

# Chapter 3

## Infrastructure and Transport portfolio

### Department of Infrastructure and Transport

3.1 This chapter contains the key issues discussed during the 2011-2012 budget estimates hearings for the Infrastructure and Transport portfolio. A complete list of all the topics discussed, and relevant page numbers, can be found at appendix 4.

3.2 The committee heard evidence from the department on Wednesday 25 May and Thursday 26 May 2011. The hearing was conducted in the following order:

- Corporate Services
- Infrastructure Australia
- Nation Building—Infrastructure Investment
- Surface Transport Policy
- Australian Maritime Safety Authority
- Policy and Research (incorporating the Bureau of Infrastructure, Transport and Regional Economics)
- Major Cities Unit
- Australian Rail Track Corporation
- Inspector of Transport Security
- Office of Transport Security
- Aviation and Airports
- Airservices Australia
- Civil Aviation Safety Authority
- Australian Transport Safety Bureau

### Corporate Services

3.3 The committee began by discussing key initiatives of the department set out in the budget. The Secretary, Mr Mike Mrdak, outlined initiatives in two main areas, planning and infrastructure investment.

3.4 In planning, the government released its national urban policy, which sets out objectives and priorities for improved planning and investment in 18 major cities. There are two key projects within the Sustainable Australia initiative: A \$20 million initiative to help improve the capacity of regional cities to undertake strategic planning for urban renewal, and a \$61.4 million program, which will fund small

infrastructure technology to reduce traffic congestion and improve demand management on major motorways.<sup>1</sup>

3.5 In infrastructure investment, an additional \$1 billion has been allocated to the continuing work of duplicating the Pacific Highway, taking the total Commonwealth funding to over \$4 billion. The Moreton Bay rail link has had \$133 million brought forward and savings within the Nation Building Program to fund natural disaster recovery efforts have also been brought into account for the 2011-12 budget. Furthermore, the five Bruce Highway projects that had been deferred have now been reinstated.<sup>2</sup>

3.6 The committee asked the department to explain the process behind the reinstatement of the five Bruce Highway projects in Queensland. The Secretary informed the committee that the projects were deferred because they were still in the early stages and the deferral aimed to meet the costs of the disaster-recovery requirements in Queensland at the time. It also reflected advice from the Queensland Government that, due to the requirements of the restoration effort, it may not be in a capacity to proceed with the projects. The decision to reinstate the projects came after the Queensland Government advised that it had identified savings elsewhere in the Nation Building Program for these projects.<sup>3</sup>

3.7 The committee heard that the Council of Australian Governments has agreed that Australia will have fully-operational, single national regulators for heavy vehicles, rail and maritime safety by 2013.<sup>4</sup>

3.8 The committee asked the department how it planned to meet its efficiency dividend. The Secretary informed the committee that the overall impact of the efficiency dividend is \$2.7 million for the department, which will be allocated across the portfolio divisions pro rata, and the department will then seek to gain the efficiencies through systems and non-fixed costs. The non-fixed costs, such as travel, stationery supplies and consulting support may have more discretion in relation to future decisions.<sup>5</sup>

3.9 The committee sought further information on the staffing levels for the department. Officers told the committee that 186 staff transferred to the Department of Regional Australia, Regional Development and Local Government, and that despite a small increase in staff, the figure is still below the projected staffing level for 2011.

---

1 *Proof Estimates Hansard*, 25 May 2011, pp 4–6.

2 *Proof Estimates Hansard*, 25 May 2011, pp 4–6, 49–50.

3 *Proof Estimates Hansard*, 25 May 2011, p. 6.

4 *Proof Estimates Hansard*, 25 May 2011, pp 4–6.

5 *Proof Estimates Hansard*, 25 May 2011, p. 11.

