on worst rather than best case crewing cost, so any savings are retained as profit rather than passed on by way of lower prices.

AIPA has no doubt that these models are exploitative revenue raisers which we believe lead to a number of increased risks, particularly regarding safety standards for cabin crew. The risk will increase if there are inconsistencies in English language skills and training standards, simply due to the likelihood of confusion and loss of team coordination in an emergency. We believe that the problem is exacerbated by the lack of Australian standards for cabin crew.

Do these international crewing models result in a loss of public revenue through the avoidance of tax and other Government charges?

AIPA believes that one of the primary consequences of the crewing models pioneered by Qantas through Jetconnect and Jetstar Airways in New Zealand is the avoidance of Australian taxation and the mandatory superannuation requirements.

There may also be consequences for any HECS or FEE HELP debts. It has been suggested that employing Australian citizens on foreign contracts may serve to avoid the repayment of HECS or FEE-HELP debts because these are tied to Australian tax returns. Presumably, pilots employed on foreign contracts will not pay tax in Australia.

Do the international crews meet the same standards as the domestic crews that they displace or with whom they share work?

AIPA is of the view that this is not the case, despite evidence to the Committee asserting otherwise, particularly in regard to cabin crew. If the aircraft is an Australian aircraft (ie it is registered in Australia) then each crewmember should meet exactly the same standards for English language proficiency, training and certification.

AIPA believes that CASA may need to introduce more stringent scrutiny for foreign applicants for Certificates of Validation for existing pilot licences as well as applications for Australian licences based on foreign qualifications.

AIPA believes that these international crewing models are all exploitative of either lack of legislated training requirements or international obligations under the Chicago Convention for mutual recognition of certain qualifications.

Are there indirect disadvantages for the international crews through the loss of the range of Australian employment and general workplace protections?

AIPA is concerned that these international crewing models may seek to avoid many of the Australian employment and general workplace protections that we consider appropriate for Australian employees and for Australian workplaces.

If, as we have been led to believe, the way in which Jetstar is treating its foreign cabin crew is any guide to what foreign pilots might expect, then AIPA believes that there should be legislative clarity and the imputation of a duty on Australian operators to treat and protect their foreign workers as if they were Australian employees in the same workplace. This is an extension of the concept embodied in the cabotage provisions of Part VI of the Navigation Act 1912.

Are the existing legislative requirements adequate to ensure that the regular operation of domestic flights with international crews meets the same standards required of Australian crews, notwithstanding our ICAO obligations in regard to the recognition of certain foreign qualifications?

Although CASA expressed the view to the Committee that existing legislation was adequate, AIPA remains unconvinced, particularly in light of the recent Administrative Appeals Tribunal decision that cast doubt on the reliance of departmental policy as a means to regulate.

AIPA strongly believes that the recent scandal about the integrity of the pilot licensing system unfolding in India provides sufficient impetus to review accreditation processes for foreign qualifications without weakening our ICAO commitments.

More generally, while Australian oversight of foreign operators is a sensitive and constrained area, the current processes must be such as to ensure that they cater for differences in compliance standards assessed by ICAO for the various States of registry flying into Australia.

Pilot Fatigue Management

Is the existing legislative framework for the management of pilot fatigue working?

AIPA is of the view that the existing framework works more often than not. It is difficult to quantify overall system performance more precisely, mainly as a consequence of the variety of possible schedules that operators may construct to meet their commercial objectives.

However, there are many examples of specific rostering patterns where the current arrangements do not appear to be working and AIPA is concerned that operators are emphasising so-called "productivity" over risk management. We would make the point that there is little value in operating an aircraft that has been designed to a standard of risk of one fatal outcome in a hundred million events if, for a particular flight or series of flights, there is once chance in 10 that one or both pilots may make a significant error due to fatigue.

What are the Standard Industry Exemptions?

