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Question: CASA 01

Division/Agency: Civil Aviation Safety Authority

Topic: Legal Advice Related to CASA's Statutory Independence

Hansard Page: 21 (23/05/06)

Senator O'Brien asked:

Senator O'BRIEN—Let me put it this way: since the time of the Minister's e-mail, has CASA sought legal advice related to its statutory independence?

Mr Byron—I can only answer in respect of the time that I have been with the Authority, which commenced in December 2003. When I started up, I did seek some legal advice on the interpretation to make sure I had an independent view of my responsibilities, particularly under the new governance arrangements. I was familiar with arrangements under a previous Board, but I wanted an opinion as to my position under the new governance arrangements. I had better take the question on notice to see if we have sought any legal opinion about CASA's statutory obligations since then. Nothing comes to mind.

Answer:

An investigation of Civil Aviation Safety Authority's (CASA) records and enquiries of CASA's external legal service providers have found no record of a further request for legal advice on CASA's statutory independence.

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Question: CASA 02

Division/Agency: Civil Aviation Safety Authority

Topic: Legal Advice Prior to Mr Byron's Commencement

Hansard Page: 21 (23/05/06)

Senator O'Brien asked:

Senator O'BRIEN—Mr Gemmell, before Mr Byron's commencement, did CASA seek such legal advice.

Mr Gemmell—Nothing comes to mind. I need to go back and check whether we did seek such advice.

Answer:

An investigation of Civil Aviation Safety Authority's (CASA) records and enquiries of CASA's external legal service providers have found no record of a request for legal advice on CASA's statutory independence.

ANSWERS TO QUESTIONS ON NOTICE

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Transport and Regional Services

Question: CASA 03

Division/Agency: Civil Aviation Safety Authority

Topic: CASA Restructure – Creation of Additional Positions

Hansard Page: 25 (23/05/06)

Senator O'Brien asked:

Mr Byron—No. The major group of people affected are certain Canberra-based staff. There are also staff affected in some of our field offices, but to a large degree, they are mainly administrative staff. In fact, I had a couple of approaches from a few administrative staff over the last month and we are engaging in detailed consultation with those individuals now. There are some additional positions being created in the field offices—field safety advisers and that type of thing. They will impact on total staff in the field offices, but the majority group that are affected by those announcements are certainly in Canberra.

Senator O'BRIEN—Can you give us the locations of the other positions? **Mr Byron**—To give you the full detail—I will need to take that on notice, but there would be some administrative staff at some of the field offices—for example, in Adelaide, Perth and places like that—that may be affected. I do know that in some cases we are bolstering the administrative team. We are forming management groups. Brisbane is going to be a centre for administrative groups for the general aviation operations group. I will give you the full detail on notice if that is acceptable.

Answer

As part of the restructure process CASA is developing a plan to create an Administration Service Centre for the General Aviation Operations Group (GAOG) in its Brisbane Office. GAOG has a number of field offices across Australia. As part of the planning process, GAOG will undertake a review of the administration functions in these offices to determine what administrative work and practices are undertaken, and to what extent this work can be centralised into the Administration Service Centre. Until such time as this review is completed, it will be difficult to determine the exact effect it will have on the administrative staff in the GAOG field offices. The administrative staff in these field offices have been advised of the planning process for the Administration Service Centre and will be kept appraised on the review process.

ANSWERS TO QUESTIONS ON NOTICE

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Question: CASA 04

Division/Agency: Civil Aviation Safety Authority **Topic:** CASA Restructure – Use of AWA's

Hansard Page: 26 (23/05/06)

Senator O'Brien asked:

Senator O'BRIEN—So what do you say about section 400(5) of the *Work Choices Act*, which says: A person must not apply duress to an employer or employee in connection with an AWA.

Mr Harbor—With regard to that, we are seeking advice. I need to take that on notice.

Answer:

CASA does not believe that its actions or policies have subjected its employees to duress in relation to AWAs. CASA will continue to treat its employees and prospective employees fairly and in accordance with the *Work Choices Act* 2006.

ANSWERS TO QUESTIONS ON NOTICE

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Question: CASA 05

Division/Agency: Civil Aviation Safety Authority **Topic:** CASA Restructure – Use of AWA's

Hansard Page: 26 (23/05/06)

Senator O'Brien asked:

Senator O'BRIEN—Do you have a standard AWA that you use?
Mr Harbor—We do.
Senator O'BRIEN—Could the Committee have a copy of that, please?
Mr Harbor—I would need to take that on notice but I do not see why not.

Answer:

CASA uses a template as the basis for its AWAs (attached). These are individual agreements and there are a number of variations on the standard. The **attached** AWA template is merely used as a starting point for discussions between an individual CASA employee and the organisation.

[CASA 05 attachment - not included. Available from the committee secretariat on request.]

ANSWERS TO QUESTIONS ON NOTICE

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Question: CASA 06

Division/Agency: Civil Aviation Safety Authority

Topic: Acceptable Means of Compliance Educating Industry

Hansard Pages: 28-29 (23/05/06)

Senator O'Brien asked:

Senator O'BRIEN—Has the principle of 'acceptable means of compliance' resulted in any change to CASA's procedures?

Mr Byron—Not at this stage, no. The acceptable means of compliance concept, as I briefed the Committee, will become effective once we are successful in introducing new aviation safety regulations, which will be based on safety outcomes. It is something that I am personally particularly keen on. As an industry operator for many years, I felt that we needed that sort of clarity in the regulations and to give the flexibility to the industry so that things can be done differently but with the understanding that there has to be a bottom-line safety issue. The acceptable means of compliance is a procedure that is applied in other regulatory regimes in aviation safety overseas. I would expect to see us start to roll those out in a proposed form for the maintenance regulations by the end of this calendar year.

