

Chapter 2

Infrastructure, Regional Development and Cities portfolio

2.1 This chapter outlines some of the key issues discussed during the hearings for the Infrastructure, Regional Development and Cities portfolio on 21 and 22 May 2018.

2.2 On 21 May 2018, the committee heard from divisions of the Department of Infrastructure, Regional Development and Cities (DIRDC) and portfolio agencies in the following order:

- Inland Rail and Rail Policy Division;
- Australian Rail Track Corporation;
- Surface Transport Policy Division;
- Cities Division;
- Regional Development and Local Government Division;
- Infrastructure Australia;
- Infrastructure and Project Financing Agency; and
- Infrastructure Investment Division.

2.3 On 22 May 2018, the committee heard from divisions of DIRDC and portfolio agencies in the following order:

- Australian Maritime Safety Authority;
- Infrastructure Investment Division;
- National Transport Commission;
- Portfolio Coordination and Research Division;
- Australian Transport Safety Bureau;
- Airservices Australia;
- Civil Aviation Safety Authority; and
- Aviation and Airports Division.

2.4 The following agencies and divisions were released during the course of the hearing without providing evidence:

- Corporate Services Division;
- Western Sydney Unit; and
- WSA Co.

Inland Rail and Rail Policy Division

Faster Rail program

2.5 The committee discussed the *Faster Rail Prospectus* and DIRDC's assessment of applications for funding of business cases. The department advised that the

assessment process included an initial filtering phase against the first-stage criteria. This included identification of transport infrastructure problems and policy challenges, proposed solutions and outcomes, the impact on access and supply of housing, the impact on employment accessibility, and the impact on regional economic activity and development.

2.6 DIRDC advised that 26 proposals had been received, of which approximately half went to the second stage of assessment. This second stage included assessing value for money, financing opportunities, risk assessment and capacity to deliver. DIRDC also advised that in forming a recommendation for government, it consulted with a number of Commonwealth agencies including the Infrastructure and Project Financing Agency, Infrastructure Australia and the Treasury. The three selected consortia will be allocated a portion of \$20 million for which negotiations are ongoing.¹

2.7 The committee asked the witnesses about the due diligence conducted by DIRDC in its assessment of the faster rail funding applications, particularly around the financial viability of the consortia. The department advised that the assessment of initial applications focused primarily on the expertise of the consortia rather than financial viability, which will be assessed further in the business case.²

Location of the Inland Rail line

2.8 The committee raised concerns regarding the uncertainty of the location of the Inland Rail line. DIRDC advised that the Australian Rail Track Corporation (ARTC) is conducting planning and environmental impact statement processes to narrow down the final alignment. DIRDC noted that as part of this process, the ARTC is engaging with communities through community consultation committees and one-on-one discussions with farmers.³

Australian Rail Track Corporation

Intermodal terminals

2.9 The committee discussed intermodal terminals in the context of Inland Rail, and explored their importance, role and funding. The ARTC told the committee that intermodal terminals provide capacity and operating efficiency, which is critical for Inland Rail.⁴

Inland Rail track alignment

2.10 The ARTC spoke to the committee about the selection of preferred track alignments in light of community consultation and multi-criteria analyses. The ARTC advised that, while the number of affected landowners is a factor with regard to preferred alignments, the key criteria is that of meeting the service offering for Inland

1 *Proof Hansard*, 21 May 2018, pp. 5–7.

2 *Proof Hansard*, 21 May 2018, pp. 11–13.

3 *Proof Hansard*, 21 May 2018, pp. 8–9.

4 *Proof Hansard*, 21 May 2018, p. 19.

Rail and the cost of construction. The service offering was developed in conjunction with industry in 2014–15 and consists of transit time required, reliability, and configuration of the trains (axle loads, double-stacked and 1.8 kilometres in length). The committee asked the ARTC specifically about the track alignment between Narromine and Narrabri. The ARTC advised that this corridor of the Inland Rail was selected as a preferred alignment in 2010 and this had been further studied in 2014.⁵

Melbourne to Albury rail line upgrades

2.11 The ARTC was asked about the upgrade of the Melbourne to Albury rail track. The ARTC told the committee that the Government agreed to invest \$235 million in funding to raise the Melbourne to Albury track to that of Victorian class 2 passenger standard. The ARTC is currently working with the Victorian Government on the final scope of this work and will shortly conduct a community consultation process. The committee sought information on train delays along this track as a result of speed restrictions (due to concerns about track quality and rough riding) and copper wire theft.⁶