---

The small increase in staff has been predominantly in the Office of Transport Security, where positions have been refilled due to staff turnover.<sup>6</sup>

3.10 The committee discussed the Perth Airport Gateway Roads project and noted it is being funded through the Regional Infrastructure Fund. The committee asked the department to clarify how it defines 'regional'. The Secretary explained that generally within the portfolio, 'regional' is taken to mean regional areas outside capital cities, however, 'in relation to the Regional Infrastructure Fund, the government has made it clear that these are projects which are linked to the resource sector'.<sup>7</sup>

### **Infrastructure Australia (IA)**

3.11 The committee discussed Infrastructure Australia's additional \$9 million of funding each year for the next four years and what impact that will have on resources. IA informed the committee of the steps involved to make IA more independent and transparent, such as publishing its cost-benefit analysis of projects. IA told the committee that its June report is under consideration as to what cost-benefit figures can be released, however, consultation with some proponents will need to occur prior to publication due to commercial in-confidence issues.<sup>8</sup>

3.12 IA informed the committee of the statement of expectations from the Minister for Infrastructure and Transport to the chair of the Infrastructure Australia Council. As part of these expectations, IA will continue its work on remote infrastructure issues for Indigenous communities, with a stronger focus on opportunities for private sector financing.<sup>9</sup>

3.13 In relation to staffing, IA informed the committee that despite the increase in funding, it is not looking to expand its staff level significantly. However, this will ultimately be a decision for the Infrastructure Australia Council.<sup>10</sup>

3.14 The committee discussed capacity issues at ports and asked IA how it planned to deal with these concerns. IA told the committee that the National Port Strategy will focus on these issues, with a long-term approach. This strategic approach will aim to address capacity issues before it becomes critical, rather than attempting to fix them afterwards. The prioritising of these issues will take into account immediacy, different interest groups, the capacity to link to Sydney and Melbourne, and congestion issues around road and rail.<sup>11</sup>

---

6 *Proof Estimates Hansard*, 25 May 2011, pp 12–13.

7 *Proof Estimates Hansard*, 25 May 2011, pp 14–15.

8 *Proof Estimates Hansard*, 25 May 2011, pp 17–18 and 21.

9 *Proof Estimates Hansard*, 25 May 2011, pp 18 and 31.

10 *Proof Estimates Hansard*, 25 May 2011, p. 21.

11 *Proof Estimates Hansard*, 25 May 2011, p. 24.

## **Nation Building—Infrastructure Investment**

3.15 The committee requested an update on Black Spot, rail and road projects announced under the economic stimulus plan. Officers informed the committee that of the 605 Black Spot projects announced, 604 have been completed, with the final project due to be completed within the month.<sup>12</sup>

3.16 The committee heard that of the 17 rail projects announced, 11 have been completed and five are underway, with completion dates ranging from December 2011 to March 2013. The final project, the Hunter Valley Liverpool Range new rail alignment, is in planning with a scheduled completion date of mid-2014.<sup>13</sup>

3.17 Of the 14 road projects announced, 12 are still under construction. The department informed the committee of the specific details for the two completed projects, noting that the remaining 12 all have completion dates ranging between 2012 and 2014.<sup>14</sup>

3.18 The committee sought an update on truck stop projects and asked the department if the new stops and restorations to existing stops would meet the National Transport Commission's guidelines. The department informed the committee that it could not confirm the final result as the project is still rolling out, however, the Secretary stated:

There is no doubt it is one of the key priorities for the heavy vehicle industry, and we share their concern that we need to invest more into these facilities. This is a matter which I am sure the government will look at in forthcoming consideration of the Nation Building Program 2.<sup>15</sup>

3.19 The committee sought to confirm the funding for the Mid-North Coast Aviation Plan, in relation to upgrades to infrastructure and facilities as part of the regional aviation plan. The Secretary informed the committee that responsibility for this plan moved to the Department of Regional Australia, Regional Development and Local Government in October 2010 in accordance with the administrative arrangement orders. The Secretary clarified:

Until the formation of the department of regional Australia, my department had a number of discussions with the Port Macquarie council in relation to the aviation projects. From recollection, Mr Wilson and I and my officers met at least three times with the chief executive of the council and certainly at officer level, quite extensively. They provided a number of business plans and business cases to the department in the lead-up to that period. I

---

12 *Proof Estimates Hansard*, 25 May 2011, pp 32–33.

