

Response to QoN 9

Senator Johnston asked at 1345 h

- WRT the Adagold MEAO contract, under the contract,
(a) What is the requirement for the number of Australians to fly and crew the plane as opposed to non-Australians?
- The Adagold/Hifly contract stipulates that all aircraft crew that are pilots will be employed by the aircraft operator (Hifly) and that all will be and will remain AS citizens within 6 months of contract commencement.

(b) Are these requirements being met?

- Yes. Of the nine pilots, eight are AS citizens and one is NZ citizen. Under the AS/NZ Closer Economic Trade Agreement, NZ citizens have the right to work and live in AS. Defence has interpreted that the employment of this NZ pilot is in compliance with the contract.
- The same citizenship stipulation applies to cabin crew. A total of thirty two personnel are employed in this role, all of whom are AS citizens.
- The citizenship stipulation was a voluntary undertaking by Adagold Aviation. It was not evaluated as part of the tender criteria and thus inability to comply for any reason would be treated as compliance issue and not a contract breach. Defence, may, at its discretion, agree in writing to the employment of a non-AS citizen should the need arise.
- Hifly as part of its air worthiness and safety responsibilities provide an additional pilot over and above the regular flight crew for the purpose of quality assurance and training.
- This will normally be a Portugese National and he does not undertake flying duties

Response to QoN 10

A question was asked on payment for fuel consumed by A340 air sustainment aircraft

- Fuel is paid by Defence direct to the fuel suppliers (not to ADAGOLD).
- All fuel invoices are checked to ensure that actual fuel consumption figures are IAW those stipulated in the contract.

Question on Cabin and Flight Crew Conditions of Service

- Cabin crew were trained by Air Services Australia and confirmed by the Portugese Air Safety Authority (INAC)
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- This issue was also addressed in a written response to a QoN QN11-000324 under Q111 - MEAO Air Contract - Standards

Senator Johnston provided in writing

- What are the standards that the ADF has agreed with the contractor, Adagold, to employ crew, pilots and engineers on board the contracted aircraft, and do these standards meet Australian workplace standards?

Response

- As specified in the Air Transport Deed of Standing Offer between the Commonwealth and Adagold Aviation Pty Ltd, the Contractor must comply with a variety of Commonwealth policies of general application relevant or applicable to the Deed. Such policies applicable to employees include:
 - Defence Equity and Diversity policy,
 - Environment policy, Conflict of Interest policy,
 - Equal Opportunity for Women in the Workplace policy,
 - Hazardous Substance policy,
 - Fraud Control policy,
 - Information Privacy Principles of the Privacy Act;
 - Maximising Employment Opportunities for Aboriginal and Torres Strait Islanders policy, and
 - Occupational Health and Safety statutory requirements.
- The Deed of Standing Offer imposes a contractual liability on the contractor and any sub-contractors, to conform to a range employment related responsibilities and standards covering a wide array of issues from Occupational Health and Safety, Equity and Diversity, and the Privacy Act to Personal injury claims, Workers Compensation and Public and General Liability Insurance.
- All cabin crew are employed by Adagold Aviation Pty Ltd in accordance with the provisions of the Aircraft Cabin Crew Award 2010 and the Fair Work Act, and are paid above the minimum rates specified in the Award.
- All pilots and engineers are employed by the operator of the MEAO Air Sustainment Charter Aircraft, Hifly Transportes Aereos SA. Advice from the Hifly Transportes Aereos SA Australian-based Project Manager is that the employment provisions agreed for pilots and engineers are comparable with Australian workplace standards.

Questions on Meal charges and frequency

- This issue was addressed in a recent media response as follows
 - Could Defence please provide a statement explaining MEAO Air Sustainment Contract Additional Charges for catering service and drinks cost per passenger.

Response:

- The cost of the meals and refreshment service provided on the MEAO Air Sustainment Service is considered to be reasonable, appropriate and represents value for money.
- The \$125.11 covers all meals and drinks provided for a complete standard flight mission commencing and terminating in Sydney. Flight time for each flight to and from Australia is 18 hours with a five hour turnaround on the ground in the MEAO.
- The meals and refreshments provided during the 36 hour flight time are categorised as Standard International Premium Economy Class airline fare and include a total of six main hot meals, two scheduled snack refreshment opportunities and all hot and cold drinks. A range of additional snacks, hot beverages and cold drinks are also available on demand.
- Recent customer feedback surveys as at 6 Feb 2012 indicate that 96% of respondents reported favourably on quality, frequency and timing of meals and refreshments.

Question on aircraft documentation and training manuals

- Both CASA and Defence have, on a number of occasions, reviewed aircraft documentation and flight manuals and have found nothing significant to report on their utility or usability

Question on flight entertainment systems damaged screens

- Customer survey responses normally focus on a range of issues covering content, quality and also functionality of the system.
- The analogue based system is under continual review and maintenance. It does not deliver the digital quality expected of recent technology.

Questions on safety

Smoke generated by malfunctioning entertainment system

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- No such incident has been reported to the ADF either by individuals travelling on the aircraft or by Adagold aviation. This allegation is being followed up by Defence

Fire under stairs and use of fire extinguisher

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Questions on flyaway kit and damage to aircraft

- This matter was raised during Senate Estimates in Oct 2011 and the matter was addressed by CDF on page 86 Hansard extract as follows;
- It was stated that in March this year the fly-away kit was not secured. I am advised that the assertion that the aircraft fly-away kit was not secured in March this year is only partially accurate. These spare parts were found to be insecure during a normal pre-flight safety check.
- The issue was reported and resolved prior to the aircraft's departure. The incident was also properly reported to CASA who undertook an investigation of the matter and an inspection on 6 May 2011.
- Subsequent to these incidents CASA has conducted two audits and no significant issues of concern have been identified.

Questions on DG on aircraft

- It is normal practice to carry oils and lubricants in support of flight operations and the article does not indicate whether the aircraft was in flight or about to take flight or under technical maintenance.
- In the absence of this information, it will be difficult to investigate this matter further but these items within reasonable quantities do not constitute DG

Questions on the presence of tools

- It is normal practice for flight engineers to carry basic maintenance tools on the aircraft in order to carry out flight maintenance IAW standard operating procedures

Questions on expiry dates of fire extinguishers

- Both CASA and Defence have inspected safety equipment held on the aircraft on a number of occasions and have separately confirmed that equipment is serviceable and current

Questions on inspections on the primary and secondary contracted aircraft

Response:

- Two aircraft are used by the contractor and inspections have been undertaken as follows:

Primary aircraft: Tail number CS-TQM

- CASA has inspected the primary aircraft on two separate occasions on 30 Nov 10 and 29 Nov 11
- CASA undertook an observation activity on the primary aircraft on 7 Feb 12 in conjunction with the Defence Safety Inspection
- Defence conducted an additional safety inspection of the primary aircraft on 25 Nov 10

Secondary aircraft: Tail number OY-KBM

- CASA has inspected the secondary aircraft on two separate occasions on 31 Mar 11 and 6 May 11