



Submission to the
inquiry into the
future of Australia's
aviation sector



Professionals Australia submission to the Select Committee on COVID-19 inquiry into the future of Australia's aviation sector, in the context of COVID-19 and conditions post pandemic

About this submission

Professionals Australia is a network of thousands of engineers, managerial and technical professionals whose mission is to shape the future of our professions based on the expressed wishes of professionals themselves; and to help our members get the careers they deserve. We believe our members should have a strong voice and more influence over the big issues in their industry, their professions and in their workplaces.

We are the union representing professionals in commercial, general and defence aviation, aviation manufacturing and engineering and the Civil Aviation Safety Authority and Airservices Australia. As employees in the sector, our members work in regulatory, surveillance and oversight roles, advanced manufacturing and engineering, air navigation and aviation communications, and information and communication technology. They are engineers, pilots, professionals in policy development and ICT, airworthiness inspectors, flying operations inspectors and examiners and a range of associated roles.

As affiliates of the Australian Council of Trade Unions (ACTU), we support the ACTU submission to this enquiry. This submission aims to supplement that of the ACTU, by focussing specifically on the issues impacting Professionals Australia members in the aviation sector.

The committee are also encouraged to review our submission and recommendations made to the Inquiry into Australia's general aviation industry earlier this year.

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Professionals Australia

The importance of STEM skills in Aviation

Science technology engineering and maths skills are essential in underpinning multiple facets of the aviation sector. From the advanced manufacturing and technical supply chains that engineer, build and maintain aircraft, to the IT professionals enabling the operation of airlines and our airports in a complex operating environment, to the air safety and regulatory professionals ensuring that the industry meets high levels of operational safety. STEM skills are the foundation of a strong, safe aviation sector.

Issues with ICT and data security coupled with vulnerability to cyber-attack are a clear and present risks in this area. Australia requires specific strategies to address them in the aviation context, as well as the expansion of the government's directly employed, sovereign owned cybersecurity workforce.

Another item that has emerged over recent years is the introduction of software-based air transport aircraft. One such new aircraft model has over 1200 individual items of software. Australia must ensure that the oversight of these aircraft is world leading and this can only be conducted by trained operators and regulators who can make accurate judgement calls from every aspect. These aircraft will be the backbone of passenger carrying transport for decades to come and like every other digital aspect of life, Australia must ensure all barriers are well considered in order to ensure that the safety of passengers, crew and aircraft is assured.

Risks of STEM skill losses

Critical skills in engineering, IT and STEM broadly are at risk of being lost from the industry due to stand downs, restructures, and redundancies. For example, in Qantas' engineering workforce, even with redundancies and an increase in flights in December there will still be approximately 85% of staff working less than full time.

These job security issues in the private sector are exacerbated by the easing of some regulation intended to ease the strain on businesses. Easing regulation creates the perverse outcome of removing the work underpinning the employment of aviation safety professionals in the Australian Public Service. Indeed, both the Civil Aviation Safety Authority (CASA) and Airservices Australia are engaged at the moment in large scale restructuring, including redundancies.

Critically, once lost, STEM skills will not be easy to replace. There is significant competition for engineering and ICT skills across many sectors outside of aviation. The grim outlook for pay and conditions for these professionals in the aviation sector will see many leave the sector for good.

Workforce planning

A recovery plan for the aviation sector must include a plan for the aviation workforce. There needs to be a comprehensive, industry workforce plan developed through a tripartite process with industry stakeholders, employers, and representatives of aviation workers. This plan must include specific strategies to attract and retain the STEM workforce, at a time when the aviation sector is struggling to provide market competitive employment conditions.

This plan must include specific strategies to attract and retain the STEM workforce, at a time when the aviation sector is struggling to provide market competitive employment conditions.

As organisations across the sector are undergoing significant workplace change, action should also be taken to develop and implement an industry plan to mitigate workload intensification and psychosocial hazards among the workforce in consultation with staff, unions and workplace health and safety representatives.

We note that The Department of Infrastructure, Transport, Regional Development and Communications is currently consulting on a 5 year industry plan, however our engagement in this

process has shown that it seems very much focussed on identifying opportunities to deregulate the industry. Instead, this 5 year plan should analyse and articulate the skills required across the industry and propose strategies to train, develop, attract, and retain workers with those skills.

Importance of regulation and public services

Regulation in the Australian aviation sector has been built following a hundred years on industry evolution. Our nation also exists as part of an international aviation community and Australia are signatories to the International Civil Aviation Organization (ICAO).

ICAO's core function is to maintain an administrative and expert bureaucracy to follow industry trends, research new air transport policy and standardisation innovations and advise internationally on consistent practices for civil aviation. Simply put, Australian aviation is part of an international regulatory community and our international obligations should be a central input into any discussion about aviation safety governance. The Australian aviation industry also has international supply chains, and changes to one area of the sector can have unintended knock on effects to other parts of the sector.

The effective and efficient operation, and the technical capability, of CASA and Airservices Australia does not just support commercial aviation. These agencies perform critical roles which enable the safe, reliable operation of Defence and general aviation in Australian cities and across our regions. While CASA have responsibility for safety regulations, licensing, certification and industry surveillance, Airservices Australia has responsibility for airspace management, communications, navigation and airport rescue and firefighting services.