Surface Transport Policy Division

Autonomous Emergency Braking

2.12 The committee discussed the work being conducted by DIRDC in relation to Autonomous Emergency Braking (AEB). The department advised that it will be able to develop Australian design rules once an international standard is in place. DIRDC advised that it is working with the United Nations to establish a technical definition of AEB which will then be incorporated into future Australian design rules.⁷

Road safety investments

2.13 DIRDC informed the committee of a variety of infrastructure investments that have improved road safety. The department stated that investment into a dual carriageway on the Pacific Highway had reduced fatalities by 50 per cent. The officials also referenced the Black Spot Program and the Heavy Vehicle Safety and Productivity Program as other initiatives directed at improving road safety.⁸

2.14 DIRDC also advised on measures that are aiming to reduce trucking fatalities. The department spoke of the Heavy Vehicle Safety Initiative which considers proposals from industry and regulators to improve safety for heavy vehicles. It highlighted measures included in the safety initiatives work plan, including:

- implementing an expanded network of heavy-vehicle compliance-monitoring camera capability in Victoria, Australian Capital Territory, Queensland and South Australia;

5 *Proof Hansard*, 21 May 2018, pp. 20–22.

6 *Proof Hansard*, 21 May 2018, pp. 23–25.

7 *Proof Hansard*, 21 May 2018, pp. 26–28.

8 *Proof Hansard*, 21 May 2018, p. 32.

- the rollout of local safe freight networks in higher-than-average heavy-vehicle crash zones;
- the development of a master industry code of practice to be led in partnership with the Australian Trucking Association and the Australian Logistics Council;
- bringing forward the implementation of a reporting service to allow individuals to anonymously report potential heavy-vehicle national law infringements, including a mechanism to enable workers to report company behaviour that could negatively impact safety;
- providing rest stops; and
- developing an evacuation advisory tool for bus operators and drivers in the event of a bus fire.⁹

2.15 The committee discussed other work DIRDC is conducting with the National Heavy Vehicle Regulator. Officials advised the committee that as part of the 2018–19 National Transport Commission review, consideration will be given to whether changes are needed to the fatigue arrangements under the Heavy Vehicle National Law.

2.16 The committee was told that the Commonwealth Government has contributed \$840 000 to fund a research project to monitor the alertness of drivers as they perform tasks consistent with the breaks currently allowed under the Heavy Vehicle National Law. DIRDC has also worked with Austroads to review the National Heavy Vehicle Driver Competency Framework, with particular consideration given to licensing and training requirements for heavy vehicle drivers and assessors.¹⁰

Electric vehicles

2.17 The committee questioned DIRDC about its preparations for an expected increase in the uptake of electric vehicles. The department indicated that the Department of the Environment and Energy is responsible for a number of initiatives to support the uptake of electric vehicles, including through the Emissions Reduction Fund and the Clean Energy Finance Corporation. DIRDC informed the committee that it is currently assessing the cost benefits, including reduced fuel usage, as well as the health benefits of electric vehicles.¹¹

Cities Division

2.18 DIRDC officials from the Cities Division told the committee that the department has been allocated \$23.5 million over the forward estimates to support the delivery of the national cities agenda.¹²

9 *Proof Hansard*, 21 May 2018, pp. 32–33.

10 *Proof Hansard*, 21 May 2018, pp. 46–49.

11 *Proof Hansard*, 21 May 2018, pp. 37–38.

12 *Proof Hansard*, 21 May 2018, p. 56.

