

The Senate

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Rural and Regional Affairs and  
Transport Legislation Committee

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Interim report

Administration of the Civil Aviation  
Safety Authority

August 2004

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# Membership of the Committee

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Senator John Cherry	AD, Queensland	
Senator Richard Colbeck	LP, Tasmania	
Senator Jeannie Ferris	LP, South Australia	
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Senator Allison for matters relating to the Transport Portfolio

Senator Greig for matters relating to the Fisheries Portfolio

Senator Lees for matters relating to Air Safety

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# REPORT TO THE SENATE

## Background

1.1 Work on the inquiry into the administration of the Civil Aviation Safety Authority (CASA) was commenced by this Committee's predecessor in the 39<sup>th</sup> Parliament.

1.2 At a meeting on 12 March 2002, this Committee considered those references that had not be disposed of at the end of the 39<sup>th</sup> Parliament and agreed to recommend to the Senate that the administration of CASA be re-adopted as an inquiry. The Committee reported its decision to the Senate. On 13 March 2002, on the Senate's resolution, the inquiry was formally re-adopted by the Committee. The Committee was initially charged with reporting by the last sitting day in June 2002, but this was subsequently amended to 5 August 2004.

## The scope of the inquiry and the Committee's work

1.3 Initially, in 1999, the inquiry was self-referred under the provisions of standing order 25(2)(b) which, in part states:

The legislation committees shall inquire into and report upon ... and the performance of departments and agencies allocated to them.

1.4 It encompassed three primary issues that were of concern to the Committee's predecessor. These issues were:

- The appointment of Mr Laurie Foley to a senior position in CASA;
- CASA's administration of matters raised by Avgas contamination; and
- CASA's oversight and administration of maintenance programs of Australia's Regular Public Transport (RPT) operators.

1.5 The Committee's inquiry took a number of submissions and held hearings in 2000 and 2001, particularly in relation to the administration of maintenance programs.

1.6 It was the administration of maintenance programs that became the focus of the Committee's inquiry as the issue of Mr Foley's appointment became less critical with his resignation. Although the matters arising in relation to the Avgas contamination relate to CASA investigations, the compensation packages provided by Mobil Oil (the producer of the contaminated avgas) did compensate operators for engine damage and/or economic loss arising from the use of contaminated fuel.

1.7 The Committee tabled an Interim Report in the Senate on 27 June 2002. In that report it noted that it had not completed its inquiry but would be pursuing it further.

1.8 During successive Estimates Hearings, the Committee has monitored CASA's work, particularly in relation to its administration of maintenance programs. The Committee has

therefore decided that it would be appropriate to make any final conclusions it has on the administration of CASA in the context of its standing inquiry into annual reports. It notes that CASA's annual report is currently under the Committee's consideration and therefore makes the following recommendation.

**Recommendation 1**

**1.9 The Committee recommends that it concludes its inquiry into the administration of CASA by reporting its findings as part of the report it makes to the Senate in accordance with the provisions of standing order 25(21).**

**Senator the Hon. Bill Heffernan  
Chair**