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The Australian Aviation Associations' Forum is an alliance of Australia's major peak aviation associations to ensure the industry presents a united voice to government on key aviation issues and policy, characterised by expertise and the widest possible representation of people and organisations involved in aviation.

The following associations support the policies contained in this document:

Aerial Agricultural Association of Australia	ph. 02 6241 2100
Australian Association of Flight Instructors	ph. 02 4998 1301
Australian Business Aviation Association	ph. 02 9953 0363
Aviation Maintenance Repair and Overhaul Business Association	ph. 02 9759 2715
Regional Aviation Association of Australia	ph. 02 6162 0305
Royal Federation of Aero Clubs of Australia	ph. 02 6253 9724

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INTRODUCTION

Who is the Forum?

The Australian Aviation Associations' Forum is an alliance of the majority of Australia's major aviation associations to ensure the industry presents a united voice to government on key aviation issues and policy, characterised by expertise and the widest possible representation of people and organisations involved in aviation.

The Forum is simply a regular meeting of peak aviation Associations that enables these representative bodies to discuss matter of mutual importance to their members, the aviation industry and the community.

The Forum participants represent the significant majority of aviation operators, aircraft owners, service providers, supporters and participants.

The Forum has been operating successfully since 2008.

Why Publish Policies?

The aviation industry has long been accused by government and government agencies as being fragmented and difficult to deal with.

By uniting on policy issues, participants in the Forum are able to lend the considerable representative weight of their combined memberships to issues of common concern and remove the government's traditional excuse for inaction.

These policies have been developed by Associations with enormous aviation and public policy experience who represent members who daily deliver aviation services, safely and securely.

Many policy issues identified here are unique to aviation and require considerable background and technical knowledge to understand.

A significant number of the policies are designed to address the inequitable policy treatment of aviation by successive governments.

For example, the difficulty of accessing HECS and VET fee help for candidates attending traditional CASA approved aviation training organisations such as flying schools and aero clubs has directly exacerbated the pilot skills shortage the industry is currently suffering.

Only by formulating and presenting coherent policies, based on sound principles of government, management and the needs of the aviation industry, can political representatives be called to focus on the difficulties created and the social and economic opportunities lost by the current state of Australian aviation policy.

Australia should be a world leader in aviation

Australia should be leading the world in key aspects of aviation such as flight training, maintenance, air traffic management, security and regulatory controls, avionics and manufacturing of small to medium aircraft and components.

Australians can recapture their previous 'airmindedness' and aviation vision through realistic policies that free the industry from red tape and foster and promote improved aviation services.

Australia is capable of sustaining a vibrant aviation industry that is characterised by a high level of safety, strong employment, a significant contribution to the national economy, and a logistical capability that enables and supports communities, businesses and families.

We believe our political representatives can capitalise on our natural advantages and the skills of our people by working with the industry to establish an environment that supports safety, encourages competition and delivers significant benefits to the Australian community.

To revitalise the aviation industry's contribution to the common wealth of Australia, a range of initiatives are essential to completely reposition aviation as a policy priority area rather than the backwater into which it has been allowed to drift.

The potential of aviation to contribute across a wide range of policy areas – from maintenance and manufacturing and jobs to the environment and regional development – is very real and only requires encouraging policy settings that put aviation on a similar standing as other industry sectors.

GOVERNMENT POLICY AND STRUCTURES

Problem:

There has been a loss of focus on aviation policy due to compromises made by political parties in terms of Ministerial arrangements, portfolio and Departmental structures.

While aviation is an essential part of national infrastructure, this has not been reflected in the structure of the Department of Infrastructure and Transport or in departmental structures over recent decades.

There is a distinct lack of any government instrumentality with a clear charter to promote aviation and yet it is the preferred mode of transport for business, tourism and industry.

Australia would be better served by having a clear aviation policy and direct Ministerial and Departmental focus on aviation as a separate sector, rather than being lost in a generic Department dealing with transport and infrastructure.

Over the last 20 years there has been a significant growth in the wider population accessing aviation services, but Australia has not had a commensurate policy and structural focus on aviation to add value to this significant and fundamental change in the nature of aviation.

Policy Actions:

1. Develop specific stand-alone aviation policies.

2. Commit to establishing a position of Minister for Aviation and a Department of Aviation or at least an improved ministerial focus on aviation through a Parliamentary Secretary and a clearly delineated department or at least division.

3. Government should engage better with industry by establishing a Ministerial Council with leading industry associations.

