



23 January 2007

Ms Jeanette Radcliffe  
Committee Secretary  
Rural and Regional Affairs  
and Transport  
PO Box 6100  
Parliament House  
Canberra ACT 2600

Dear Ms Radcliffe

**Re: Airspace Bill 2006  
Airspace (Consequential and Other Measures) Bill 2006  
Airports Amendment Bill 2006**

I am responding on behalf of Qantas Chief Executive Officer, Mr Geoff Dixon, to your letter of 22 December 2006 inviting comments on the above Bills.

As the principal commercial user of Australian airspace and airports, Qantas welcomes this opportunity to provide the views contained in the attached submission.

The proposed changes with respect to airspace regulation sit well with Australia's broader move towards internationally harmonised, outcomes-based aviation regulations, a further example of which is reform of the Civil Aviation Safety Authority's regulations relating to aircraft maintenance activities.

We would be pleased to provide any further information in relation to these Bills, or wider aviation regulatory issues, if it would be of assistance to the Committee.

Yours sincerely

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**Government and International Relations**



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## **AIRSPACE BILL 2006**

### **AIRSPACE (CONSEQUENTIALS AND OTHER MEASURES) BILL 2006**

Qantas supports the transfer of airspace regulation and administration from Airservices Australia (Airservices) to the Civil Aviation Safety Authority (CASA). The move streamlines current processes, which involve regulation by three bodies (CASA, Airservices, DOTARS). It also ensures consistency of regulation and appropriately separates policy making, commercial service provision and regulatory functions.

Qantas welcomes the proposed development of an Australian Airspace Policy Statement setting out the Government's objectives and strategy with respect to airspace development and administration, and processes for changes to these arrangements.

Qantas believes that the Bill and associated instruments and processes present a unique opportunity to lay a strong foundation for the future policy, regulation and administration of Australian airspace. In our view, for the framework to function effectively, a number of aspects will require further clarification and attention. These are outlined below.

#### **Consultative processes**

The Second Reading of the Bill highlights the Government's expectation that the Australian aviation community will participate in both the development and review of airspace policy and the processes for considering and analysing airspace change going forward. It also makes clear that the Policy Statement "will require that major changes to Australian airspace will be made only after ... inclusive consultation with stakeholders to rigorously test proposed changes before they are implemented."<sup>4</sup>

As the principal commercial user of Australian airspace, Qantas welcomes this intent, although we note that consultation involving parties other than CASA and Airservices is at the Minister's discretion. Comprehensive and genuine consultation will be integral to the delivery of outcomes that enhance efficiency, equity of access, national security and environmental protection.

There is a range of stakeholders with an interest in the use and management of airspace in Australia whose objectives will need to be balanced within the policy and regulatory framework, while maintaining the overarching objective of safety. Key stakeholders are:

- CASA;
- Airservices;
- DOTARS;
- Department of Defence; and
- Industry.

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<sup>4</sup> Airspace Bill 2006, Second Reading, 29 November 2006

Development of a formal framework for interaction between these stakeholders which fosters a regular, inclusive, transparent, and robust dialogue is essential. While Qantas recognises the sensitivity surrounding national security issues, if the new arrangements are to function effectively, Defence must also be fully engaged in these processes in their capacity as airspace users and in light of the separate Regulations which apply to their activities.

Such a framework, which we assume would be led by CASA, would serve as the basis for a balanced decision-making process. Provision for a dispute resolution or arbitration mechanism, possibly with the services of an independent expert, may also be appropriate.

While there is no existing group under current arrangements that could fulfil this role, the current Standards Consultative Committee (SCC) appears to provide a successful model in terms of industry participation, extensive consultation and producing relevant outcomes.

As part of this, consideration will need to be given to the role of other consultative industry forums relevant to airspace administration under the new arrangements. These include:

- AERU Consultative Forum (ACF);
- Airspace Users Group (as a Subcommittee of the SCC);
- Regional Airspace Users Advisory Committee (RAPAC); and
- Australian Strategic Air Traffic Management Group (ASTRA).

Qantas supports the continuation of these groups, which are well established and perform synergistic functions, while recognising that their functions may require modification in light of the new arrangements.

In terms of consultation more broadly, in Qantas' view it is important that the International Civil Aviation Organization (ICAO) and neighbouring States are kept apprised of developments concerning the evolution, recognition and administration of Australia's airspace.

### **Administrative arrangements**

While the roles and responsibilities of the administrative unit being established by DOTARS to provide advice on airspace policy have not been articulated, it appears from the projected costs of \$4.2 million, that the unit will involve a significant number of staff. This appears high given that the manpower allocated by Airservices to airspace policy issues less than 10 years ago was five staff.

In addition to the costs of establishing and maintaining this unit - which are to be drawn from the Federal Budget - there are likely to be significant costs associated with the establishment and operation of the Office of Airspace Regulation within CASA.

Qantas notes that under the proposed arrangements, the costs associated with the Office of Airspace Regulation will be charged to Airservices Australia, who “will in turn pass that cost on to industry”<sup>5</sup>, notwithstanding the Office’s role of regulating airspace for all users. This is in addition to the ongoing costs of civil airspace regulation, which are borne by industry.

While seeking to ensure that the costs associated with the new framework do not adversely impact the aviation industry vis-à-vis the current situation, Qantas is also keen to avoid the development of overly complex administrative arrangements, which place an undue burden on industry.

### **Aeronautical information services**

Qantas recognises the importance of timely and accurate aeronautical information services (AIS) for safe air navigation, particularly with regard to navigation database applications. Qantas is concerned that there may be a potential conflict between Airservices’ commercial interests and its obligation to provide an AIS service in accordance with Annex 15 of the Chicago Convention. We note that CASA will provide regulatory oversight for AIS, however, its provision will remain with Airservices.

### **Division of airspace**

Qantas notes that there is no division of airspace outlined in the bill. We assume therefore, that CASA will be responsible for the administration of all airspace, including terminal airspace. We welcome this development, as we regard the current situation, whereby DOTARS is responsible for regulation of terminal airspace, as undesirably complex.

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<sup>5</sup> Second Reading, Airspace Bill 2006,, 29 November 2006.