Senator O'BRIEN—So we will not see that. You told us that you planned to publish, but we will not see the publication until the end of the year.

Mr Byron—The industry already have access to the drafts of that, and that is all the information. There is a roadshow currently being undertaken by the joint CASA industry maintenance regulations team that are drafting the acceptable means of compliance along with the regulations. They are touring the country at the moment trying to engage industry people with the detail of exactly what this means. We have a job to do there to take industry with us, and part of that is explaining what this is all about. Last week I had two forums where I invited representatives of the aviation industry associations across the board. There was one in Sydney and one in Melbourne. I attended the AOPA Annual General Meeting the previous weekend and I had the opportunity to explain to these groups of people, who are going to be the users of this sort of stuff, what it actually meant. At the time, those people present, including representatives of sectors that are very interested in this area to do with maintenance organisations, indicated full support for the concept but they wanted to be taken along. They wanted to have each step explained to them, and that is certainly what is happening at the moment with these roadshows.

Senator O'BRIEN—Can the Committee have a copy of the material supplied to the roadshows?

Mr Byron—Certainly.

Answer:

A copy of the material used in the presentation is **attached**.

[CASA 06 attachment – not included. Available from the committee secretariat on request.]

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Question: CASA 07

Division/Agency: Civil Aviation Safety Authority

Topic: Inspection of RPT Operators

Hansard Page: 29 (23/05/06)

Senator O'Brien asked:

Senator O'BRIEN—So you have a matrix which would, if we saw it, tell us what sort of intensity your inspection program would be by class of operator?

Mr Byron—Yes. For the general aviation operations group, that matrix is there and it is being applied. In the air transport sector, I suppose the precise detail of the number of oversights for each operator is being defined, with a minimum of one audit plus a range of operational surveillance activities. That would depend on the requirements of the group general manager and his managers on site for each one. It would be my intention that, over the next six months or so, we define that as a similar matrix, but I will naturally have to discuss that with the operational managers to see whether they think it is the right way to go.

Senator O'BRIEN—Can you supply us with some documentation which shows us the matrix as you described it?

Mr Byron—Certainly.

Answer:

The documentation was provided to the Committee Secretariat and tabled on 23 May 2006.

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Question: CASA 08

Division/Agency: Civil Aviation Safety Authority **Topic:** Industry Complaints Commissioner

Hansard Page: 29 (23/05/06)

Senator O'Brien asked:

Senator O'BRIEN—When was Mr Arthur White appointed as the Industry Complaints Commissioner?

Mr Byron—It would have been during the month of February this year. Do you require a precise date?

Senator O'BRIEN—We might as well get that if you can provide it.

Mr Byron—We will take that on notice.

Answer:

Mr White was appointed to the position of Industry Complaints Commissioner (ICC) on 23 January 2006. The Office of the ICC formally commenced operations on 20 February 2006.

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Question: CASA 09

Division/Agency: Civil Aviation Safety Authority

Topic: Industry Complaints Commissioner – Number of Complaints Received

Hansard Page: 30(23/05/06)

Senator O'Brien asked:

Senator O'BRIEN—Do you know how many complaints he has received since he started?

Mr Byron—I would have to take the detail on notice. If you include a number of them associated with the recent issuing of ASICs, it is considerable. But in terms of substantive complaints against CASA's other core functions, it would be about 20. I will give you the precise details on those.

Answer:

As at 23 May 2006, the Office of the Industry Complaints Commissioner has received 175 complaints.

The majority of these complaints were in respect of Aviation Security Identity Cards and Aviation Identity Cards (48), pilot licensing (29), medical (13), CASA fees (11); aircraft registration (5) and examinations (2). Five complaints were not CASA's responsibility and were referred to the relevant organisations.

The remaining complaints (62) were more diverse and required detailed investigation. They included issues such as servicing of amateur-built aircraft, helicopter instructor training approval, use of floats on ultra-light aircraft, approval for parachuting through cloud, seat belts for infants, low flying aircraft, agricultural aircraft, warbirds, and action taken by CASA in relation to fraudulent log book entries.

All complaints were acknowledged within two working days in accordance with the service charter.

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Question: CASA 10

Division/Agency: Civil Aviation Safety Authority

Topic: Industry Complaints Commissioner - Number of Complaints Received

Hansard Page: 37(23/05/06)

Senator O'Brien asked:

Mr Gemmell—I do not think you will find language like 'heavy-handed' in the civil aviation regulations. It is more commonsense. I suspect it is also supported by guidelines issued by the Director of Public Prosecutions on the way we should bring forward prosecutions which have to meet certain tests before they will be pursued.

Senator O'BRIEN—Can we have a copy of those guidelines?

Mr Gemmell—The DPP guidelines?

Senator O'BRIEN—Yes. If you could point to where they are publicly-available, I would appreciate that.

Mr Gemmell—Yes.

Answer:

The Commonwealth Director of Public Prosecutions (CDPP) determines whether a person will or will not be prosecuted for an offence against the Civil Aviation Act or Regulations. In making such decisions, the CDPP is guided by the *Prosecution Policy of the Commonwealth* available online at http://www.cdpp.gov.au/Prosecutions/Policy/.

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Question: CASA 11

Division/Agency: Civil Aviation Safety Authority **Topic: Safety Elements in Operations Manuals**

Hansard Page: 38 (23/05/06)

Senator McLucas asked:

Senator McLUCAS—Could you take on notice a list of the safety elements that appear in operations manuals that you do not enforce compliance with because you are concerned that they will be withdrawn from the manuals? It goes to the 'heavy handed' answer. When do you take a light hand in enforcing compliance with safety elements that appear in operations manuals?

Mr Gemmell—In a general sense, I can answer you. We enforce the things that are in the regulations. If they do not do things that are set out in their operations manual that are regulatory requirements, then we will seek to enforce them. If they put in their operations manual activities that were in excess of the regulatory requirements, we would have a much deeper look at those things as to whether we were being heavy handed if we were to police them.