4. The CASA Board does not appear to contribute to aviation policy or provide direction to CASA. The role of the CASA Board should be reviewed to include industry representation with authority to direct CASA.

5. New structural responsibilities for Government agencies should include:

    a. CASA – responsibility for ensuring the Australian aviation industry functions at an acceptable level of competency and safety.

b. ATSB – responsibility for fostering and promoting aviation safety (moved from CASA) and administering the TSI Act.

c. Department of Aviation or Aviation division within the Department – responsibility for fostering and promoting aviation, developing regulations, consulting with industry and managing regulatory reform, managing aviation security, managing airport policy, airspace management, and ARFF policy, and continuing the positive work of NASAG (Safeguarding Airports) guidelines and policy processes.

d. Airservices – as per current responsibilities, other than removing ARFF services and making provision and management of ARFF the responsibility of airport owners, in compliance with standards established on a risk basis by the Department.

6. CASA should be directed by Government to work more cooperatively with peak industry associations to develop recognised Codes of Practice that will support aviation safety while reducing compliance costs, in line with ICAO recommended practice.

7. Maintain ASTRA as the primary consultation forum on technology issues for aviation navigation technology with direct reporting to the Minister.

FOSTER AND PROMOTE AVIATION

Problem:

There is no government agency at the Federal level with carriage of the responsibility for fostering and promoting aviation. There is a patent need for government to play a role in promoting what is an essential part of the economy, manufacturing, jobs, national development and infrastructure.

The Civil Aviation Act 1988 does not include any direction or head of power to foster and promote aviation in Australia. This has had a serious and ongoing negative impact on the way CASA operates and the way it interprets its role and the legislation it manages for the Commonwealth without consideration of the impacts of its decisions on the industry.

Other countries have shown the potential to build strong aviation industries and jobs by adopting a 'foster and promote' approach to aviation regulation and manufacturing. Brazil, Canada, France and USA have all strong support measures in place for their indigenous aircraft and component manufacturing industries.

Australia, despite a strong start and proven superior products, has been left behind.

Policy Actions:

1. Amend the Civil Aviation Act 1988 to include a new power and responsibility for CASA and other aviation agencies to foster and promote the aviation industry in Australia.

2. The proposed Minister for Aviation or Parliamentary Secretary should then provide a new letter of direction to the CEO of CASA and any other relevant agencies clarifying the means by which CASA is to give effect to this new responsibility.

3. Government direct its aviation agencies – including CASA, ATSB, OTS and Airservices – to incorporate into their corporate planning and procedures the requirement to consider how their policies and regulations will foster and promote aviation.

4. Government aviation agencies should cooperate more strongly with organisations such as IATA and the tourism industry to develop policies that support aviation.

REGULATORY REFORM

Problem:

The reform of Australia's aviation regulatory system is out of step with key trading partners, international best practice and the relevant international treaties.

CASA has lost sight of the original aim of simplifying and clarifying regulations. The reform process has been running for over 20 years with little demonstrable improvement in harmonisation or simplification.

The inability of the new regulations to establish international harmonisation between Australia and major aviation countries is a missed opportunity that underlines the inability of CASA to maintain a steady focus on clear objectives.

The new regulations are characterised by a complex approach in both content and drafting style that seeks to obfuscate operational clarity and certainty for the likelihood of a successful criminal prosecution, with a complete failing of the original intent of 'safety through clarity'.

The consultative mechanisms CASA has put in place and especially the Standards Consultative Committee (SCC) and the newer safety forums are founded on a flawed culture of instructing industry on CASA decisions rather than genuine consultation.

Comparisons of regulatory reform with other countries highlight the failure of CASA management to contain the regulatory reform process, to strategically manage workload on both CASA and industry, or to consider the capacity of industry to adapt to significant change.

There are currently more than 50 individual regulatory change projects that CASA has established in addition to the already significant workload of the regulatory reform program.

CASA has demonstrated very poor control of the workload involved in developing the regulations, to the point that the regulatory reform program has itself become a potential threat to aviation safety.

It is not appropriate for the aviation regulation enforcer (CASA) to draft the law. Policy and regulatory development should be vested in the Department.

Policy Actions:

1. The regulatory reform process should be removed from CASA and placed with a new aviation department, or at least a new division within the Department.