13 *Proof Estimates Hansard*, 25 May 2011, p. 33.

14 *Proof Estimates Hansard*, 25 May 2011, p. 34.

15 *Proof Estimates Hansard*, 25 May 2011, p. 36.

---

cannot comment on what discussions have taken place since October when this matter has been taken over by Regional Australia.<sup>16</sup>

3.20 The committee requested an update on the North Sydney rail freight corridor study, which was due to be completed in early 2011. The department informed the committee that the report is still underway, with its completion expected in 2011. When questioned on the delay, the department told the committee that it can be attributed partly to New South Wales RailCorp seeking to find a preferred investment program that maximises the freight paths, but also partly to a memorandum of understanding between the Commonwealth and the New South Wales Government which is yet to be signed.<sup>17</sup>

3.21 The committee asked officers to detail the progress of a number of road, rail and port projects, their likely completion dates and whether the funding allocated is ongoing or additional.<sup>18</sup>

### **Surface Transport Policy**

3.22 The committee requested an update on the progress of the national heavy vehicle reform. The department told the committee that the heavy vehicle national draft law has been going through a period of consultation, calling for submissions and feedback. All states and territories have agreed to the draft proposals.<sup>19</sup> Significant progress has been made, as the Australian Transport Council ministers met and agreed to forward the intergovernmental agreement to the Council of Australian Governments (COAG). The agreement will detail how the jurisdictions agree on the operational aspects of the national legislation.<sup>20</sup>

3.23 The committee heard that once the consultation on the draft laws is complete, providing COAG approves the intergovernmental agreement, the final legislation will be brought to the Queensland parliament. It can then be 'adopted by each of the other jurisdictions as a single piece of national law'.<sup>21</sup> The department told the committee that while differences have been settled, there is room for jurisdictions to retain some local variations within the proposed legislation.<sup>22</sup>

3.24 The department informed the committee that the expert panel, established to resolve all of the various differences between the jurisdictions on heavy vehicle law, identified approximately 340 differences between the jurisdictions which apply to

---

16 *Proof Estimates Hansard*, 25 May 2011, p. 40.

17 *Proof Estimates Hansard*, 25 May 2011, pp 42–43.

18 *Proof Estimates Hansard*, 25 May 2011, pp 32–66.

19 *Proof Estimates Hansard*, 25 May 2011, p. 69.

20 *Proof Estimates Hansard*, 25 May 2011, pp 66–68.

21 *Proof Estimates Hansard*, 25 May 2011, pp 66–67.

22 *Proof Estimates Hansard*, 25 May 2011, p. 67.

heavy vehicles. The Australian Transport Council has agreed to the recommendations of the expert panel which has enabled the items to move forward as a single piece of legislation.<sup>23</sup>

3.25 The department informed the committee that it is trying to ensure that there is one piece of legislation that applies across all jurisdictions.<sup>24</sup> The national heavy vehicle regulator is expected to be appointed in the second half of 2012, and the department estimates it will be fully operational by January 2013.<sup>25</sup>

### **Australian Maritime Safety Authority (AMSA)**

3.26 The committee requested an update on AMSA's progress to becoming the national regulator for all commercial vessels in Australia. AMSA told the committee that there is funding within the budget to establish its systems to become the national regulator, which is on track to take place in January 2013.<sup>26</sup> The committee heard that the ministerial council has met, and that the next step will be for COAG to agree to the draft intergovernmental agreement.<sup>27</sup>

3.27 The committee sought further information on AMSA's role in the rewrite of the *Navigation Act 1912*. AMSA informed the committee that it is working closely with the department to provide technical advice, on issues such as the Safety of Life at Sea Convention, to make sure that the new legislation will provide for these necessary conventions.<sup>28</sup>

3.28 AMSA told the committee that there will be two aspects to the new legislation: the legislation enacted in the Commonwealth Parliament, and the laws that states and territories will apply to cover what AMSA cannot, under its limited constitutional powers. The committee heard that:

[t]here will be two parts to this, but effectively the text remains the same. It will be amended through the Commonwealth parliament.<sup>29</sup>

3.29 The committee discussed examples of cases and AMSA explained whether it would come under national law or the particular jurisdiction.<sup>30</sup> AMSA informed the

---

23 *Proof Estimates Hansard*, 25 May 2011, p. 67.