Senator McLUCAS—I wonder whether you could take my question on notice? **Mr Gemmell**—We will do our best. But every company has their own operations manual. They are all different. So there is not 'an operations manual' that covers aviation in Australia.

Senator McLUCAS—Sure.

Answer:

There is not a list of 'safety elements that appear in operations manuals that CASA does not enforce.' The content of an operations manual is a blend of mandatory safety requirements subject to enforcement and business operating needs reflecting the operational needs of a particular air operator. Under Civil Aviation Regulation 215, which mandates an operations manual, CASA has the power to direct the operator to include in the operations manual items that CASA believes have not been adequately or appropriately addressed. CASA can also direct an operator to amend policies and procedures that are not compliant with regulatory requirements.

An operations manual will generally comprise three major parts. These are:

- General Operating Procedures for the Airline
- Specific Aircraft Operating Procedures
- Training and Checking.

General Operating Procedures: covers mandatory safety procedures which are usually not associated with the operation of any specific aircraft type, such as the operation of standard company routes, pilot responsibilities in the use of aerodromes and use of the technical log. This part also may also contain procedures for the general running of all aspects of the airline, including administrative procedures.

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Specific Aircraft Operating Procedures: contains information that relates directly to a specific aircraft type that the company is operating, such as standard operating procedures, emergency operating procedures, minimum equipment list and aircraft technical operating data.

Training and Checking: This part may state how and when pilots are trained on a particular type of aircraft, the exercises that they need to perform to demonstrate a satisfactory level of competence and how they will continue to meet the appropriate flying standards. The procedures will also contain the requirements for the types of people who will fulfil the roles of check pilots and training pilots, as well as standards for flight crew.

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Question: CASA 12

Division/Agency: Civil Aviation Safety Authority

Topic: Transair Lockhart River **Hansard Pages:** 38-39 (23/05/06)

Senator O'Brien asked:

Senator O'BRIEN—The answers to **CASA 49** and **50** relate to post-disaster action taken against Transair. The details in the answer are very condensed. I would like the full detail of the three audit observations and the 12 requests for corrective action, please. On what dates were the requests for corrective action issued?

Mr Gemmell—We can provide that.

Senator O'BRIEN—And when did Transair respond?

Mr Gemmell—We will try and provide that.

Answer:

The 12 Requests for Corrective Action (RCAs) and 3 Audit Observations (AOs) raised in the February/March 2006 scheduled audit were issued on 2 March 2006. The responses by Transair to the RCAs were received by CASA on 5 April 2006.

Summaries of the 12 RCAs are as follows:

- Non-compliance with Maintenance Control Manual (MCM) Incorrect recording of maintenance due on aircraft's Maintenance Release.
- Non-compliance with MCM Aircraft status report had inaccurate total time in service data.
- Non-compliance with MCM Aircraft status report did not have certain time-life components listed.
- Non-compliance with MCM Aircraft status report did not record date for compliance with non-recurring Airworthiness Directive.
- Non-compliance with MCM Flight Manual Supplement for new equipment not included in Flight Manual.
- Non-compliance with MCM Worksheets from contract maintainer not completed correctly.
- Non-compliance with MCM No engineering order for modified door restraint.
- Non-compliance with MCM Periodic training for maintenance personnel CAR 214 not undertaken.
- Aircraft continuing airworthiness 'Big Sky' decals applied to aircraft by non-aircraft qualified person and/or approved maintenance organisation.
- MCM amendments MCM had reference to a key employee who is no longer working for the company.
- Operations Manual amendments The Operations Manual did not refer to the latest changes within the MCM.

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- Compliance with Operations Manual Survey of various aircraft revealed:
 - Out-of-date copy of safety manual held at maintenance organisation.
 - Minimum Equipment List on aircraft had pages out of sync.
 - Aircraft Flight Manual with missing supplement.
 - Permissible unserviceability approval in tech log when defect had been previously rectified.
 - Out-of-date safety on-board card.
 - Missing decals on airframe.
 - Uncontrolled aircraft spare part found in pilot's seat pocket.
 - MCM correct revision but superseded page not removed.
 - Superseded Operations Manual found on aircraft.
 - Pilot oxygen mask with broken locking tab.
 - Spare lifejacket and seatbelt loose in forward locker as well as loose operations document pages.
 - Water drain placard missing.

Summaries of the three AOs are as follows:

- Observation on training delivered by the dangerous goods training provider to various types of ground staff:
 - whether the level of training was adequate;
 - the CASA course approval number was missing from some documentation; and
 - the name of the person delivering the training was missing from some documentation.
- Observation that Transair should determine if they intend to carry dangerous goods and if so what goods.
- Observations that Transair audits of dangerous goods service providers have yet to be conducted.

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Question: CASA 13

Division/Agency: Civil Aviation Safety Authority

Topic: Transair Lockhart River Hansard Page: 39 (23/05/06)

Senator McLucas asked:

Senator McLUCAS—Mr Byron, you said in your previous answer to Senator O'Brien that there had been a previous audit of Transair that identified that a load sheet was not left. Can you tell me when that audit was, and where was the port at which the load sheet was not left?

Mr Byron—I believe it was Gunnedah. The date of the audit preceded the audit prior to the accident, but we will have to take that on notice.

Answer:

During the scheduled audit of Transair in February 2004, it was found that the load sheet was not left at the port of Gunnedah. A Request for Corrective Action (RCA) to this effect was issued on 20 February 2004. The company responded to the RCA on 25 February 2004 informing CASA that all RPT pilots had been sent a written reminder stating that, in accordance with the relevant part of the company's operations manual, load sheets must be left at the port before departure.