2.19 The committee sought updates from DIRDC on progress towards various city deals.

Darwin City Deal

2.20 DIRDC indicated that there is an expectation that the Darwin City Deal will be finalised this calendar year.¹³

2.21 The department stated that it is in discussions with stakeholders in the Darwin region, including the Charles Darwin University, Northern Australia Infrastructure Facility and the Clean Energy Finance Corporation, about a range of projects and initiatives that could form part of the City Deal. It was noted that the Charles Darwin University has signalled interest in moving some of the campus facilities into the centre of the city.¹⁴

Perth City Deal

2.22 The Perth City Deal was announced on 27 April 2018. DIRDC noted that the Commonwealth Government has provided funding for the METRONET project through the budget, which the department expects may form part of the future City Deal.¹⁵

2.23 DIRDC indicated that one of the challenges of the Perth City Deal is working out how best to engage local governments, noting the large number of local councils in the Perth region.¹⁶

Hobart City Deal

2.24 DIRDC indicated that the Hobart City Deal should be well progressed by the end of 2018. Departmental officials told the committee that the Government has provided funding in the budget for the Bridgewater Bridge infrastructure proposal which may form part of the City Deal.¹⁷

2.25 The committee was informed that the Prime Minister, the Hon Malcolm Turnbull MP and the Tasmanian Premier, the Hon Will Hodgman MP have signed a Heads of Agreement which sets out key objectives for City Deal negotiations. These include:

- examining options to facilitate an Antarctic and science precinct at Macquarie Point;
- guiding a coordinated approach to transport planning;
- providing a strategic framework for local councils and the state government for working together on strategic planning outcomes;

13 *Proof Hansard*, 21 May 2018, pp. 57–58.

14 *Proof Hansard*, 21 May 2018, p. 58.

15 *Proof Hansard*, 21 May 2018, p. 59.

16 *Proof Hansard*, 21 May 2018, pp. 59–60.

17 *Proof Hansard*, 21 May 2018, pp. 61–62.

- examining options to facilitate the University of Tasmania's STEM presence in the city; and
- supporting affordable housing.¹⁸

2.26 DIRDC stated that Tasmania's Department of State Growth has released a high-level Hobart transport vision, which will help guide more detailed consideration of the development of the City Deal.¹⁹

Launceston City Deal

2.27 The department told the committee that the Launceston City Deal will run for a five year period from 2017 to 2022. The Commonwealth Government is providing a total of \$195.33 million to support projects to improve education and job opportunities in Launceston.²⁰

2.28 DIRDC informed the committee that the deal was signed at the end of April 2017 with an annual progress report due to be released before the end of this financial year.²¹

2.29 The department provided an update on the progress of some of the projects funded under the City Deal, including the:

- Tamar Estuary Management Taskforce;
- relocation of the University of Tasmania;
- City Heart project; and
- Defence Innovation Hub.²²

Western Sydney City Deal

2.30 Officials of the Cities Division told the committee that the Commonwealth Government has committed \$125 million in funding for the Western Sydney City Deal. This funding includes:

- \$60 million for the Western Parkland City Liveability Program;
- \$50 million for the North-South Rail Link business case; and
- \$15 million for the Western Sydney housing package.²³

2.31 DIRDC also indicated that this funding was part of a broader contribution from the Commonwealth which will also include the development of government

18 *Proof Hansard*, 21 May 2018, p. 61.

19 *Proof Hansard*, 21 May 2018, p. 63.

20 *Proof Hansard*, 21 May 2018, p. 64.

21 *Proof Hansard*, 21 May 2018, p. 64.

22 *Proof Hansard*, 21 May 2018, pp. 65–66.

23 *Proof Hansard*, 21 May 2018, p. 67.

land, establishment of new government offices and services, and provision of equal funding for the first stage of the North-South Rail Link.²⁴

Geelong City Deal

2.32 DIRDC advised the committee that it expects the Geelong City Deal to be finalised this calendar year.²⁵

2.33 Ms Claire Howlett, General Manager in the Cities Division, provided the following information on the deal's progress:

The Geelong City Deal is somewhat unique in that there's been a lot of work done in the Geelong community over the last few years around a list of priority projects for the region. There's a fairly high level of consensus around that list of projects. The City Deal will focus on expansion of the visitor economy for Geelong and the Great Ocean Road and continued diversification of the economy in Geelong as it transitions from a primarily manufacturing based economy to a much more diverse economy.²⁶

Townsville City Deal

2.34 The department told the committee that the Commonwealth has currently committed \$250 million to the Townsville City Deal.²⁷

2.35 The committee discussed the next steps listed for the Townsville City Deal in the Townsville City Deal Annual Progress Report, including whether further Commonwealth funding was required for any of the steps.²⁸

Regional Development and Local Government Division

Decentralisation of government agencies

2.36 The committee explored the decentralisation agenda with officials of DIRDC's Regional Development and Local Government Division. They informed the committee that in 2017, all government departments had undertaken an analysis of their functions to determine their suitability for decentralisation. After this analysis was undertaken, the Government identified a number of agencies that may be suitable for decentralisation. Further work will be conducted to determine a final list of agencies for decentralisation.²⁹

2.37 The department advised the committee that a number of agencies were identified in the budget for decentralisation. The department explained that 98

24 *Proof Hansard*, 21 May 2018, p. 67.