Both agencies are impacted by the COVID-19 driven downturn in the aviation industry, in terms of funding input and the type of required output. For example Airservices is funded from fees and charges levelled at industry. Even though the services which the agency provide cover a huge span of commercial and general aviation industry, the lion's share of fees and charges paid to the organisation come from international flights. 90% of Airservices revenue traditionally comes from the top 10 commercial aviation operators. COVID has therefore gutted the agency's funding and they are undergoing significant staffing redundancies as a result.

However, long before the challenges of the global pandemic, both agencies faced serious, entrenched cultural problems and workforce challenges. These issues have severely impacted the workforce.

CASA

CASA's responsiveness, capacity, and its ability to discharge its obligations is fundamentally underpinned by the knowledge, experience, and expertise of its regulatory and industry surveillance workforce. The commercial and general aviation industry, and the wider community rely on their dedication, attention to detail and professionalism to ensure safe skies for all.

Yet, despite their essential role in delivering CASA's mission, their technical workforce is in crisis. Understaffing, workload intensification, and a seemingly endless process of restructuring is stretching the technical workforce to its limits. Retirements, staffing resignations, redundancies, and inaction to fill vacant technical positions are putting our reputation for having one of the best safety records of any country in the world at risk. The unprecedented reduction in corporate knowledge, and resultant lack of oversight, increases the very real risk of a catastrophic accident.

On top of it all, a top down management culture which fails to engage and involve the workforce in change and is hostile towards critique has resulted in plummeting confidence in the organisations' leadership. Last year's Australian Public Service Census as well as surveys conducted by Professionals Australia and fellow unions show that CASA staff have lost faith in their leadership as a result of the culmination of these issues.

Serious action is required to restore that faith and repair the workplace culture. Addressing these issues is paramount, as the workplace issues listed above impact the safe operation of the aviation industry.

Airservices

Airservices' management have faced unprecedented challenges as COVID-19 has caused revenue to dry up. Although commercial aviation has significantly scaled down, Airservices is still required to provide services, particularly to the general aviation industry, and deliver aviation firefighting services at airports crammed full of grounded airliners.

On top of it all, they've faced challenging decisions about maintaining staffing levels, aware of the need to maintain technical capacity in order to service the post-COVID recovery, while being directed by government to adapt to the fluctuating size of the industry.

The challenges of 2020 have highlighted the deficiencies in Airservices funding model, where the government essentially rely on private sector capital to underwrite the safe operation of the critical aviation industry. The impact of an underfunded, scaled down Airservices Australia on the operation of general aviation, as air navigation, air traffic control and firefighting resources are stretched thin, would be significant. The Commonwealth Government must find the right funding model to maintain Airservices' capability and expertise through the current crisis.

It is not known what the long term effects of the global pandemic will be on the flying public's attitude to air travel. Surveys show that the exponential increase in video conferencing and remote working has changed the attitudes of business travellers, while recreational travellers are far more likely to holiday domestically, lacking the confidence to travel too far abroad. Modelling indicates that the aviation industry is on a slow, 3-year recovery path which will likely only reach 80% of the industry's pre-COVID capacity.

This means that Airservices funding model will likely be unsuitable for a post-COVID world. As a result of this reality and the government's direction to "fit the industry" Airservices have embarked on a process to significantly restructure operations, including by pursuing redundancies. It's essential that any restructuring is performed in a considered, methodical way. Mistakes in the redesign and restructuring of Airservices could significantly damage the aviation industry's, and the nation's, post COVID recovery.

The preference of the Morrison government has been to cut public service jobs under the guise of increasing efficiency, with the true cost of ever increasing reliance on outsourcing and contractors being downplayed and hidden off the balance sheet. This approach would be a disaster in an agency with a funding model that is as precarious as Airservices.

Airservices should not be forced to cut its way out of trouble. The expertise and capability of Airservices' technical workforce will be required as the aviation industry reopens and for the post-COVID recovery. In addition, this expertise and capability is required right now to preserve the value of decades of investment into aviation assets and infrastructure by government and industry.

We understand that the relevant Commonwealth agencies including The Department of Infrastructure, Transport, Regional Development and Communications, have examined this issue several times since CASA and Airservices Australia were established and we recommend that these previous examinations be closely considered in the context of this inquiry.

Recommendations

1. Cyber Security

Australia requires specific strategies to address Issues with ICT and data security coupled with vulnerability to cyber-attack in the aviation context, as well as the expansion of the government's directly employed, sovereign owned cybersecurity workforce.

2. Workforce planning

A recovery plan for the aviation sector must include a plan for the aviation workforce. There needs to be a comprehensive, industry workforce plan developed through a tripartite process with industry stakeholders, employers, and representatives of aviation workers. This plan must include specific strategies to attract and retain the STEM workforce, at a time when the aviation sector is struggling to provide market competitive employment conditions.

3. Workplace Health and Safety

As organisations across the sector are undergoing significant workplace change, action should be taken to develop and implement an industry plan to mitigate workload intensification and psychosocial hazards among the workforce in consultation with staff, unions and workplace health and safety representatives.

4. Government funding

The reliance on the operation of industry, particularly commercial aviation, to generate funding for the functioning of CASA and Airservices Australia has been demonstrated as deficient by the COVID-19 driven downturn. Alternative funding models should be investigated with a view to developing one robust enough to weather industry disruption such as that caused by COVID-19, while being well-designed to fairly and transparently distribute cost recovery