At the time the RCA was issued, arrangements at Gunnedah for where to leave the load sheet had not been established. As part of the RCA response a place where the load sheet could be left was identified and the pilots informed. On subsequent audits, this has been checked and the company found to be compliant in this aspect.

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Question: CASA 14

Division/Agency: Civil Aviation Safety Authority **Topic:** Route Cairns-Bamaga-Lockhart-Cairns

Hansard Page: 39 (23/05/06)

Senator McLucas asked:

Senator McLUCAS—Can you also explain why, in bringing together a list of things you were going to check when the audit was done prior to the disaster on the route Cairns-Bamaga-Lockhart-Cairns, given that you had an indication that the company was non-compliant with providing load sheets, that was not included as one of the elements of the audit?

Mr Byron—I will need to check with the people who conducted the audit, but it would be my view that the eight sectors that were flown by flying operations inspectors would have included a review of all activities and all procedures of the pilots and certainly would have included whether or not they had left load sheets at the ports that they flew into. But I will double-check that.

Answer:

CASA inspectors have a list of elements from which they select when planning audits. Load sheets are not listed specifically on this list as they are included as part of a suite of documents carried on the aircraft and used by the pilot.

When a Flying Operations Inspector conducts an *en-route* and port inspection, part of what he or she examines is how the individual components of this document suite are used. This includes observing how the load sheet is completed and how the company procedures for its dissemination are handled.

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Question: CASA 15

Division/Agency: Civil Aviation Safety Authority

Topic: Mr Ian Harvey QC Hansard Page: 39 (23/05/06)

Senator McLucas asked:

Senator McLUCAS—My next question is tangentially related to this issue. Can you tell me what work CASA has employed Mr Ian Harvey QC to undertake over the last, say, five to seven years?

Mr Gemmell—We can. Mr Harvey has done quite a bit of work for CASA. He very commonly represents us. I have come across him representing us in the Federal Court and indeed in coronial inquiries and various things. So he has done quite a bit, be we would have to check all the details of that.

Senator McLUCAS—If you could just give me a list. I hope that is not too difficult to find.

Mr Gemmell—No, we could find that.

Answer:

Over the past 5 years, Mr Ian Harvey QC has appeared for CASA in the following matters:

In the Administrative Appeals Tribunal

- Cole v CASA
- Brazier v CASA
- Aerolink v CASA
- Schutt Flying Academy v CASA
- McWilliam v CASA
- Polar Aviation v CASA
- Mulligan v CASA
- Heavylift v CASA

In the Federal Court

- Layton v CASA
- CASA v Boatman (led by P. Brereton QC)
- Byers v CASA
- McWilliam v CASA (led by R. Tracey QC)
- CASA v Hotop (led by P. Brereton QC)

Coronial Inquests

- Police Air Wing (Western Australia)
- Toowomba (Queensland)
- Hamilton Island (Queensland)

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Other Court Proceedings

• Sydney Heli-Scenic v CASA (NSW) (led by G. Hilton SC)

Mr Harvey has also provided training for CASA on five occasions.

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Question: CASA 16

Division/Agency: Civil Aviation Safety Authority

Topic: Mr Ian Harvey QC – CASA's Preferred Barrister

Hansard Page: 39 (23/05/06)

Senator McLucas asked:

Senator McLUCAS—It would be quite simple to find. Would you describe Mr Harvey as CASA's preferred barrister?

Mr Gemmell—No. My understanding is that we have a contractual arrangement with a panel of suppliers who we roll around with. Mr Harvey on occasions would be representing our insurers. It would be a decision about representation coming from both CASA and our insurers, and it depends on who our insurers are. I am not sure the description 'preferred' would be correct, but I can check that to see if any part of the contract does indicate that.

Answer:

Mr Ian Harvey QC is one of a small number of barristers with demonstrable experience and expertise in aviation-related matters of the kind in which CASA tends to become involved. In litigation before the courts and before coronial inquests, CASA's insurers and external solicitors determine who will appear on CASA's behalf. In many of those cases, Mr Harvey is their choice on the basis of his recognised ability and expertise.

Before the Administrative Appeals Tribunal, CASA's own in-house counsel appears for CASA in about half of all matters brought. Mr Harvey has appeared in a majority of the remainder of those matters in recent years.

As is customary with barristers, Mr Harvey is self-employed and is engaged on a fixed daily rate in each matter briefed.

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Question: CASA 17

Division/Agency: Civil Aviation Safety Authority

Topic: Mail-Run Contractors

Hansard Page: 40

Senator McLucas asked:

Senator McLUCAS—I apologise. I did say the Department; I did mean CASA. Finally, the response to the answer that you gave me, CASA 86 (renumbered as CASA 73, November 2005 Estimates), I think you have misunderstood the question that I asked. The question refers to Mail Run contractors generally. You have looked specifically at Cape York. The intent of the question was to ask how many and what percentage of Mail Run contractors in Australia hold RPT endorsements on their AOCs for the ports stipulated in their contracts? With that explanation, would you mind going back and having a look at it?

Mr Gemmell—We will go back and answer the question in the way that you would want it.

Answer:

Please see response to **REGS 30**.

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Question: CASA 18

Division/Agency: Civil Aviation Safety Authority

Topic: Administrative Appeals Tribunal Findings – Polar Aviation

Hansard Page: 42 (23/05/06)

Senator O'BRIEN—Is it true that the AAT found, on 4 November 2005, that CASA misapplied the law?

Dr Aleck—I would have to take that on notice. I do not have that particular decision in front of me. In terms of misapplying the law, I do not know what the language of the Tribunal was, but the Tribunal looks for the correct and preferred decision. So, in many cases, a Tribunal's determination to enter a different decision to the decision CASA came to is not because the law was misapplied but because in the circumstances the tribunal feels, on the merits, a different decision would be more appropriate.

