

WHAT IS A CLIENT-ORIENTED OUTPUT REGULATOR?

The Aviation Safety Regulation Review Report, submitted to government in March 2014, states:

There are opportunities to improve the aviation safety regulatory system and in this regard the Review has made 37 recommendations, focussed on:

- *improving the performance of the Australian Government agencies within the system;*
- *optimising governance mechanisms and frameworks;*
- *completing the regulatory reform program; and*
- *changing the regulatory philosophy of the safety regulator.*

Recommendation 21. The Civil Aviation Safety Authority changes its organisational structure to a client-oriented output model

Recommendation 22. The Civil Aviation Safety Authority establishes small offices at specific industry centres to improve monitoring, service quality, communications and collaborative relationships.

Government Response:

The Government notes these two recommendations.

The Government notes **primary responsibility for considering this recommendation rests with the new CASA Director of Aviation Safety and the CASA Board.**

The Government will encourage the Director of Aviation Safety and the Board to work with airline, airport and other aviation representatives to enhance shared understanding of the different industry sectors and what this means in terms of defining regulatory and industry roles in aviation safety regulation.

The Government has requested the Board examine the Report's proposal for **creating a specific unit in CASA dedicated to general aviation and aerial work operations** as part of further advice on its future organisational structure in its next corporate plan.

Some industry members have expressed concerns that the establishment of more offices by CASA, may increase the risk of CASA delivering less consistent national regulatory outcomes and increased costs.

Note: Though the government noted these recommendations, efficient aviation regulators in other countries are structured as a client-oriented aviation safety regulator.

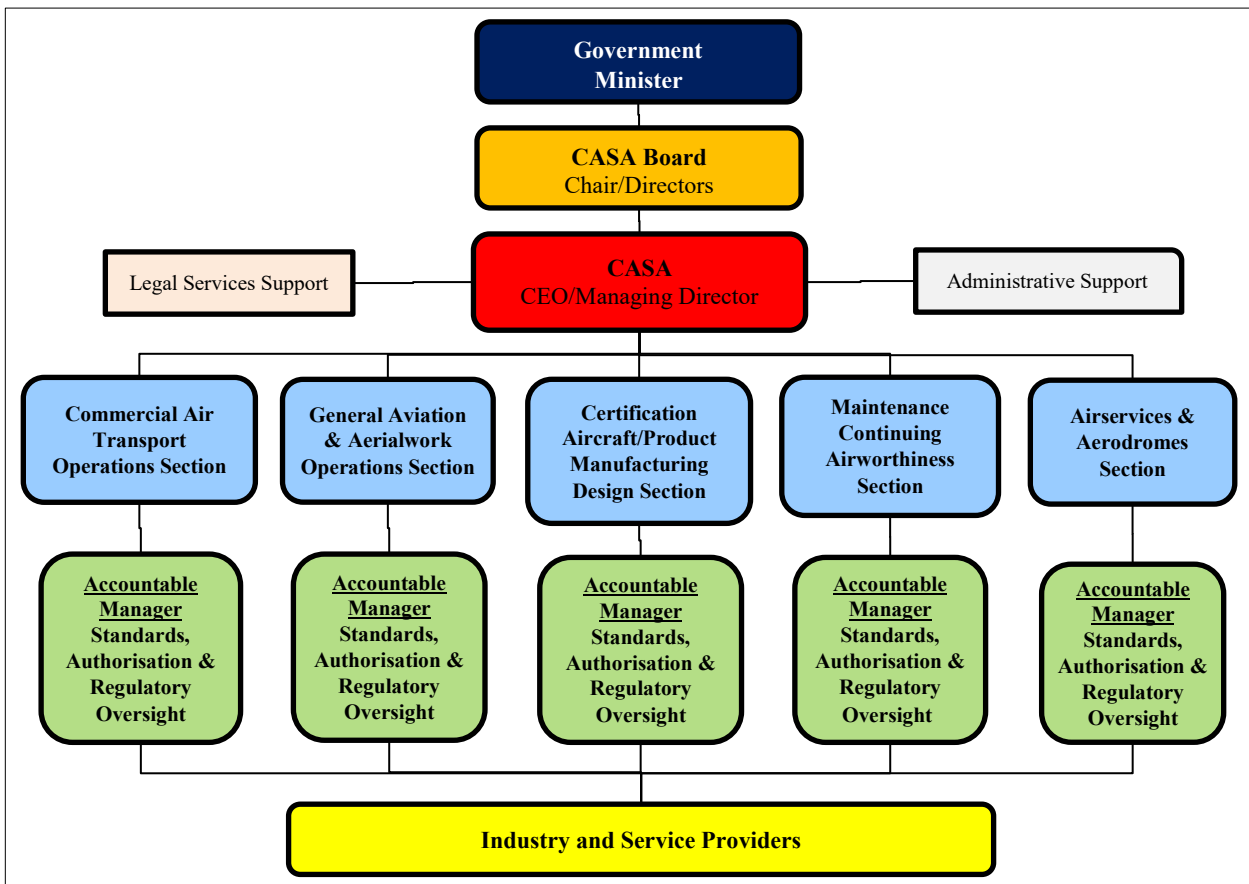
If the CASA Board considered it then they should support a client-oriented structure so the government supported specific GA unit is created. Maybe it will be in the next corporate plan.

