

Question on notice no. 308

Portfolio question number: SQ23-005062

2023-24 Supplementary Budget estimates

**Rural and Regional Affairs and Transport Committee, Infrastructure,
Transport, Regional Development, Communications and the Arts Portfolio**

Senator Bridget McKenzie: asked the Civil Aviation Safety Authority on 2
November 2023—

- (1. Are there any concerns around CASA's test for 'hire or reward' is out of line with the Standards and Recommended Practices of the International Civil Aviation Organisation and other aviation jurisdictions in the world?
2. Was the introduction covered in the notices of proposed rulemaking and economic impact statement?

Answer —

Please find answer attached

Rural and Regional Affairs and Transport

QUESTION ON NOTICE

Supplementary Budget Estimates 2023 - 2024

Infrastructure, Transport, Regional Development, Communications and the Arts

Committee Question Number: 308

Departmental Question Number: SQ23-005062

Division/Agency Name: Agency - Civil Aviation Safety Authority

Hansard Reference: Written (02 November 2023)

Topic: CASA - Hire or reward practice

Senator Bridget McKenzie asked:

1. Are there any concerns around CASA's test for 'hire or reward' is out of line with the Standards and Recommended Practices of the International Civil Aviation Organisation and other aviation jurisdictions in the world?
2. Was the introduction covered in the notices of proposed rulemaking and economic impact statement?

Answer:

1. The Civil Aviation Safety Authority's (CASA) interpretation of the concept of 'hire or reward' closely aligns with the use of that concept, and similar formulations, by other leading aviation countries and the International Civil Aviation Organisation.
2. The test of hire and reward was not introduced by the new flight operations regulations. That concept had been part of the previous regulatory framework and the new regulations did not alter its meaning.

However, the new regulations did make changes to the definition of the kinds of passenger carrying operation which can be regarded as private operations. This meant that some operations which had been conducted as a private operation under the old regulations could no longer be conducted on that basis under the new regulations.

CASA published extensive guidance about these changes which led a number of operators to approach CASA seeking exemptions to allow them to continue operating flights as private flights. Given the significant number of operators effected, CASA decided to issue an exemption to facilitate continued operation of these flights while it reviewed the position further.