2. Regulatory reform should be characterised by strong formal and informal consultative relationships with industry.

3. Instead of reinventing the wheel in an international industry, regulatory reform should be based on a sound understanding of international best practice and the regulatory regimes used by key trading partners and neighbours, where relevant.

4. General principles in regulatory reform should include:

    a. No uniquely Australian rules unless industry can demonstrate a need.

    b. Reduction of 'red tape' and the simplification of processes within the regulator for the benefit of industry should be a priority

    c. Review the US Regulatory Flexibility Act and the US Paperwork Reduction Act with a view to applying similar principles to Australian legislation.

5. Continuous improvement principles should be applied to aviation regulation in Australia, including the relevance of regulations to the current status of operational technology. Consideration should be given to automatically applying a sunset clause to regulations where appropriate.

AVIATION TAXATION

Problem:

Australia has an uncompetitive and inequitable taxation system in place for aviation.

The current system provides no incentive to CASA to be more efficient. The system provides no incentive for updating of the fleet due to ATO rulings on useful working life of aircraft, which works in direct opposition to goals of encouraging newer aircraft for improved safety and better environmental performance – including both lower noise and lower emissions. The system takes no account of the highly variable, seasonal and often time-critical nature of aviation. The carbon tax penalises the industry for no environmental improvements. The lack of access to training support has created a skills shortage.

Policy Actions:

1. Abolish the carbon tax or provide mechanisms to recognise the inability of the aviation industry to adjust quickly due to aviation's regulatory and engine certification requirements.

2. Provide for 60% depreciation of aircraft assets in the first year to have an internationally competitive investment environment as available to aviation sectors overseas.

3. Provide for a 150% write-off for aviation research and development to encourage skilled jobs in Australian aviation, innovation and an indigenous aviation design and manufacturing industry.

4. Provide for aviation company income averaging across a rolling five year span.

5. Establish within the ATO a high level working group to identify and remove tax impediments to the aviation industry and to develop more equitable approaches to taxation, as is currently the case with other sectors.

6. Allow all commercial pilot candidates (and sector specific rating candidates) to participate in HECS.

7. Exempt agricultural, medical and emergency services operations from fuel tax.

8. Establish a joint industry / Departmental / CASA Efficiency Taskforce to improve efficiency within CASA and thereby reduce the need for additional cost recovery, including a focus on developing better systems of delivery of services.

9. Establish an industry taskforce to consider the long term funding of aviation regulation in Australia, including a more equitable application and levying of the fuel tax, charging international airlines for services provided, and identifying potential contributions to covering the cost of aviation regulation by other government agencies also charging the industry (such as Airservices etc). A key focus of such a taskforce should be to identify those operations currently undertaken by CASA and other aviation regulators that deliver a community rather than industry benefit and fund those activities from consolidated revenue rather than industry cost recovery.

EDUCATION AND TRAINING

Problem:

The inequitable treatment of aviation careers by successive governments has created an aviation skills shortage that threatens to cripple the industry's capacity to service the community.

The previous willingness of pilots, LAMEs (engineers) and support staff to self-fund their education and qualifications has encouraged a laziness in national aviation skills policy that is now compromised by the unwillingness of new generations to incur massive personal debt to commence a career in aviation.

As costs have continued to spiral unchecked by efficient regulation and new generations not seeing aviation as attractive a career as previously, the need for sensible government education support that is available to other sectors is becoming critical.

The cost of a commercial pilot licence with a command instrument rating is in the order of $100,000.

In addition, industry projections for pilot and LAME training demand internationally is significant. Australia is in a prime geographic location with excellent weather and few capacity restrictions to take advantage of this predicted boom in aviation training. The quality of Australian aviation training is recognised around the world and Australia has excellent providers and infrastructure for training.

As a result of no aviation training policy in place to support the development of Australian jobs in meeting this demand, Australia is poised to fail in capitalising on this opportunity.

Policy Actions:

1. Extend access to HECS and VET FEE HELP to commercial entrants to the industry to manage significant training costs, including traditional aviation training through CASA approved flying schools and for vocational ratings required for sector specific aviation jobs such as aerial application ratings.

2. Establish a review into training and licensing of all aviation licences and ratings to ensure they continue to provide appropriately skilled graduates for the aviation industry.

3. Commit to review impediments and any support measures required to assist and encourage aviation training in Australia as an increased export opportunity, including a review of regulatory costs imposed on trainers.

4. As a part of government's new commitment to foster and promote aviation, ensure that aviation is included in all government and skills councils' careers publications and career advice.