CLIENT ORIENTED OUTPUT MODEL.

Basically, these ASRR recommendations proposed that CASA adopt a technical client sector organisational management structure based on industry sectors. Industry sectors are well known and have been recognised by CASA's predecessors in the past and many other country's aviation regulators. Each dedicated Section would be responsible for harmonised standards, authorisation of industry delegates/authorised persons & regulatory oversight. CASA would then provide links to the following industry sectors. Regulatory services can be delegated to industry service providers. Smaller shopfront offices, instead of regional offices, are supported.

AVIATION SAFETY REGULATORY REVIEW RECOMMENDATION 21 & 22

1. Commercial Air Transport Section - operational requirements of commercial air transport (domestic and international airlines)
2. General Aviation Section - operational of small intrastate air transport, general aviation and aerialwork including sport & recreational operations.
3. Aircraft & Product Certification & Manufacturing Section - includes design organisations/delegates & manufacturers approval standards
4. Maintenance Section - continuing airworthiness/maintenance across all operational sectors including delegates/authorised persons & maintenance personnel skills standards.
5. Personnel Licencing & Training Facilities - operation & maintenance licencing includes approval of independent flight instructors and aircrew training schools.
6. Air services and Aerodromes Section - setting standards and regulatory oversight.



In this model, each accountable manager and their central and field staff would possess sector knowledge, experience & skills. Small field offices were also proposed in the ASSR Report.

Current Government Arrangement

The Minister for Infrastructure and Regional Development portfolio covers the following:

- the Department of Infrastructure and Regional Development (DIRD);
- the Civil Aviation Safety Authority (CASA);
- the Australian Transport Safety Bureau (ATSB);
- Airservices Australia (ASA); and
- the Australian Maritime Safety Authority (AMSA).