25 *Proof Hansard*, 21 May 2018, p. 68.

26 Ms Claire Howlett, Department of Infrastructure, Regional Development and Cities, *Proof Hansard*, 21 May 2018, pp. 68–69.

27 *Proof Hansard*, 21 May 2018, p. 69.

28 *Proof Hansard*, 21 May 2018, pp. 69–71.

29 *Proof Hansard*, 21 May 2018, pp. 72–74.

positions in total have been identified for decentralisation across the following agencies:

- Office of the Registrar of Indigenous Corporations;
- Indigenous Affairs Group Regional Network (Melbourne CBD and Sydney CBD offices);
- Unique Student Identifier Registrar;
- Office of the National Rural Health Commissioner;
- Department of Infrastructure, Regional Development and Cities' Indian Ocean Territories function; and
- Department of Infrastructure, Regional Development and Cities' Inland Rail Unit.³⁰

Community Development Grants Programme

2.38 The committee sought information on the Community Development Grants (CDG) Programme. The department advised the committee that \$160 million was allocated to the CDG Programme in 2017–18 and there are currently 788 funded projects. DIRDC told the committee that the purpose of the CDG Programme is to "construct and upgrade facilities to provide long-term improvements in social and economic viability of local communities".³¹

National Water Infrastructure Development Fund

2.39 The department provided information regarding the National Water Infrastructure Development Fund, stating that the grant funding is almost fully exhausted and one commitment of \$50 million has been made under the loan facility. The committee asked about funding provided to the Southern Downs Regional Council to conduct a feasibility study for the Emu Swamp Dam. In particular, the committee questioned the department about the outcomes of the initial report and funding shift to the Stanthorpe and Granite Belt Chamber of Commerce.³²

Regional development programs

2.40 The committee also discussed progress with regard to the Regional Growth Fund, the Building Better Regions Fund and the Regional Jobs and Investment Package, including conflict of interest reporting by local planning committees and applicants for the funding.³³

30 *Proof Hansard*, 21 May 2018, p. 78.

31 Ms Donna Wieland, Department of Infrastructure, Regional Development and Cities, *Proof Hansard*, 21 May 2018, p. 77.

32 *Proof Hansard*, 21 May 2018, pp. 81–83.

33 *Proof Hansard*, 21 May 2018, pp. 78–81, 87–90, 92–103.

Infrastructure Australia

2.41 Infrastructure Australia provided the committee with an update on the Infrastructure Priority List, which identifies over \$55 billion of infrastructure projects and initiatives of national significance. Infrastructure Australia told the committee that eleven out of twelve projects from the 2018 priority list have been funded.³⁴

2.42 Infrastructure Australia informed the committee that in June 2019, it will deliver the second Australian infrastructure audit (the first audit was conducted in 2015). It noted that the audit will "provide a nationally consistent evidence base to guide the next phase of Australia's infrastructure development".³⁵

2.43 The committee sought information from Infrastructure Australia on the proposal to upgrade the M1 between John Renshaw Drive and Raymond Terrace to motorway standard. Officials told the committee that this proposal is on the Infrastructure Priority List as an initiative but they have yet to receive a business case from the New South Wales Government.³⁶

Infrastructure and Project Financing Agency

2.44 The committee explored the various projects for which the Infrastructure and Project Financing Agency (IPFA) has provided advice. Officials told the committee that IPFA is advising on the Snowy transmission solution, Western Sydney City Deal, and the Rookwood Weir dam project, in addition to projects for the Department of Health and the Department of the Environment and Energy.³⁷

2.45 IPFA discussed with the committee the kind of support it provides with regard to government projects, including advising on the viability of financing options, how commercial arrangements should be structured, and by assisting in negotiations with state governments and private sector proponents.³⁸

Infrastructure Investment Division

2.46 The committee sought information on the funding, timelines, business cases and land acquisitions for a variety of infrastructure projects in each state.