AIPA is advised that work began in 1990/91 in the then Civil Aviation Authority to meet industry requests for improvements to the "one size fits all" Part 48 series of the Civil Aviation Orders covering "Flight Time Limitations". The plan was to divide the industry into sectors and provide relevant modifications to Part 48 to increase flexibility and productivity with no attendant increase in risk. Descriptions of the remaining Standard Industry Exemptions may be found at:

http://www.casa.gov.au/scripts/nc.dll?WCMS:STANDARD::pc=PC_90317#change

Does the existing legislative framework reflect good science?

AIPA believes that the collective view is that it does not.

The core principles underlying the two decades old Exemptions and the several decades older again Part 48 were at best empirical outcomes of practical flying experience. Dedicated fatigue science is relatively modern and is understandably complex. Regulation of fatigue will always involve some difficulty, since each person will react differently to similar circumstances.

AIPA is optimistic about the ICAO Fatigue Risk Management Systems (FRMS) guidance scheduled for release this year. This is particularly so, given that ICAO is as much an economic as it is a safety regulatory advisor and it must consider the full range of social and economic development of the Contracting States to the Chicago Convention. Hopefully, implementation in Australia will follow closely thereafter.

Is fatigue management being adequately monitored?

AIPA believes that the evidence to the Committee suggests that fatigue management is not being adequately monitored by CASA and may be subject to abuse by commercial imperatives.

AIPA is advised that the original Standard Industry Exemptions were based on the intention that a Rostering Protocol would be agreed between the operator and the pilots. This Protocol arrangement was intended to provide a compensatory mechanism to balance the commercial interests of both parties, the scientific shortcomings of the rules and the feedback from those undertaking the potentially fatiguing activities. It was also intended to act as a continuous improvement process for the peculiarities of each operator's business. The Rostering Protocol was never intended to be a "restrictive work practice" but rather a consultative feedback mechanism.

AIPA understands that the mechanism of an agreed Rostering Protocol survives only in those operations who were party to the original Exemptions around 1992. While Civil Aviation Advisory Publication SMS-1 mentions Fatigue Risk Management Systems (FRMS), it is generic and provides little guidance. The evidence provided to the Committee that constantly referred to FRMS was, on closer examination, something of a sham in that it merely involved a few managers agreeing to meeting compliance requirements rather than true fatigue management. AIPA believes that the SMS processes would be enhanced if the rostering practices involved a Fatigue Management Committee with appropriate representation from operating crew and other affected parties. We believe that the combination of a Rostering Protocol and a Fatigue Management Committee would be a very robust risk management approach.

AIPA remains concerned that a number of critical clarifications of definitions, interpretations and application of various elements of the Exemption remain outstanding. Some of the issues are almost as old as the Exemptions themselves and lead to arguably "sharp" practices by operators. Even after ICAO issues its long awaited FRMS advice, it will be a considerable period of time before implementation of any new scheme. The current application of the Exemption needs to be resolved. That will require dedicated resources and a multi-partisan approach.

AIPA believes that CASA must not continue to hang back from ensuring that there is a consistent approach and an active engagement in monitoring fatigue.

Regulation of Cabin Crew

The training and checking of cabin crew is not directly controlled by legislation, other than the requirement for an annual check of proficiency in emergency procedures – is this overall lack of specific control appropriate in regard to the safety-related activities of cabin crew?

AIPA believes that the lack of legislative certainty over the qualifications, training and checking of cabin crew is unacceptable.

AIPA believes that Australian legislation must contain a formal requirement for the qualifications and training of cabin crew. The requirements should cover initial and recurrent training as well as a checking regime. CASA has expressed the view that CAR 217 already provides appropriate coverage, but that view would be greatly enhanced by legislative clarity. While we note that the proposed new rules may address some of these issues, we believe that this matter should be referred to the Minister for Infrastructure and Transport to be included in his current inquiry into cabin crew numbers.

AIPA remains sceptical about evidence given to the Committee about exceeding industry standards for cabin crew training, given that no such standards exist and such commonality as may have arisen is due to cross-pollination between operators, not by any useful control by CASA. Cabin crew are increasingly managed under commercial rather than flight operations management chains and AIPA is of the view that many operators have insufficient regard for the safety-related duties of cabin crew.