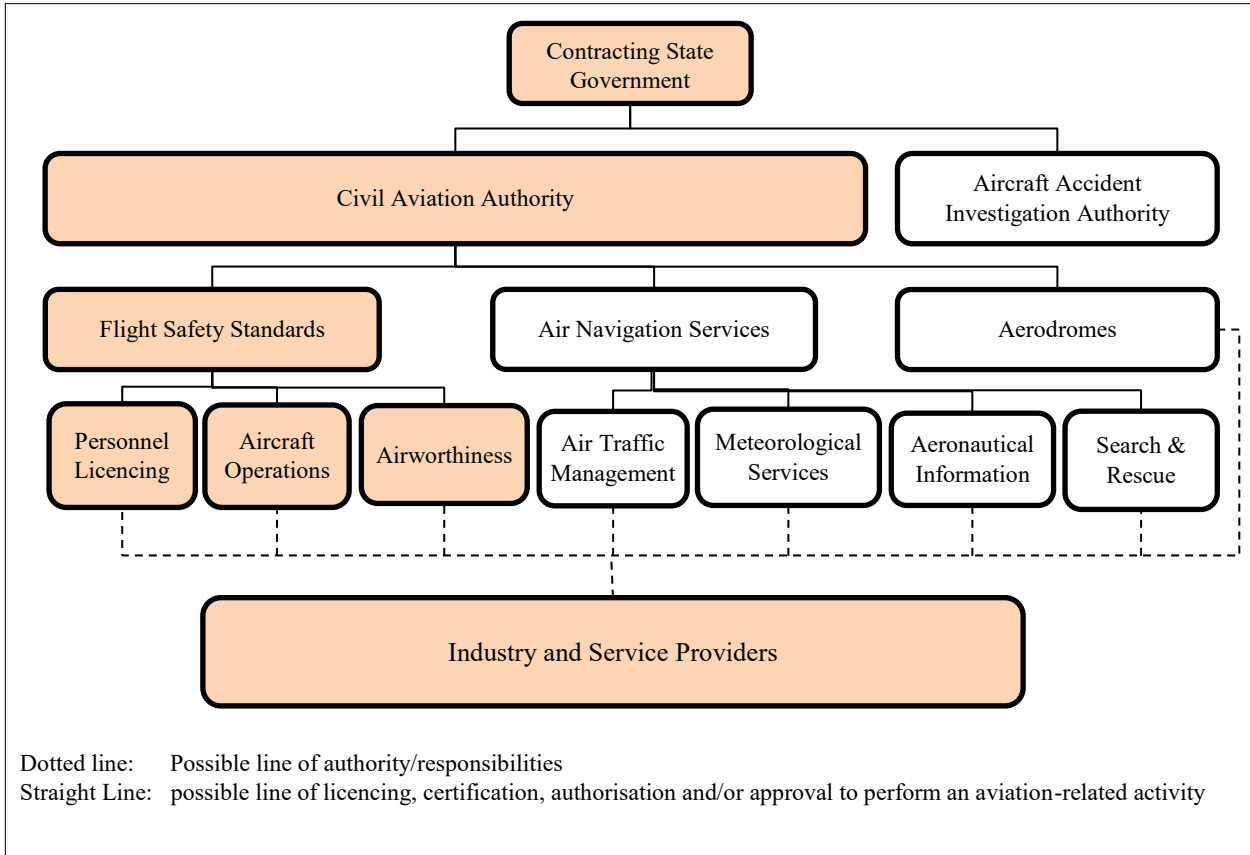
As can be seen, Australia has separated what an ICAO model CAA would cover into a government department and 4 agencies, 3 with Boards.

Therefore CASA cannot be compared with other CAAs like the FAA, EASA or even the CAA(NZ) that has wider jurisdiction than CASA. CASA is a little more than the Flight Standards Division identified by ICAO model.