Queensland

- Bruce Highway upgrades;
- North Coast Line – Beerburrum to Landsborough;
- Cunningham Highway – Yamanto to Ebenezer/Amberley;
- Pacific Motorway upgrades;

34 *Proof Hansard*, 21 May 2018, pp. 90–91.

35 Mr Philip Davies, Infrastructure Australia, *Proof Hansard*, 21 May 2018, p. 91.

36 *Proof Hansard*, 21 May 2018, pp. 91–92.

37 *Proof Hansard*, 21 May 2018, p. 105.

38 *Proof Hansard*, 21 May 2018, pp. 105–106.

- Ipswich Motorway upgrade;
- Brisbane Metro; and
- Townsville Eastern Access Rail Corridor.

New South Wales

- Pacific Highway Coffs Harbour Bypass;
- Nowra bridge;
- WestConnex; and
- Western Sydney Rail.

Victoria

- North East Link;
- Monash rail;
- duplication and electrification of the Frankston to Baxter line;
- Princes Highway East completion of the duplication between Traralgon and Sale; and
- Melbourne Airport rail.

Tasmania

- Bridgewater Bridge;
- Midland Highway projects;
- Bass Highway upgrades; and
- Hobart Airport roundabout.

Western Australia

- METRONET;
- Tonkin Highway Gap upgrade;
- Great Eastern Highway Bypass;
- Mitchell Freeway extension;
- Great Northern Highway projects; and
- Bunbury Outer Ring Road.

South Australia

- Regency Road to Pym Street;
- Gawler rail line electrification; and
- Joy Baluch Bridge duplication project.

Northern Territory

- Central Arnhem Road; and

-
- Buntine Highway upgrades.

Australian Capital Territory

- Monaro Highway upgrades; and
- Pialligo Avenue duplication.³⁹

Australian Maritime Safety Authority

2.47 The committee sought information from officials of the Australian Maritime Safety Authority (AMSA) on the three-year review that will be conducted after implementation of the National System for Domestic Commercial Vessel Safety. AMSA advised that this review will look at how the system is operating, how costs are recovered and how they are shared amongst the industry.⁴⁰

2.48 The committee explored maritime fatalities in 2016–17, seeking information on fatalities by state and sector. AMSA told the committee about its activities across the sector to improve safety, including work being undertaken with industry on the stability of older vessels and in developing standards to require float-free Emergency Position Indicating Radio Beacon (EPIRBs) for the wider fleet.⁴¹

National Transport Commission

Corporate matters

2.49 The committee explored the staffing numbers of the National Transport Commission (NTC), as well as the process for appointing a chair of the board. DIRDC advised that it would provide advice to the Minister on a suitable appointment for the position, based on relevant experience and nominations from other jurisdictions.⁴²

2.50 The committee asked NTC about travel undertaken by the senior leadership team. It was informed that the leadership team would visit jurisdictions and attend domestic and international conferences where the topics were relevant to the reforms being undertaken by NTC. The committee sought information on the costs of the senior leadership team's travel, as well as the costs of hospitality with board members or external guests.⁴³

Australian Road Rules

2.51 The committee sought information on the Australian Road Rules. NTC advised that these rules serve as model legislation which forms the basis of state and territory road transport laws. NTC explained that the Australian Road Rules are based on best practice and engagement with jurisdictions, police, users of the road, motorists and driving associations. NTC stated that in developing these rules, it is guided by

39 *Proof Hansard*, 21 May 2018, pp. 108–145 and *Proof Hansard*, 22 May 2018, pp. 12–39.

40 *Proof Hansard*, 22 May 2018, p. 4.

41 *Proof Hansard*, 22 May 2018, pp. 7–9.

42 *Proof Hansard*, 22 May 2018, p. 40.

43 *Proof Hansard*, 22 May 2018, pp. 41–42.