There are currently no regulatory controls for the fatigue management of cabin crew - is this complete lack of specific control appropriate in regard to the safety-related activities of cabin crew?

Cabin crew are part of the aircraft management team. More so now than ever prior to the enforced separation of the cockpit security door, cabin crew have to deal with many issues without the physical support of the flight crew. AIPA believes that it is axiomatic that proper fatigue management of cabin crew must be prescribed in legislation.

While the most common public task of cabin crew is customer service delivery, their primary purpose on aircraft is safety and security related. Many airlines place the direct management of cabin crew under commercial rather than flight operations management – are those corporate arrangements generally robust enough to ensure that flight standards are satisfactorily maintained for all members of an airline's operating crewmembers and that clear lines of accountability are maintained?

AIPA is of the view that the evidence presented to the Committee is sufficient to indicate that reliance on the good intentions of management without legislative backing is inadequate. We have formed the view that the concept of operating is not always understood by managers focused largely on the bottom line and little else.

We commonly refer to the aircraft's operating crew, which is comprised of the flight crew and the cabin crew. Operational safety rests in the hands of the pilot in command who relies on the safety training and performance of the whole team. The compliance and operational standards of cabin crew must be influenced by those who have a statutory responsibility for operational safety.

While AIPA does not have a specific view about where cabin crew management should be placed within corporate structures, we do believe that flight operations management must have a significant, if not controlling, influence on safety management policy and procedures for cabin crew.

CONCLUSIONS

While the verbal evidence provided to the Committee has focussed somewhat on specific events, the broader issues remain critical to maintaining Australia's air transport safety record. AIPA is unwavering in championing the view that the last line of defence is flight standards.

AIPA accepts that the Parliamentary Committee process can only scratch the surface of the real issues because there are significant differences in the resources and processes that might otherwise be attributed to a Judicial Inquiry or Royal Commission. Nonetheless, AIPA believes that the evidence clearly indicates that there are problems in the Australian aviation industry.

Cost Pressures and Aviation Safety

AIPA formed the view that the evidence underlined the philosophy of cost control through minimum compliance rather than any philosophy of careful investment for the future. We believe that this approach clearly underlined that reliance on reasonable behaviour by operators is largely doomed.

AIPA is not in any way convinced that the so-called cadet schemes are a necessity if the primary justification is reliant on a shortage of prospective pilots. In many cases, the training offered is not dissimilar to traditional pathways and we have serious doubts about how the cost premium is justified other than by the possibility (not a commitment) of an airline job.

AIPA believes that there has been a fundamental under-investment in risk management training at all levels of the industry. This is, in many ways, a foundation requirement to support the shift to SMS as the new safety paradigm and correcting the situation is a priority.

Investigating the Evidence of Aviation Safety Performance

AIPA concludes that the evidence showed that the ideals of SMS are not translating into practical outcomes in all areas. Much management rhetoric was forthcoming about the quality of SMSs and their proactive nature, but the evidence indicated a significant reality gap between the rhetoric and the reality.

We were invited to take the view that CASA was failing to meet its regulatory responsibilities, based on the evidence of organisational dysfunction in several areas of industry. In some ways, such a conclusion would fall into the popular category of "strict liability". However, AIPA recognises and commends the progress that CASA has made under Mr McCormick as CEO and believes that some leeway should be granted on the basis that CASA has neither the financial nor human resources to solve all of its historical problems at once. It should be noted that CASA could only be disappointed at the failure of the SMS principles to gain adequate traction in a major operator.

AIPA also believes that the evidence indicates that there are reporting problems. While ATSB appeared to take a somewhat passive role by relying on operators and their SMSs to share some of the investigatory workload, AIPA now believes that there is sufficient evidence to suggest that commercial interest may provide too much of a conflict when it comes to open reporting, especially without independent checks and balances.