Answer:

No decision was given by the Administrative Appeals Tribunal (AAT) on 4 November 2005 in relation to Polar Aviation or Mr Butson. On 4 August 2005, the AAT gave its decision in relation to Polar Aviation Pty Ltd v CASA (W2005/24-26, 52) to the following effect:

- (a) CASA's decision to cancel the previously-issued AOC was affirmed:
- (b) CASA's decision to refuse to issue an AOC to Polar Aviation was set aside and remitted to CASA for reconsideration in accordance with the direction that CASA would in good faith do all things necessary, subject to the requirements of the Act and applicable legislation, to cause to be issued to Polar Aviation Pty Ltd (Polar Aviation) by 2 September 2005 an AOC covering charter and aerial work operations (including flying training);
- (c) CASA's decision to cancel Mr Clark Butson's chief pilot approval was affirmed; and
- (d) CASA's decision to cancel Mr Clark Butson's chief flying instructor approval was set aside and in substitution, the Tribunal determined that Mr Butson was (on and from 2 September 2005) approved as Chief Flying Instructor of Polar Aviation.

Where the Tribunal decides to set aside a decision and to substitute its decision for the original decision-maker's, it does so because in the Tribunal's view, its own decision is the correct or preferable decision on the merits. There is no need to find that the original decision-maker had acted unlawfully, and nowhere in its decision in this matter did the AAT find that CASA had 'misapplied the law'.

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Question: CASA 19

Division/Agency: Civil Aviation Safety Authority

Topic: Supplementary Show Cause Notice – Polar Aviation

Hansard Page: 42 (23/05/06)

Senator O'Brien asked:

Senator O'BRIEN—Am I correct in understanding that a supplementary show cause notice was issued on 6 April?

Mr Collins—I will have to take that on notice.

Answer:

Yes. A supplementary Show Cause Notice was issued to Polar Aviation on 6 April 2006 in respect of the AOC and Chief Pilot.

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Question: CASA 20

Division/Agency: Civil Aviation Safety Authority

Topic: Polar Aviation – Three Year AOC

Hansard Page: 43 (23/05/06)

Senator O'BRIEN—Had CASA previously agreed to grant a three-year AOC if Polar Aviation withdrew its action before the AAT?

Mr Collins—It gets rather complicated because of the number of actions. My understanding is no. What initially happened was that we were encouraging—this is in the first show cause—

Senator O'BRIEN—I do not want you to give an answer that you are not sure of. **Mr Collins**—In that case, I will take that on notice.

Answer:

Following the cancellation on 14 January 2005 of (a) the Air Operator's Certificate (AOC) held by Polar Aviation and (b) the chief pilot and chief flying instructor approvals of its principal Mr Clark Butson, Polar's legal representative approached CASA to determine if measures could be put in place to allow Polar Aviation to continue to operate. CASA raised the possibility of Polar entering into a enforceable voluntary undertaking (EVU). Following negotiations with the company's legal representative, CASA sent a letter to Polar Aviation on 31 January 2005 forwarding proposals for the company's consideration that:

- the company enter into a EVU containing a number of requirements that addressed CASA safety concerns;
- a new Chief Pilot be appointed; and
- for their consideration, the current AAT applications in relation to these matters be withdrawn.

The letter also contained a draft AOC indicating that it would be issued for three years.

On 1 February 2005 the company's legal representative advised CASA that the EVU was unacceptable to Polar for a number of reasons, which included the fact it would be published by CASA, which is a requirement of section 30DK of the *Civil Aviation Act 1988*.

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Question: CASA 21

Division/Agency: Civil Aviation Safety Authority

Topic: Polar Aviation – Response to Show Cause Notices

Hansard Page: 43 (23/05/06)

Senator O'BRIEN—Has Polar Aviation responded to the show cause notices? **Mr Collins**—My understanding with the most recent show cause is that they have not. Again, I would take that on notice and stand to be corrected.

Answer:

CASA issued to (a) Polar Aviation and (b) Brad Manning (its then chief pilot), a show cause notice on 20 March 2006 and a supplementary notice on 6 April 2006. Polar Aviation responded to these notices via its solicitor by letter dated 12 April 2006.

No response was received from Brad Manning as he resigned as chief pilot of Polar Aviation on 27 April 2006.

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Question: CASA 22

Division/Agency: Civil Aviation Safety Authority

Topic: Polar Aviation Audits Hansard Page: 43 (23/05/06)

Senator O'BRIEN—How often has Polar Aviation been audited since May 2004?

Mr Collins—I will have to take that on notice.

Senator O'BRIEN—Perhaps you can tell us when the audits were conducted.

Answer:

Audits of Polar Aviation took place in May 2004 (scheduled periodic audit prior to Air Operator's Certificate re-issue); November 2004 (confirmatory audit as a result of Show Cause Notice deferred decision); June 2005 (operator risk rating increased concern leading to increased audit activity) and February 2006 (operator risk rating increased concern leading to increased audit activity). On each occasion a single audit was conducted, however, each audit examined a number of topics concerned with the company's operations.

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Question: CASA 23

Division/Agency: Civil Aviation Safety Authority

Topic: Polar Aviation – RCAs Hansard Page: 43 (23/05/06)

Senator O'BRIEN—How many requests for corrective action have been issued

against the company since 2004?

Mr Collins—I will take that on notice.

Answer:

The following Requests for Corrective Actions (RCAs) have been issued to Polar Aviation since 2004.

	RCAs
2004	15
2005	20
2006	12*
Total	47

(* In addition, items that would normally be raised as RCAs as a result of the 2006 audit action, were not raised as RCAs, but included as part of the March and April 2006 Show Cause Notices.)