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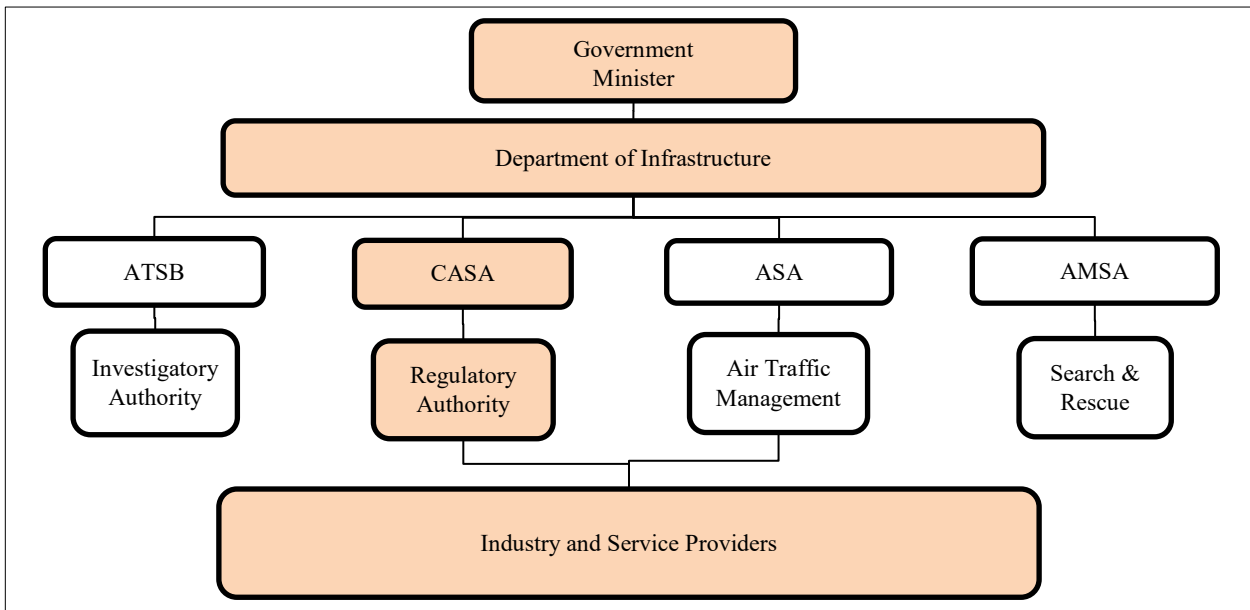
The following chart is based on an ICAO organisational structure for civil aviation system specified in their ICAO Safety Oversight Manual and other ICAO Documentation.

ICAO Model



Over the last couple of decades, the basic government structure is as follows and there is no need to change except CASA responsibilities should be aligned with the Convention Articles.

Government Current Model



Australian model: DIRD, CASA, ASA, AMSA and ATSB share these ICAO responsibility.

Devolvment: To make any client-oriented based system work requires the empowerment of industry delegates & authorised persons to perform CASA regulatory services for industry individuals, operators and organisations. These persons are classified under the USA system as FAA representatives. Canada also has a delegation system. There has been a high success with delegated persons in the past. This devolvment reduces the size of government and provides authorised industry agents, close to the industry, to perform the regulatory services more cost effectively and efficiently than government can provide the same service. Just like Treasury approves tax agents.

Devolvment has been a long time policy and is also practiced by the FAA and other Authorities.

It enables CASA to concentrate on setting minimum standards and procedures plus providing improved regulatory oversight and improvement of safety understanding.

Each client-oriented section of CASA would have an accountable manager, however titled, responsible for setting standards, regulatory oversight and authorisation/licencing of personnel and organisations. The growth of jobs and safe growth of each sector should be the aim for each section of CASA.

It makes the CEO/Managing Director, currently labelled Director of Aviation Safety, accountable for CASA's performance. The accountable managers would be accountable for the economic efficiency of their section and the safety standards in their sector. These sector technical specialist appointment to manage their areas of expertise will remove industry's concern with skill declines with CASA.

Small CASA offices proposal: This is another area where cost efficiency can be made by CASA if they introduced the client-oriented output model discussed above. The one accountable manager would also be responsible for small shopfronts at airports to provide day-to-day advice and regulatory services like licencing and other queries.

The efficiency of such small offices is dependent on a modern management information computer system for field office use to maintain standardisation. Staffed by sector technical specialists that have a direct link to national specialists within CASA, these small shopfronts will also be called upon to be members of the National sector regulatory oversight teams.

The size of aviation does not need concentrated regional offices as standardisation is better achieved by all field offices being responsible to the national sector section within CASA Head Office. This is the only way the intent and policy direction of CASA will be applied nationally in a standardised manner. Individual regional offices within Australia will always create differences.

CASA, like any other organisation, employs people and we all know that companies that have branches can end up with differences at each branch influenced by the individual managers.

A small shopfront would have admin plus one or two specialists from each section of CASA dealing with the sectors in those local areas.

Will the ASRR Recommendations ever be implemented in a manner expected by industry?

Many of our members have been disappointed with CASA closing offices at local airports and moving into cities where aviation does not exist.

Small offices can be rented at business premises adjacent to many local airports close to local transport. CASA may learn what really is happening in aviation.

We continue to dream that these government funded reports will be implemented.