The Real Value of Experience in Aviation

AIPA noted that the extensive risk mitigation strategies that now drive the supervision and mentoring of cadet pilots in Jetstar, while an excellent model for other operators, is an overt

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recognition that experience acts as a risk mitigator and that compensating arrangements are necessary for low experience pilots.

We believe that a system that specifies minimum experience requirements can operate without unnecessarily restricting the supply of prospective pilots and can provide an increased benefit to general aviation and low capacity airline operators by making them the places of choice for gaining experience.

AIPA also noted that much of the evidence about cadet schemes focussed not so much on the risk but much more so on the fact that “everybody is doing it” and that there have been no accidents attributed to cadets or low experience pilots. Neither of those two latter perspectives deals with true risk - the likelihood of an adverse outcome. Ironically, good risk assessment comes from the future projections of highly experienced people.

Maintaining an Holistic View of the whole Aviation Safety System

There was not any particularly useful examination of how detailed elements of the Aviation White Paper were to be enabled. Unfortunately, this makes it somewhat difficult to gain a realistic view of the budgetary competitiveness of each sector of Australian aviation.

AIPA notes that there was insufficient time to properly explore the adequacy of the training pathways in terms of quality and relevance of current training. Nonetheless, we invite the Committee to note that the issues of training for automation and manual flight skills are the first priority of the UKCAA’s “Significant Seven” safety issues and also that the Federal Aviation Administration (FAA) will publish towards the end of this year major research by Dr Kathy Graham into the inadequacy of automation training for modern aircraft systems.

AIPA believes that the industry would benefit greatly from independent scrutiny of any supply-side issues by such entities as the PC, ACCC and BITRE and by the development of the next level of supporting plans underpinning the Government’s National Aviation Policy White Paper.

The Internationalisation of Domestic Airline Operations

AIPA believes that the evidence was largely unconvincing on any benefits flowing from the offshoring of Australian jobs. We encourage the Committee to pursue the issues of avoidance of tax, mandatory superannuation and workplace protections that appeared to be the primary motivation for moving domestic jobs offshore.

Pilot Fatigue Management

There is clearly a fatigue management issue that must be resolved urgently. It involves both pilots and cabin crew. The environment is created by inadequate legislation which, when administered by suppressive management cultures that pay lip service to risk management, not only creates a direct and immediate risk but directly influences other areas such as incident reporting and continuous improvement processes.

Regulation of Cabin Crew

AIPA believes that there is sufficient evidence to suggest that the paucity of legislation regulating the qualifications, training and checking scheme and fatigue management of cabin crew has led to exploitation and increasing risk. AIPA strongly believes that the current situation is untenable.

RECOMMENDATIONS

AIPA makes the following recommendations in addition to those of our original submission:

Cost Pressures And Aviation Safety

1. Government should review its proposed policy on permitting cabotage (international carriers operating domestically) within the aviation industry, given the stark contrast with coastal shipping.
2. Government should make a clear policy statement on its position with regard to the offshoring of Australian jobs, in particular how it distinguishes between economic efficiency and exploitation of lesser developed societies.
3. Government should ensure that no subsidies or other incentives flow to aviation organisations who force excessive levels of training costs onto employees or prospective employees.
4. Government should consider an industry support scheme for ATSB (and CASA) along the lines of the Defence Reserve Leave Scheme that would provide an available pool of resources from which the agencies could draw in times of need for specialist knowledge and expertise.
5. CASA should, when designing regulatory interventions, consider the consequences of each operator adopting a business model that satisfies each and every compliance requirement at the minimum permitted level.
6. CASA should, given the negative aspects of operating highly automated aircraft, develop an appropriate training model that ensures that the interactions between autopilot, flight director and the flight management system are well understood, that the original equipment manufacturers provide adequate design and operating data and that appropriate procedures to update the knowledge base are in place.
7. To properly support SMSs as the foundation of safe operations, CASA should provide a model of the expected level of risk management training. There needs to be clarity of the relevant target levels as, left without guidance, the industry will do nothing or as little as they believe will appease the local regulatory staff.
8. CASA should ensure that risk management modules are included for every licence level and as a prerequisite for the approval of Air Operator's Certificate (AOC) appointments and the granting of most, if not all, approvals, permissions and delegations.
9. CASA should identify, develop and publish specific aviation risk management guidance material as a matter of urgency.
10. CASA should require each operator to ensure that each and every employee has a relevant understanding of risk management.
11. CASA should ensure that there is defined courseware to ensure a uniform response across the industry. The delivery level needs to be identified within the current vocational and tertiary sectors for each required course.
12. Government should ensure that CASA has the interdepartmental support to exert control over who delivers aviation training. This risk management training must be certifiable within the Australian education system.
13. Government should ensure that cost implications are identified and subsequent decisions made on any supporting funding or subsidy arrangements that may be required to