24 *Proof Estimates Hansard*, 25 May 2011, p. 66.

25 *Proof Estimates Hansard*, 25 May 2011, pp 67–68.

26 *Proof Estimates Hansard*, 25 May 2011, p. 74.

27 *Proof Estimates Hansard*, 25 May 2011, pp 74–75.

28 *Proof Estimates Hansard*, 25 May 2011, p. 75.

29 *Proof Estimates Hansard*, 25 May 2011, p. 75.

30 *Proof Estimates Hansard*, 25 May 2011, pp 76–79.

---

committee that the implementation of the law will be nation-wide, however, AMSA will engage with the state jurisdictions to handle the enforcement.<sup>31</sup>

### **Policy and Research (incorporating the Bureau of Infrastructure, Transport and Regional Economics)**

3.30 The committee discussed heavy vehicle statistics in relation to accidents and fatalities. The department provided its quarterly statistics on heavy vehicles, however, undertook to provide a breakdown of the cause of accidents over the last 10 years on notice.<sup>32</sup>

3.31 The committee heard that the number of fatalities involving articulated vehicles has decreased by 3.4 per cent over the last three years. The department indicated that it keeps a database with information on the causes of those accidents to get an indication of what issues to focus on.<sup>33</sup>

### **Major Cities Unit**

3.32 The committee sought further information on the direction of the Major Cities Unit following the release of the National Urban Policy, *Our Cities, Our Future*. The Executive Director informed the committee that the next step will be to develop the implementation plan of the action plan, which will include a broad range of initiatives covering the Commonwealth's commitments, but will also include work with state jurisdictions.<sup>34</sup>

3.33 The committee asked the Major Cities Unit to provide its definition of 'major cities'. Officers informed the committee that the Major Cities Unit works from the Australian Bureau of Statistic's definition of 'major cities', which is all cities with populations of 100,000 and above. This includes the eight capital cities, plus 10 regional cities with that population level.<sup>35</sup>

3.34 The committee discussed the proposed Managed Motorways program, which will involve spending \$61.4 million on four motorways, to implement ramp metering and information technology systems to improve the flow of traffic. These motorways were identified by Infrastructure Australia as motorways that would receive optimal benefit from the improvements.<sup>36</sup> The performance indicators for this program will

---

31 *Proof Estimates Hansard*, 25 May 2011, p. 77.

32 *Proof Estimates Hansard*, 25 May 2011, pp 82–83.

33 *Proof Estimates Hansard*, 25 May 2011, p. 83.

34 *Proof Estimates Hansard*, 25 May 2011, p. 84.

35 *Proof Estimates Hansard*, 25 May 2011, p. 85.

36 *Proof Estimates Hansard*, 25 May 2011, p. 89.

include improved performance of the motorway in terms of flow, reduced congestion and reduced travel time.<sup>37</sup>

### **Australian Rail Track Corporation (ARTC)**

3.35 The committee raised concerns about issues presented in the *7:30 Report* regarding track maintenance on the Sydney to Melbourne line, as well as the main east-west track in Perth. The Chief Executive Officer informed the committee that the ARTC is familiar with the issues raised in the program and that it has been subject to an internal review to produce a rectification program to deal with the issues in the coming months.<sup>38</sup>

3.36 The committee heard that the Sydney to Melbourne line had been particularly vulnerable to heavy rainfall that created mud holes, which resulted in rail track issues. However, the ARTC informed the committee that it did not believe that the east-west rail line was similarly affected.<sup>39</sup> The ARTC told the committee that it has budgeted \$40 million for maintenance work this year, which is consistent with the budgets in place for the next five years.<sup>40</sup>

3.37 The committee discussed the side insertion method in relation to the replacement of timber with concrete sleepers on the rail track. The ARTC told the committee that in 2007 it looked at a range of insertion methods and it was decided that the side insertion method was the most efficient, as it allowed better access to the track and higher productivity.<sup>41</sup>

