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25 June, 2008

The Secretary,
Senate Standing Committee on Rural
and Regional Affairs and Transport
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Committee Secretary,

INQUIRY INTO THE ADMINISTRATION OF THE CIVIL AVIATION SAFETY AUTHORITY
AND RELATED MATTERS

In the first instance, I thank the Committee on behalf of the Australian Airports Association (AAA) for the invitation to submit comment, reference the above subject Inquiry.

The Australian Airports Association is a non-profit organisation founded in 1982 and represents the interests of over 270 airports Australia-wide, from the local country community landing strips to the major international gateway airports. The Charter of the Association is to facilitate co-operation among all member airports and their many and varied partners in Australian aviation, whilst maintaining an air transport system that is safe, secure, environmentally responsible and efficient for the benefit of all Australians.

- *We are assuming that the terminology "administrative reforms" refers to regulatory reforms rather than an examination of the administrative process and reporting lines within CASA. That being said, in terms of the way in which airports interface with the regulator it is our view that regulatory reform since 2003 has been extremely effective.*
- *New Civil Aviation Safety Regulations (CASRs) under Part 139 for airports and the opportunity for operational reclassification for many, together with the introduction of Safety Management Systems, have been implemented with a minimum of fuss and certainly no disruption to service levels.*
- *The AAA has always maintained a professional, cordial and workable relationship with CASA. We have found them to be amenable to constructive comments and suggestions that may contribute to safety-based outcomes. From our experience, CASA has encouraged industry to contribute to the consultative process, which has impacted upon the effectiveness of the regulatory reforms as and when they are proposed.*

- *With regard to the consultative process, we believe, in terms of CASA involving industry, that they may well have fallen victim to a situation of their own creation. In a letter to the CASA Chief Executive Officer, written by the CEO of the AAA, dated 26 March 2007, the following excerpts may be of interest to the Committee. "There can be no criticism from industry and stakeholders that CASA does not give everyone the opportunity to 'have their say'." The letter also went on to state "my concern is that you and your team do not encounter an interesting condition known as 'consultation overload'. Never before has CASA been so active and transparent in the way the consultative process is extended to stakeholders. Never before has there been so many and varied opportunities for stakeholders to express their views to CASA personnel at all levels."*
- *Simply put, over the past few years CASA has made a 'rod for its own back' by taking the industry forward with it on the road to regulatory reform. Australian aviation is at the best of times, dysfunctional. It could be argued that by CASA 'consulting' so much, it has put somewhat of a brake on the anticipated speed of the regulatory reform program. To have to countenance and console so many 'competing' aviation stakeholders and interests is a difficult task at the best of times. One wonders what the industry's reaction would have been if CASA had not consulted industry and stakeholders and just pushed ahead with the regulatory reform program.*
- *Airports around Australia will continue to experience a positive and worthwhile working relationship with CASA without in any way compromising their legislative role as the industry's regulator. We treat CASA, its officers and staff, in the exact same way as we would wish to be treated!*

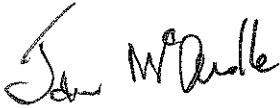
There are two specific issues we would wish to raise with regard to CASA's' current governance structure.

- *First, it is extremely difficult for a Chief Executive Officer alone to have to not only contend with aviation regulatory matters and attaching legislation, but from time to time also the machinations of politicians of all persuasions. It seems to us that there is no other high profile regulatory authority here in Australia that has to contend with so much political interference and point-scoring. For most parts, the aviation industry requires very specialised professional skills, coupled with a high level of experience and expertise. Unfortunately, those skills and experience are not matched by most of CASA's' distracters and certainly not at the political level.*
- *Second, we propose that CASA have an 'independent' Board of respected and notable industry 'experts' representing a wide cross-section of aviation and business involvement who do not have any current 'conflict of interest' issues.*
- *There is one aspect of CASA's' relations with industry that is worthy of comment. From our experience there still seems to be somewhat of a 'disconnect' between CASA headquarters and the field operatives. Although CASA management has addressed this issue with vigour over recent years, there is still a high degree of inconsistency in the way in which field operatives interpret the rules and regulations. It would appear there are still a lot of 'old time' field staff unable to embrace change.*

With regard to CASA meeting community expectations as a firm safety regulator, we contend that the community is confused. They are confused because, on the one hand, media grabbing statements by 'would-be experts' and 'opportunistic politicians' advise to the contrary. Government Inquiry after Inquiry, with consequential public reporting does nothing whatsoever to reinforce CASA's enviable position of being one of the more competent aviation regulators.

Once again, we thank the Committee for the opportunity to participate in the consultative process and we wish them every success with their deliberations.

Yours sincerely,



John McArdle

AAA National Chairman