United Nations working parties one and 29. Working party one relates to traffic and driving laws, while working party 29 relates to internationalising vehicle standards.⁴⁴

2.52 The committee discussed automated vehicles with the NTC and was informed that it had recently advised the Minister on what changes may be required to the current Australian Road Rules. NTC explained that it plans to establish a separate piece of legislation for automated vehicles and that this work will occur over the next twelve months.⁴⁵

Portfolio Coordination and Research Division

Sustainability Development Goals

2.53 The committee explored the work undertaken by DIRDC in relation to the United Nations' Sustainability Development Goals (SDGs). The department advised that it is taking a lead role on two of the SDGs: the infrastructure side of goal 9, which is to build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation; and goal 11, concerning sustainable cities. It informed the committee that it is currently considering the economic contribution of the transport industry. The department is conducting this work with the United Nations, Canada, the United States, the United Kingdom and the International Civil Aviation Organisation (ICAO).⁴⁶

National Freight and Supply Chain strategy

2.54 The committee asked officials about the report of the Inquiry into National Freight and Supply Chain Priorities. DIRDC advised the committee that it will work with Commonwealth agencies, states and territories and involved stakeholders to build a national Freight and Supply Chain Strategy over the next twelve months. The department told the committee that the development of the strategy is based on five pillars: productivity, safety, environmental sustainability, security and community.⁴⁷

Aviation fares

2.55 The committee also explored trends in aviation fares identified through research conducted by the Bureau of Infrastructure, Transport and Regional Economics (BITRE).⁴⁸

Australian Transport Safety Bureau

2.56 The committee requested information from the Australian Transport Safety Bureau (ATSB) regarding its contribution to the Civil Aviation Safety Authority's review into drone safety. While highlighting the need to maintain the agency's

44 *Proof Hansard*, 22 May 2018, pp. 42–43.

45 *Proof Hansard*, 22 May 2018, p. 44.

46 *Proof Hansard*, 22 May 2018, pp. 46–48.

47 *Proof Hansard*, 22 May 2018, pp. 48–49.

48 *Proof Hansard*, 22 May 2018, pp. 51–53.

independence, ATSB had suggested to CASA that the ability to identify a drone in the case of a collision would assist its own air safety investigation work.⁴⁹

2.57 The committee extensively traversed the topic of the search for MH370. It was informed that the ATSB-led search was suspended on 17 January 2017 and a final report into the search was published on 3 October 2017. The DIRDC's Joint Agency Coordination Centre is now the agency responsible for providing advice and public information in relation to Australia's engagement.⁵⁰

Airservices Australia

Hobart Airport flight paths

2.58 The committee discussed the Aircraft Noise Ombudsman's report into complaints following the introduction of new flight paths at Hobart Airport. Airservices Australia advised the committee that it has accepted all 13 recommendations in the report and that it intends to publish the recommendations, along with Airservices Australia's associated actions, on its website.⁵¹

2.59 Airservices Australia discussed the rationale for the changes to the Hobart flight paths. Officials indicated that Airservices Australia implemented a standard terminal arrival route into Hobart and standard instrument departures, which are applied at all major aerodromes. Airservices Australia explained that due to increased air traffic, there was a need for more regularity and a systemised approach to managing traffic. Airservices Australia Chief Executive Officer (CEO), Mr Jason Harfield continued:

One of the reasons for having that predictability is that it allows the aircrafts to be managed more efficiently and it allows them to get into a stabilised approach to land much sooner, and they can set up in a very busy time for the pilots. What we have seen since the new flight path and the STARs have been implemented is a reduction in what we call 'go arounds'. That's when the aircraft goes around because it is in an unstable approach. We've seen a reduction in the number for the corresponding period 12 months prior. So we're seeing evidence that the system integrity and safety is improving, with improved efficiency from the systemisation. That indicates that that's where we need to continue—otherwise, we'll get into a situation where air traffic growth for Hobart will be restricted.⁵²

Aviation Rescue Fire Fighting services

2.60 The committee also asked Airservices Australia officials about the establishment of an Aviation Rescue Fire Fighting (ARFF) service at the Whitsunday Coast Airport (also called Proserpine Airport). Airservices Australia told the committee that it expects to have a service on the ground next year, with a full service,

49 *Proof Hansard*, 22 May 2018, pp. 53–54.

50 *Proof Hansard*, 22 May 2018, p. 55.

51 *Proof Hansard*, 22 May 2018, pp. 64–65.