ensure that aviation risk management training underpins the future Australian aviation industry.

14. CASA should urgently introduce a condition on AOCs that requires operators to facilitate participation in independent anonymous surveys conducted by ATSB to truly get a measure of the management climate and safety culture of operators.

15. Operators should embrace employee representative participation in some critical SMS functions, in order to ensure that all stakeholders can have faith that the safety function is being conducted with appropriate autonomy and authority.

16. The PC should investigate the efficacy of the various pathways to generate the pool of experienced pilots required by the Australian aviation industry as well as options for investment in development of GA feeder operations. That investigation should consider the need for suitable incentives to revitalise the diversity of people choosing aviation as a career path.

17. The Jetstar Cadet Scheme should be examined by the Australian Taxation Office (ATO), DEEWR and DIAC to ensure that this and similar schemes do not avoid obligations to the Australian Government.

Investigating the Evidence of Aviation Safety Performance

18. CASA should develop and publish resourcing models for typical SMSs, including staff positions by type and number of personnel as well as qualifications, training and professional development targets.

19. CASA should develop and publish detailed guidance on performance standards for SMSs, including the quality of risk assessments, incident investigation, documentation and records, feedback mechanisms, safety promotion and emergency response planning.

20. CASA should ensure that operators publish the policy and procedures for "Just Culture", train all levels of management and staff and regularly review the implementation and performance of those policies and procedures.

21. Operators should ensure that all managers are trained in the required elements for Procedural Fairness and there should be a primary and appeal procedure as well as an overall implementation and performance review process.

22. The Office of the Privacy Commissioner (OPC) should investigate the application of the Privacy Act to aviation events and, if appropriate, should make a Public Interest Determination to enhance the safety outcomes of investigations.

23. ATSB should review its approach to the investigation and publication of human factors with a view to achieving a more robust and useful learning tool for the industry.

24. ATSB should review existing processes for the categorisation of aviation events to ensure that miscategorisation is minimised and opportunities for system improvement are not lost.

25. CASA, in concert with ATSB, should develop and publish guidance on model reporting to minimise understatement of the actual or potential significance of aviation events.

26. CASA should ensure that operators demand the highest standards of incident reporting from their personnel and provide appropriate training as part of the safety promotion function of their SMS.

27. Government should move to protect SMS data collected by operators but not necessarily reported to ATSB from misuse, perhaps broadly along the lines of the protection afforded to data in the possession of ATSB.

The Real Value of Experience in Aviation

28. CASA should re-examine supervision within GA and the low capacity airlines and consider requiring continuing professional development approaches to capitalise on the exposure to real world operations.

29. The focus by CASA on competency based training should be broadened to include management and operational support staff.

30. A wider range of certified courses of aviation specific training, including simulator instructor, HF/NTS Instructor and aviation course development training, should be identified and developed as part of an overall CASA risk mitigation strategy and supported by Government through HECS and other industry support incentives.

31. CASA should better define and more closely monitor “on the job” training and mentoring for all safety critical roles.

32. Government should consider establishing a Tripartite Safety Regulation Research body, involving CASA, ATSB and the Aviation Policy portfolio of DIT, to conduct and participate in safety regulation research and innovation.

33. CASA should investigate options for greater penalties for management personnel found to be “not fit and proper” to hold safety-critical roles within organisations.