3.38 The committee considered the practicality of using the side insertion method in places that have a similar rainfall to the Sydney to Melbourne line, where mud holes are known to be a problem. The ARTC informed the committee that side insertion has been used in other areas of Victoria, with conditions not dissimilar to the Sydney to Melbourne line, and the same problems have not risen in those areas.<sup>42</sup> The committee also heard that regular maintenance for most tracks can occur because of mud holes, as their appearance is not rare across a range of tracks.<sup>43</sup>

3.39 The committee was interested in other insertion methods, including those used in other countries. The ARTC told the committee that there are other methods of

---

37 *Proof Estimates Hansard*, 25 May 2011, pp 89–90.

38 *Proof Estimates Hansard*, 26 May 2011, pp 3–4.

39 *Proof Estimates Hansard*, 26 May 2011, p. 3.

40 *Proof Estimates Hansard*, 26 May 2011, p. 10.

41 *Proof Estimates Hansard*, 26 May 2011, p. 4.

42 *Proof Estimates Hansard*, 26 May 2011, p. 10.

43 *Proof Estimates Hansard*, 26 May 2011, p. 18.



---

insertion, which the ARTC has also employed, and advised that all are acceptable methods of installing concrete sleepers.<sup>44</sup>

### **Office of the Inspector of Transport Security**

3.40 The committee asked the Inspector to provide a brief description of the Office's work since its creation in 2004. The Inspector informed the committee that the purpose of its creation was to allow a no-blame style assessment of transport and offshore security in a proactive, rather than reactive, manner. The Inspector stated that as a result of that brief, the Office has conducted inquiries into:

- surface transport following the London bombings;
- an airport security breach at Sydney Airport;
- large passenger ferries focused on the Great Barrier Reef; and
- maritime piracy.<sup>45</sup>

3.41 The committee requested further information on the inquiry into maritime piracy. The Inspector told the committee that the report was released in April 2011, and the findings were as a result of consultation with the United Nations, the Office of Drugs and Crime in Kenya, the United Nations Office on Drugs and Crime, the International Maritime Organisation and the International Maritime Bureau. The Office has since checked all the draft findings and recommendations with those international bodies. The committee heard that while Australia does not have many commercial vessels that travel in that area, it does have a high number of important cargo, particularly livestock and cargo from the mining industry, travel through those waters.<sup>46</sup>

### **Office of Transport Security**

3.42 The committee discussed the visitor identification card (VIC) scheme at length, specifically, the process of obtaining a card and the requirements for the card holder once they have obtained it. The committee heard that a visitor must provide photographic identification to obtain the card, even though the VIC does not have a photo on it. The visitor must also be signed in by an Aviation Security Identification card holder who has confirmed their identity. The card only entitles the holder access to specific areas, with supervision, and must be returned when they exit. The department informed the committee of further specific information regarding the VIC scheme.<sup>47</sup>

---

44 *Proof Estimates Hansard*, 26 May 2011, p. 16.

45 *Proof Estimates Hansard*, 26 May 2011, p. 20.

46 *Proof Estimates Hansard*, 26 May 2011, pp 20–21.

47 *Proof Estimates Hansard*, 26 May 2011, pp 25–26.

3.43 The committee heard that there is a rigorous regime of compliance checking of airport management systems in relation to VICs. There are on-the-spot compliance checks and the small number of incidents involving non-compliance has resulted in enforcement action.<sup>48</sup>

3.44 However, the department told the committee that the Commonwealth has acknowledged that there is a need for continuous improvement and that an enhanced set of regulations has been developed following extensive consultation with industry, and will be in place by late November 2011.<sup>49</sup>

### **Aviation and Airports**

3.45 The committee sought further information on the planning coordination forums that were created as a result of the *Aviation White Paper*. The department informed the committee that the purpose of the forums is to bring together senior state officials, airport executives and representatives from local councils and the Commonwealth to discuss broader planning directions and the interaction between airports and surrounding areas when planning discussions take place.<sup>50</sup>