52 *Proof Hansard*, 22 May 2018, p. 66.

certified by the Civil Aviation Safety Authority in place by 2020. Airservices Australia also told the committee that it has been working with the Queensland Fire and Emergency Services to build their capacity to assist in aircraft accidents at local airports.⁵³

Civil Aviation Safety Authority

2.61 The committee discussed the Civil Aviation Safety Authority's (CASA) management of mechanical incidents. The committee focussed on the state of a tyre on a Qantas aircraft that transitioned through Townsville and landed in Brisbane. According to the evidence before the committee, information from the Engineer in Townsville reveals that, due to insufficient manpower available to carry out a tyre change, the aircraft was sent on without the tyre being replaced.

2.62 Mr Shane Carmody, CASA's CEO, informed the committee that the Engineer had also certified that the tyre could continue in service without safety concerns. Notwithstanding this point, it was noted that the Engineer had stated that the tyre must then be replaced at the next check (after Townsville). Mr Carmody also emphasised to the committee that the matter had been the subject of internal investigation as well as peer review and that it had also been referred to the Industry Complaints Commissioner.⁵⁴

2.63 The committee explored CASA's response to this incident, as well as the Industry Complaints Commissioner's report.⁵⁵

Aviation and Airports Division

Funding for remote aerodromes

2.64 The committee explored the support provided by DIRDC to remote aerodromes. It was provided with an overview of the Regional Aviation Access Program (RAAP) which supports remote and very remote communities. The RAAP funds the Remote Airstrip Upgrade Program which provides around \$8 million per year towards essential safety works at remote aerodromes. The Remote Air Services Subsidy Scheme is also funded through RAAP, and underwrites mail and passenger services to over 300 remote communities. In addition, the Airservices Australia Enroute Charges Payment Scheme provides a rebate of air services enroute charges for selected routes.⁵⁶

Pilot training

2.65 The committee also explored DIRDC's role in supporting pilot training. While the department doesn't provide any specific programs around pilot training, it works with industry to identify ways to improve such training. The department told the committee that it works closely with industry, providing secretariat and research

53 *Proof Hansard*, 22 May 2018, pp. 75–77.

54 Mr Shane Carmody, Airservices Australia, *Proof Hansard*, 22 May 2018, pp. 79–86.

55 *Proof Hansard*, 22 May 2018, pp. 79–86.

56 *Proof Hansard*, 22 May 2018, p. 87.

support to an industry group reviewing skills pinch points in aviation, both in engineers and in pilots. The purpose of the industry group is to recommend strategies for a sustainable aviation training sector which will support the training and retention of aviation professionals. The group is also looking at developing strategies to promote Australia as a leading exporter of aviation skills and training services for the Asia-Pacific region.⁵⁷

Major Development Plans

2.66 DIRDC detailed the process for drafting a Major Development Plan. It noted that if an airport can provide it with an exposure draft, it has the capacity to review the data and determine compliance with the *Airports Act 1996*. The department also receives comments from CASA, Airservices Australia and the Department of the Environment and Energy and returns all these comments to the airport for its consideration. Thereafter, a preliminary draft Major Development Plan is circulated for comment for a minimum of 60 business days. The airport is then required to give due consideration to all submissions received and the issues raised in submissions are presented to government in a report, along with the draft Plan.⁵⁸

2.67 The committee sought information on the proposed third runway at Tullamarine airport, particularly regarding community consultation around the Major Development Plan, which is expected to be released in July or August. The department indicated that in this case, it has provided comments on the MDP exposure draft.⁵⁹

National Airports Safeguarding Framework

2.68 The committee also sought information on the National Airports Safeguarding Framework. DIRDC explained that the National Airports Safeguarding Framework is a commitment from Commonwealth, state and territory governments. The Framework is supported by the National Airports Safeguarding Advisory Group, which is a forum that brings together transport and planning officials from Commonwealth, state and territory governments to work through issues, such as noise, public safety zones and technical issues, to ensure that planning approvals and processes can factor in airport operations with the amenity of the community.⁶⁰

57 *Proof Hansard*, 22 May 2018, pp. 89–90.

58 *Proof Hansard*, 22 May 2018, pp. 90–93.

59 *Proof Hansard*, 22 May 2018, pp. 92–94.

60 *Proof Hansard*, 22 May 2018, pp. 94–95.