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Question: CASA 24

Division/Agency: Civil Aviation Safety Authority **Topic:** Polar Aviation – Pilots Flight Assessment

Hansard Page: 44 (23/05/06)

Senator O'BRIEN—Is it the case that it was cancelled because neither the applicant nor the CASA inspector was current for the aircraft that they were going to fly on?

Mr Collins—I would have to take that on notice.

Answer:

This is not the case. The CASA Flying Operations Inspector (FOI) met the recency requirements. The candidate chief pilot was the pilot-in-command for the flight and had not flown the particular C310 model planned to be used for the flight check, not flown a C310 for more than 2 years and had never flown out of Jandakot or Perth. The aircraft was to be hired from the Royal Aero Club of WA (RACWA) but as the candidate chief pilot could not meet RACWA's recency requirements, hire of the aircraft was refused by that organisation.

The FOI contacted Polar Aviation suggesting that some familiarisation flying might be necessary to provide the platform on which the candidate could best demonstrate his capabilities but the company rejected this proposal. The flight check thus did not eventuate.

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Question: CASA 25

Division/Agency: Civil Aviation Safety Authority **Topic:** Cabin Air Quality Reference Group

Hansard Page: 46 (23/05/06)

Senator O'BRIEN—In response to this Committee's Inquiry into Air Safety and Cabin Air Quality, the Government undertook to establish a reference group. This group was to undertake a range of activities, including the continuing monitoring of cabin air quality issues. When was the air safety and cabin air quality reference group formed?

Mr Byron—I will have to take the precise question on notice. I can give you a perspective. I was actually an invited member of industry on that when it was formed. From recollection, it was in about 2002. But I will have to get back to you.

Answer:

The first meeting of the Cabin Air Quality Reference Group was held on 21 October 2002.

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Question: CASA 26

Division/Agency: Civil Aviation Safety Authority **Topic:** Cabin Air Quality Reference Group

Hansard Page: 46 (23/05/06)

Senator O'BRIEN—When did it last meet?

Mr Byron—Again, I will have to give you the details on notice, Senator.

Answer:

The last meeting was held on 21 May 2003.

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Question: CASA 27

Division/Agency: Civil Aviation Safety Authority

Topic: Cabin Air Quality Reference Group – Commitment to Parliament in June 2002

Hansard Paged: 46-47(23/05/06)

Senator O'BRIEN—Has the Government formally abandoned the commitment it made to the parliament in June 2002?

Mr Byron—What commitment was that?

Senator O'BRIEN—That it would establish this Committee.

Mr Gemmell—My recollection—it may be wrong—is this was primarily following incidents to do with the BAE 146 fumes in the cabin.

Senator O'BRIEN—And other passenger jet aircraft.

Mr Gemmell—Okay. I was going to say that my recollection is that it was primarily the BAE 146. They did a lot of work. History now shows they actually eventually found out what the problem was and how to solve it in a technical sense, because in recent years there have been very few reports about fumes issues with the BAe146. I thought that, if they had fixed the problem, that may have been it. But, if their Terms of Reference were wider, they may be still going.

Senator O'BRIEN—I will read from the Government response to the Committee Report: *The Government takes very seriously the issues relating to air safety and cabin air quality in the BAE 146 and other passenger jet aircraft. The Government is therefore committed to addressing the matter by implementing the following two measures to address the issues raised in the Senate Committee's report. The first was: ... the establishment of a 'Reference Group' (comprising Government agencies, key industry representatives and a passenger/consumer representative coordinated by CASA) responsible for following the progress and analysing the outcomes of international research and developments and working cooperatively with other countries, major regulatory bodies and those conducting related research to develop a harmonised view of the cabin air environment ... That is the Government's response to the Committee Report presented to the Parliament.*

Mr Byron—I think we will have to take the detail of that on notice. I am not aware of anything that has been done in my time at CASA, but we will need to check that for you.

Answer:

The Cabin Air Quality Reference Group was part of the Government's response (tabled in June 2002) to the report of the Senate Committee on Rural and Regional Affairs and Transport inquiry into BAe146 cabin air quality. The Group has met twice since its inception.

This group comprises representatives from relevant government agencies, airlines, and passenger and flight crew organisations, and is tasked with:

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- ⇒ following the progress of international research and working cooperatively with other countries, major regulatory bodies and those conducting related research to develop a harmonised view of the cabin air environment; and
- ⇒ finalising any actions arising from the Government's response to the Recommendations of the Senate Committee Report.

Australia desires to improve air quality in Australian aircraft in a manner that is harmonized with international practices and is therefore monitoring advances in standards development in this area. The American Society of Heating Refrigeration and Air-conditioning Engineers (ASHRAE) undertook to draft a standard for *Air Quality Within Commercial Aircraft*. The task has been made difficult by the diverse views of aircraft manufacturers, operators, crew and passengers, which are not always consistent or compatible. While the FAA, UK CAA and the European Aviation Safety Agency are also investigating the issues relating to cabin air quality, international standards development is largely in abeyance pending issue of the ASHRAE standard. The Cabin Air Quality Reference Group proposes to reconvene to consider the application of new standards as they emerge.

In respect of the BAe146, in April 2001 CASA issued Airworthiness Directive (AD) BAe146/86, *Environmental Control System Inspection for Contamination*, which requires action when fumes are suspected, and reporting when an oil fume problem occurs. Since the issue of the AD, problems with the BAe146 have been largely eliminated.

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Question: CASA 28

Division/Agency: Civil Aviation Safety Authority

Topic: Impact of CASA's Cost Recovery

Hansard Page: 47 (23/05/06)

Senator O'Brien asked:

Senator O'BRIEN—Is it possible to get a list of the organisations that have expressed concern?

Mr Gemmell—You are just after organisations? There are quite a lot of individuals as well.

Senator O'BRIEN—I am happy if you want to give me the whole list. I was just trying to restrict the amount of work that you had to do, but seeing that you offered.