5. Fund at least one aviation high school in each State and Territory based on the successful Queensland model.

REGIONAL EQUITY AND ACCESS

Problem:

The role of aviation in community building and sustenance in rural, regional and remote areas is critical.

Aviation helps deliver a range of critical services ranging from medical access to freight to education as well as enabling social inclusion and regional and rural equity of access to services and family.

Over the last 25 years more than half the Regular Public Transport routes and more than half the operators have been lost due to cost pressures, changing demographics and government policy indifference.

This trend is continuing and represents a significant decay in regional equity and access in terms of services to communities outside major cities and regional centres.

Australia has previously had a range of schemes to support the provision of aviation services to regional, rural and remote communities. Despite commitment to the contrary in the Aviation White Paper, a replacement for the previous En Route Subsidy Scheme has not eventuated.

There is no national system to ensure aviation services to regional, rural and remote areas are maintained as a critical part of both national infrastructure and equity and access for those Australians who live outside the major cities and regional centres.

Policy Actions:

1. Establish a strategic national system to support financially the provision of regular aviation services to those communities where a commercial aviation service is not viable or requires development to be viable in the longer term.

2. Fulfil the commitment in the Aviation White Paper for the establishment of an En Route Subsidy Scheme.

GENERAL AVIATION

Problem:

Governments at all levels are not providing the environment or infrastructure for general aviation (GA) to grow because they have not objectively determined the benefits of general aviation to the Australian community and economy.

While governments are willing to assist in funding a range of other infrastructure identified as critical to the 'national interest', general aviation is left to fend for itself.

The contribution made to the Australian economy by GA was underestimated in the Government's White Paper, where it claimed the sector only employed some 3,000 people. In fact, GA employs many times that number.

GA makes a significant contribution to employment, the economy and the community by:

- Creating sustainable jobs in piloting, aircraft repair and maintenance, manufacturing and ground support services such as refuelling and other aircraft support functions.
- Facilitating business transport – especially point to point and especially in regional Australia.
- Providing tourism transport and 'experiences' that generate significant flow-ons for local communities.
- Providing critical health care access and services – both emergency services and general transport capabilities.
- Delivering business services such as banking, media, post, courier and freight.
- Providing specialist aviation services such as aerial firefighting, oil spill control, locust control, crop protection and fertilising, mining survey, powerline construction, survey and maintenance, forestry services and a range of other activities.
- Linking rural and regional businesses and communities to larger metropolitan centres, thereby providing an important piece of infrastructure to support the movement of populations away from capital cities.
- Training a significant proportion of Australia's pilots, including those employed by major airlines.
- Enabling remote communities to access a range of services taken for granted in more populous regions.

Unnecessary and heavy-handed regulations must be replaced by regulations that are similar to a country like the USA where GA is vibrant and making a larger contribution to the economy and employment.

Similarly, the attitude of the regulator – CASA and others – must be significantly changed so as to clarify that GA should be regulated in such a way as to promote development through simpler and more cost-effective regulation.

The cumulative impact of ongoing increasing costs from a range of sources including regulatory compliance, red-tape, insurance, maintenance, fuel and tax is such that private use of VH registered aircraft continues to decline.

A key challenge for the future is to identify sustainable fuel sources that are more readily available, cheaper and which provide the same level of safety.

Policy Actions:

1. Joint industry / government review and implementation of the previous GA Action Agenda which was published but never implemented.

2. Each State/Territory should establish a complimentary aviation policy that recognises and protects the value of aviation in their jurisdiction. In particular, States/Territories should focus on policies that identify and support the social, welfare, health and economic benefits of aviation in regional, rural and remote areas.

3. Remove the mandatory requirement for GA Air Operators Certificate (AOC) holders to have a Drug and Alcohol Management Plan, but maintain CASA random testing.

4. Exempt all GA operators from the requirement to have a Transport Security Plan.

5. ASIC card validity for GA personnel should be extended to five years.

6. CASA should better delineate between airline type operations and GA in the classification of operations which in turn should drive a simplified approach to regulation of GA.

7. Increase government support of aviation safety initiatives from peak GA associations, including training, safety awareness and safety promotion activities.

AVIATION MAINTENANCE

Problem:

The safety, reliability and resilience of the aviation industry is underpinned by skilled maintenance providers.

The Australian aviation maintenance industry is confronted with an ageing population, a skills shortage and a crisis in regulatory framework.