3.46 The committee heard that all airports required have established a forum and held initial meetings. The department told the committee that in these forums, the residential areas affected have raised traffic and noise impacts as concerns, and the airports have raised concerns regarding residential infill and increased residential areas in zones affected by aircraft noise.<sup>51</sup>

3.47 The committee asked the department if it had conducted any work looking at the possible impact on the Australian aviation industry of an emissions trading scheme in the European Union (EU). The department informed the committee that it has not conducted a cost analysis of the impact because elements of the scheme that will apply to Australian carriers are still being resolved.<sup>52</sup> However, the department confirmed that the EU scheme would not apply to domestic flights in Australia, or the first leg of flights between Australia and the EU and that Australia does not currently have any direct flights to the EU.<sup>53</sup>

3.48 The Minister informed the committee that the Commonwealth has stated its opposition to the unilateral application of the emissions trading scheme in the EU, and that it has taken the approach that an agreed, multilateral framework, working within

---

48 *Proof Estimates Hansard*, 26 May 2011, p. 27.

49 *Proof Estimates Hansard*, 26 May 2011, pp 25–26.

50 *Proof Estimates Hansard*, 26 May 2011, p. 38.

51 *Proof Estimates Hansard*, 26 May 2011, p. 38.

52 *Proof Estimates Hansard*, 26 May 2011, p. 39.

53 *Proof Estimates Hansard*, 26 May 2011, p. 40.

the International Civil Aviation Authority, is the most effective way to address emissions from international aviation. The Minister continued:

The United States air transport association and three US airlines are challenging the aviation inclusion in the European Union's ETS through the European Court of Justice. Media reports indicate that the China Air Transport Association and three major Chinese airlines also plan to mount a similar legal challenge. The Australian government has no current intention to take action and we are not aware that any Australian airline is planning to join the actions by either the United States airlines or the Chinese airlines. As I am advised, the department will continue to monitor these actions and work with the Department of Climate Change and Energy Efficiency in providing advice and updates to the government.<sup>54</sup>

3.49 The committee discussed the enroute subsidy and its decrease of funding in the budget. The Secretary confirmed with the committee that the decision to terminate the program took place in 2008, however, aeromedical services will continue.<sup>55</sup> The Secretary clarified:

The subsidy will remain available to aeromedical operators. The subsidy is paid to the operator of the airline or flight service. The subsidy is by way of a recompense for the payment of their en route charges to Air Services Australia. It is not a matter that involves the airport operator.<sup>56</sup>

3.50 The committee sought further information on the proposed plan to target the enroute subsidy for routes that are less profitable. The department informed the committee that while these specific changes have not occurred, there are two measures in the place of those changes. First, an extension to the operators that are entering routes where previously it was not available and second, a continuation of the subsidy on all routes that were previously eligible.<sup>57</sup>

### **Airservices Australia**

3.51 The committee requested an update on the Aircraft Noise Ombudsman (ANO). The Chief Executive Officer informed the committee that the position was filled in September 2010 and is funded entirely by Airservices Australia. The position was allocated \$500,000 for the first year of operation, to cover salary, travel, staffing and the establishment of a separate office.<sup>58</sup>

---

54 *Proof Estimates Hansard*, 26 May 2011, p. 41.

55 *Proof Estimates Hansard*, 26 May 2011, p. 43.

56 *Proof Estimates Hansard*, 26 May 2011, p. 45.

57 *Proof Estimates Hansard*, 26 May 2011, pp 49–50.

58 *Proof Estimates Hansard*, 26 May 2011, p. 59.