Answer:

CASA records show 238 items relating to cost recovery issues. Most were from individuals but a number of these inquiries were from companies and organisations including:

- Aircraft Owners and Pilots Association
- Australian Air League
- Aviation Maintenance Repair Overhaul Business Association
- Aviation Tourism Australia
- Becker Aviation
- Hawker Pacific
- Heliwork Queensland
- Mackay Avionics
- Qantas
- Recreational Aviation Australia
- Sharp Aviation
- Virgin Blue.

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Question: CASA 29

Division/Agency: Civil Aviation Safety Authority

Topic: Impact of CASA's Cost Recovery

Hansard Page: 48 (23/05/06)

Senator O'Brien asked:

Senator O'BRIEN—How long did you stay at the Champs Elysees Plaza in Paris? It just seems a large account for that accommodation.

Mr Byron—I would need to double-check that. I believe it was three nights, but I would need to check.

Answer:

The period of stay was two nights.

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Question: CASA 30

Division/Agency: Civil Aviation Safety Authority

Topic: Expenditure on Legal Services

Hansard Page: Written Question

Senator Ludwig asked:

What sum did the Department or Agency spend during 2005-2006 on external legal services (including private firms, the Australian Government Solicitor and any others)?

Answer:

The total sum CASA spent on legal fees for external legal services for the period 1 July 2005 to 31 March 2006 was \$443,118.

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Question: CASA 31

Division/Agency: Civil Aviation Safety Authority **Topic:** Expenditure on Legal Services - Internal

Hansard Page: Written Question

Senator Ludwig asked:

What sum did the Department or Agency spend on internal legal services?

Answer:

The total sum spent by CASA on internal legal services during 2005-06 (including salaries and on-costs) was \$854,191.

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Question: CASA 32

Division/Agency: Civil Aviation Safety Authority

Topic: Expenditure on Legal Services – Projected Expenditure 2006-2007

Hansard Page: Written Question

Senator Ludwig asked:

What is the Department or Agency's projected expenditure on legal services for 2006-2007.

Answer:

CASA's projected expenditure on legal services for 2006-07 (including salaries, on-costs and legal fees) is \$1,584,423.

ANSWERS TO QUESTIONS ON NOTICE

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Question: CASA 33

Division/Agency: Civil Aviation Safety Authority

Topic: Purchase of Executive Coaching

Hansard Page: Written Question

Senator Ludwig asked:

The following questions relate to the purchase of executive coaching and/or other leadership training services by the Department/Agency, broken down for each of the last four financial years.

Where available, please provide:

- 1. Total spending on these services.
- 2. The number of employees offered these services and their salary level.
- 3. The number of employees who have utilised these services and their salary level.
- 4. The names of all service providers engaged.
- 5. For each service purchased from a provider listed in the answer to the previous question, please provide:
 - a. The name and nature of the service purchased.
 - b. Whether the service is one-on-one or group based.
 - c. The number of employees who received the service.
 - d. The total number of hours involved for all employees.
 - e. The total amount spent on the service.
 - f. A description of the fees charged (e.g. per hour, complete package).
 - g. Where a service was provided at any location other than the Department or Agency's own premises, please provide:
 - i. The location used
 - ii. The number of employees who took part on each occasion

The total number of hours involved for all employees who took part.

Answer:

During the past four financial years, CASA's executive, senior, middle and frontline managers have undertaken a range of training and development activities. CASA has adopted the *Australian Public Service Integrated Leadership System*, to guide and inform senior manager development. The available information about each activity targeted at or involving CASA managers is set out in the table at **Attachment 1**.

The total cost of training and development activity for executive and other CASA managers over the past four financial years is \$200,918.

[CASA 33 attachment]

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Question: CASA 34

Division/Agency: Civil Aviation Safety Authority

Topic: Mr Ian Harvey QC Hansard Page: Written Question

Senator O'Brien asked:

On how many occasions has Mr Ian Harvey QC represented CASA or the Department in aviation-related matters or prepared aviation-related briefs, reports, papers, and submissions? In each case, can details be provided?

Answer:

Since 1997 Mr Ian Harvey QC has appeared for or provided legal advice to CASA:

- in the Administrative Appeals Tribunal in relation to action brought by 36 parties (appearances in respect of the same party on more than one occasion have been counted only once);
- in connection with 5 coronial inquests;
- in connection with 11 matters in the Federal and State Courts (appearances in respect of the same party on more than one occasion have been counted only once); and
- provided training for CASA on 5 occasions.

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Question: CASA 35

Division/Agency: Civil Aviation Safety Authority

Topic: Lockhart River Tragedy Hansard Page: Written Question

Senator O'Brien asked:

Given that the aircraft involved in the Lockhart River crash was painted in Aero-Tropics livery, that it is referred to in Aero-Tropics brochures as "our" Metroliner, that the flight was designated Aero-Tropics Flight HC-675 and that Aero-Tropics ground staff, infrastructure and reservations system was used for the Cairns-Bamaga-Lockhart River-Cairns route, is Aero-Tropics receiving the same monitoring, auditing and checking attention from CASA as Transair?

Answer:

Lip-Air (trading as Aero-Tropics) is subject to a range of annual surveillance activities. These include a management systems audit, an in-flight surveillance activity, two safety trend indicator assessments, two ramp checks and two checks or inspections of the Training and Checking organisation. Lip-Air has also been subject to additional surveillance. They have undergone additional Ramp Checks and other associated activities. There have also been two special surveillance activities conducted throughout North Queensland with an emphasis on Lip-Air.

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Question: CASA 36

Division/Agency: Civil Aviation Safety Authority

Topic: Lockhart River Tragedy – Human Factors Course

Hansard Page: Written Question

Senator O'Brien asked:

Had the pilot of VH-TFU completed the 15-month Human Factors Management refresher course, as mandated by the Transair operations manual?