34. CASA should broaden its approach to the formal examination of prospective managers and require operators to provide proper training schemes for managers, including continuing professional development.

35. CASA should develop and publish a specific policy on the risk mitigation strategies for the employment of low experience pilots to both address the increased risk and to provide a standardised approach for all operators (the costs for that risk mitigation through appropriate supervision and mentoring are the cost of operations and should not be a major determinant for that policy).

36. CASA should restrict the employment of low-experience pilots to non-jet aircraft with 50 or fewer seats as a general rule, with any proposed variation subject to substantial justification on an exceptional circumstances basis.

37. CASA should require that the Captain and Co-Pilot of jet public transport aircraft should hold ATPLs and, until such time as the existing legislation is modified, that a minimum hours experience requirement be established for High Capacity RPT aircraft Captains and Co-Pilots.

38. CASA must complete delivery of the revised regulations as a priority, as the implementation and transition phases will necessarily delay the required solutions to current problems.

39. Government should review the taxation arrangements for aviation training under the anomalous “self-education” provisions so that unemployed pilots forced to pay for training are not doubly disadvantaged.

40. Government should consider a levy on operators to partially fund incentives and support for the GA and low capacity public transport sectors which could attract some level of rebate according to the initial training costs paid directly by the operator.

Maintaining an Holistic View of the whole Aviation Safety System

41. CASA needs to be adequately resourced to continue its much broadened focus on safety-critical positions and the training systems, particularly during the implementation of the new rules.
42. Based on emerging trends, Government should conduct a policy risk assessment and review with industry and Departmental stakeholders, including DIT, DEEWR, ACCC, PC and DIAC and ASQA.
43. The PC or BITRE should investigate the likely trajectory of Australian domestic airline pilot employment to inform the debate and future planning for the training industry.
44. Government should extend efforts in the vocational and higher education areas to provide better support and incentives for people undertaking flying training, in particular by extending HECS support to ATPL, Flight Instructor and type rating training.
45. Government should ensure that adequate safety-based feedback mechanisms exist within industry and between industry sectors and the regulator to ensure that interaction is holistic and productive rather than fragmented and divisive.
46. Government should embark on a series of mini-White Papers that provide more detailed policy guidance for each sector and there should be public exposure of current and planned activities that are being justified as driven by that policy statement.

The Internationalisation of Domestic Airline Operations

47. CASA should ensure that all crew members on Australian aircraft meet the same standards of training, competency checks and English language proficiency.
48. CASA should review the level of testing of all applicants for Australian licences, ratings, approvals and permissions based on foreign qualifications.
49. Government should consider, through DEEWR and DIAC, imposing a duty on Australian employers to ensure that all employees are protected to the standards that apply to Australian employees.
50. By extension, CASA should review the processes for oversight of foreign operators to ensure that they cater for differences in compliance standards assessed by ICAO for the various States of registry flying into Australia.

Pilot Fatigue Management

51. CASA should reconsider the concept of requiring a Rostering Protocol to be agreed between operators and flight crew as a condition of granting exemptions to CAO 48.
52. Operators should consider the mutual benefits of introducing formal Fatigue Management Committees under the auspices of the SMS.
53. CASA should vigorously re-engage in the supervising and monitoring of rostering and fatigue management practices of operators.

Regulation of Cabin Crew

54. The Committee should refer the matter of cabin crew qualifications, training and competency checking to the Minister for Infrastructure and Transport to be included in his current inquiry into cabin crew numbers.

55. CASA should ensure that training and checking of cabin crew should be subject to similarly rigorous legislative controls as apply to flight crew.

56. The Committee should refer the matter of cabin crew fatigue management to the Minister for Infrastructure and Transport to be included in his current inquiry into cabin crew numbers.

57. In its base modelling of acceptable operational structures, CASA should include consideration of the management linkages between Flight Operations and Cabin Crew management to ensure that AOC post holders who have responsibility for safety of flight have appropriate authority over flight standards matters.

– END –



Advancing the interests of our members and the profession

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