3.52 The committee heard that the ANO released its first report in February 2011, which reviewed the complaint handling system of Airservices Australia. The report produced 18 recommendations, which Airservices Australia has accepted.<sup>59</sup>

3.53 The committee sought further information about the pricing of firefighting services. Airservices Australia told the committee that it is working with the ACCC to review the pricing proposal for the next five years. This timeframe is seen as an advantage by both Airservices Australia and the airlines as it provides certainty for a definite period of time.<sup>60</sup>

3.54 The committee asked officers what bullying and discrimination policies are in place at Airservices Australia. The Chief Executive Officer informed the committee that a number of processes have been put in place. For example, the fair treatment process has been revised, staff have been appointed as contact officers for workplace harassment, an internal campaign was conducted to ensure understanding of acceptable behaviour, and management level staff received training to deal with situations appropriately.<sup>61</sup>

### **Civil Aviation Safety Authority (CASA)**

3.55 The committee discussed declarable interests in relation to CASA employees belonging to the Chairman's Lounge. The Chief Executive Officer informed the committee that officers are required to declare any pecuniary interests each month, which is recorded on an internal document. CASA is receiving legal advice as to whether or not membership of the Lounge should be a declarable interest.<sup>62</sup>

3.56 The committee raised concerns about possible conflicts of interest in relation to staff coming to CASA immediately after working for an airline. CASA informed the committee that for airworthiness or flying operations inspectors, there is a 12 to 18 month period before that employee can conduct those investigations. However, officers told the committee that there are variations depending on the organisation the employee has come from and what position they hold at CASA and offered to take the specifics of the question on notice.<sup>63</sup>

3.57 The committee sought further information on the fees CASA charges in relation to air operator certificates, noting concern over the price for particular services. CASA informed the committee of the specific prices, explaining that the hourly rates are based on the skill set of the relevant officer. CASA also informed the committee that every five years it conducts a cost recovery impact statement, which

---

59 *Proof Estimates Hansard*, 26 May 2011, p. 60.

60 *Proof Estimates Hansard*, 26 May 2011, p. 61.

61 *Proof Estimates Hansard*, 26 May 2011, pp 63–64.

62 *Proof Estimates Hansard*, 26 May 2011, pp 67–69.

63 *Proof Estimates Hansard*, 26 May 2011, p. 69.

---

reviews all charges within CASA, and then seeks feedback from industry. Once the feedback is received CASA sends its cost recovery statement to the Minister for approval. If there are any changes, they would go through the normal legislative process.<sup>64</sup>

3.58 The committee requested clarification on CASA's management of foreign operators in relation to staff training for emergencies. The committee heard that CASA issues foreign air operator certificates to overseas airlines that operate in Australia, and that these are only issued if the cabin and technical crew have the appropriate training systems.<sup>65</sup>

### **Australian Transport Safety Bureau (ATSB)**

3.59 The committee discussed the proposed expansion of the ATSB and asked officers to provide further information. The ATSB informed the committee that \$3 million of funding has been allocated in 2012-13 to prepare the ATSB for an expansion into the role of rail and possibly maritime investigations. The proposal is being developed in parallel with the establishment of the single national rail safety regulation and the ATSB would have the jurisdiction to investigate all rail safety occurrences in Australia.<sup>66</sup>

3.60 The committee sought further information on the ATSB's ability to investigate Royal Australian Airforce (RAAF) incidents. The ATSB told the committee that, unlike CASA's regulatory limitations for RAAF, there are no constraints on its capacity to investigate, providing the incident involves a civil registered aircraft. The ATSB also informed the committee that Defence and Airservices Australia are both required to notify it of any occurrences.<sup>67</sup>

3.61 The committee discussed the nature of airlines reporting to the ATSB in relation to different reporting between airlines. The ATSB told the committee that it has observed variations in the nature of reporting within individual operations, and less so between the air operators themselves. The committee heard that the adequacy of the reporting system has been raised with the ATSB, but that after investigations, the only issue the ATSB found was that operators were uncertain about what was reportable. The ATSB recognises this and informed the committee that it is being addressed by tightening and clarifying the regulations.<sup>68</sup>

---

64 *Proof Estimates Hansard*, 26 May 2011, pp 71–72.

65 *Proof Estimates Hansard*, 26 May 2011, pp 71 and 77.

66 *Proof Estimates Hansard*, 26 May 2011, pp 83–84.

67 *Proof Estimates Hansard*, 26 May 2011, p. 81.

68 *Proof Estimates Hansard*, 26 May 2011, p. 82.

**Senator Glenn Sterle**  
**Chair**