Answer:

The pilot involved in the crash of VH-TFU had not completed the 15-month Human Factors Management refresher course published in the Transair operations manual.

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Question: CASA 37

Division/Agency: Civil Aviation Safety Authority

Topic: Transair Audit Elements Hansard Page: Written Question

Senator O'Brien asked:

With reference to the answer **CASA 05** from Additional Estimates which details the elements of the Transair audit of July 2005, can CASA detail the elements studied in the "fulsome audit" of early 2005?

Answer:

The elements of the early 2005 scheduled audit of Lessbrook/Transair were:

- a) En-route inspections comprising
 - observation of crew flying nine RPT sectors on approved routes including operation into and out of airports;
 - passenger cabin safety briefings; and
 - baggage handling.
- b) Port facilities inspections of
 - operator bases and port facilities in Cairns, Inverell and Grafton; and
 - port facilities at Gunnedah, Bamaga and Taree.
- c) Company headquarters visit comprising
 - meetings in Brisbane with key personnel: Chief Pilot, Maintenance Controller and Operations Officer.
- d) Dangerous goods (DG) management inspection conducted at Bamaga comprising
 - DG handling staff training;
 - DG awareness information displays for passengers in terminal area; and
 - currency and completeness of mandatory DG classification and handling manuals.
- e) Maintenance Documentation comprising inspections of
 - aircraft logbooks;
 - revised Maintenance Control Manual; and
 - Minimum Equipment List.
- f) Aircraft Inspections comprising
 - inspection of two aircraft internally and externally for general condition and safety placards.

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- g) Contract Maintenance Facility Inspection comprising
 - visit to maintenance organisation to check if Lessbrook aircraft maintenance procedures were being followed correctly.

The audit findings involved the issue of nine Requests for Corrective Action (RCA) and five Audit Observations (AO). The AOs related to three aircraft logbook entries. RCAs comprised four *airworthiness issues* (system of time-life component listing error, missing warning placards on aircraft, standby compass swing frequency not listed in System of Maintenance and maintenance due date label missing from two fire extinguishers); two *cabin safety issues* (inconsistent passenger briefings at various ports and stowage of loose articles in the cabin during flight) and three *dangerous goods* (DG) issues (DG handling staff member not trained, lack of DG information displayed to passengers and out of date DG manual).

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Question: CASA 38

Division/Agency: Civil Aviation Safety Authority

Topic: Lip-Air

Hansard Page: Written Question

Senator O'Brien asked:

With reference to the answer **REGS 20** from Supplementary Estimates last year, what are the other issues in which the Department has had ongoing discussions with Lip-Air?

Answer:

The other issues referred to in **REGS 20** from the November Supplementary Estimates are general issues associated with administering the contract to provide RASS services. These issues included financial reporting, invoices and payments.

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Question: CASA 39

Division/Agency: Civil Aviation Safety Authority

Topic: Lip-Air

Hansard Page: Written Question

Senator O'Brien asked:

Why are discussions being held about having Mail Run aerodromes included on Lip-Air's AOC for RPT operations when the Department and Lip-Air claim the Mail Run is not an RPT operation?

Answer:

The Cape York Remote Air Service Subsidy service is currently classified as a closed-charter operation. For Lip-Air to conduct the Mail Run as RPT, all ports must be listed on Lip-Air's AOC. Discussions are being held on issues concerning airfields that do not meet the RPT standards.

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Question: CASA 40

Division/Agency: Civil Aviation Safety Authority

Topic: Lip-Air

Hansard Page: Written Question

Senator O'Brien asked:

What is the current status of Lip-Air's application to have these aerodromes included on its AOC?

Answer:

CASA is currently assessing data for each aerodrome to determine any exemptions and approvals that must be given in order for the new aerodromes to be included on the AOC.

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Question: CASA 41

Division/Agency: Civil Aviation Safety Authority

Topic: Lip Air

Hansard Page: Written Question

Senator O'Brien asked:

It is stated that these are "*interim*" arrangements. Can the Department provide details of the "*interim* arrangement", including its duration, and under what laws, regulations such an arrangement may be granted or is permissible? Why was an "interim" arrangement necessary, and who granted it?

Answer:

Under the RASS program, an air operator may provide a charter service carrying passengers and/or goods, in accordance with the provisions of the Civil Aviation Legislation until all ports servicing RASS subsidised communities are listed on the Air Operator's Certificate for Regular Passenger Transport operations.

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Question: CASA 42

Division/Agency: Civil Aviation Safety Authority

Topic: Aviation Security Identification Cards (ASICs)

Hansard Page: Written Question

Senator O'Brien asked:

With reference to the Minister's statement on 28 March 2006 that "after 31 March 2006 all persons are required to display an ASIC when in the secure area of an airport that has regular public transport service": How many pilots who had applied for ASICs before 31 December 2005 had not had their applications fully processed and received their ASICs by 31 March 2006?

Answer:

Aviation Security Identification Cards (ASICs) are issued to pilots from many ASIC Issuing Authorities, including CASA. CASA cannot reliably report on how many pilots applied for an ASIC prior to 31 December 2005 or how many received or did not receive an ASIC prior to 31 March 2006.

CASA itself received 7,851 ASIC applications in 2005. Of these 7,227 were fully processed ready for distribution or collection. QANTAS produced 5,623 cards for CASA and distributed 3,935 through registered mail and through their main airport offices. CASA received back 1,688 which were subsequently distributed by registered mail.

In respect of applicants living overseas, cards were considered fully processed when ready for collection. CASA's policy is to not send ASICs overseas reflecting the heightened risk of sending these security cards to addresses outside Australia and the fact that the individual has no need to hold an ASIC if living overseas.

Applicants who were assessed as not approved for an ASIC were considered fully processed as at 31 March 2006.