The new CASA regime for maintenance licencing has totally missed its objective of being harmonised with the European countries and being an improvement on the previous framework. The Australian aviation maintenance qualifications are now unique and not recognised by our major trading partners, nor does CASA automatically recognise European or US or other qualifications. Other countries have been successful in developing a qualification that is recognised by both Europe and the US.

Maintenance organisations have been confronted with a new and complex regulatory regime that will not sustain either the industry or the services it provides to aircraft operators.

The 'unintended consequences' of this new regime include a lack of harmonisation internationally and with neighbouring countries, Australian industry being placed at a disadvantage to competitors, unworkable distinctions between organisations in Australia and significantly increased costs of compliance.

The new system of licencing and training of personnel and regulation of the maintenance and repair businesses is unique in the world.

It represents a significant delinking of Australian standards and regulation from international (including Pacific) best practice and produces no identifiable benefits such as improved safety, reduced costs or greater simplicity.

Only a thorough independent review – closely considering the advice of local industry - will enable the development of a better system.

Policy Actions:

1. Establish an independent inquiry that must include industry representatives and which must make an interim report within 90 days. The inquiry must have broad terms of reference to inquire into maintenance training, licencing, funding and current maintenance repair organisation regulation, including consideration of mutual recognition with overseas jurisdictions, simplification of regulations and reducing costs to industry.

AVIATION MANUFACTURING

Problem:

The key challenge for Australian aviation manufacturing is how to become a sustainable global player. Currently in a global context, Australia is not on a level playing field.

Aviation manufacturing in Australia has been characterised by great innovative products hamstrung by government indifference and bureaucratic impediments. The lack of a robust aviation manufacturing policy has left individuals and companies to self-develop global markets and prevented significant investment in the Australian aviation manufacturing industry. Consequently, the sector has suffered an inarguable decrease in capacity and capability..

A policy for the sustainability and viability of Australian aviation manufacturing will need to address priorities including skills shortages, bringing innovation in design to fruition and how to progress cost-effective quality manufacture within a heavily regulated regime.

Current research and development programs and criteria are not aviation friendly and mitigate against existing government support flowing to aviation companies.

The significantly increased costs caused by CASA red-tape put Australian companies at a clear disadvantage both domestically and in international markets.

The potential for our aviation expertise and jobs to move offshore is real under current policy settings.

Policy Actions:

1. Establish a review of aviation manufacturing impediments

2. Provide for a 150% write-off for aviation research and development to encourage skilled jobs in Australian aviation and an indigenous aviation design and manufacturing industry.

3. Amend the Civil Aviation Act and related legislation to include the principle of fostering and promoting aviation.

4. Focus on developing Bilateral Aviation Safety Agreements and the harmonisation and cross-recognition of regulations with a range of other countries so as to facilitate Australia aviation products and parts exports.

5. Aviation should automatically be included in negotiations for any free trade agreement, including for the unhindered export of Australian aviation parts and components.

6. Responsibility for negotiating international aviation agreements should be given to the new Aviation Department / Division

AIRPORTS

Problem:

Airport policy has been based on a number of failed assumptions – that airports can compete with each other, that airports can be trusted to act in the interests of aviation and not as monopolies, and that regional, rural and remote airports can be maintained without support from the Commonwealth.

There is a policy disconnect between airport policy and wider aviation policy, where decisions on airport development are being made without reference to aviation impacts. Similarly, airports are not being integrated into aviation policy where strategic decisions could lead to win-win scenarios.

A strong policy framework is desperately needed to ensure that airports are regulated and operated so as to continue to provide essential services to the aviation industry and the wider Australian community.

The lack of oversight of major airports charging regimes is indicative of a policy failure that can only be remedied by direct oversight of charging to ensure it remains equitable for aviation users.

Some airport owners have deliberately exploited the lack of policy oversight to remove the aviation industry from airports so as to cash in on the real estate value of the airports through non-aviation compatible industries – as witnessed by safety impacts at airports such as Canberra and Bankstown where buildings have compromised operations.

Similarly, the decline of secondary airports and general aviation facilities on primary airports has been underwritten by poor government policy regarding inappropriate developments that are compromising the ability of these important airports to service the aviation industry. The subsequent loss of aviation support and service businesses and jobs has led to a widespread malaise that is continuing to cripple development of the general aviation industry.

The recent National Airports Safeguarding Advisory Group (NASAG) guidelines are a welcome improvement but a binding compliance mechanism needs to be implemented so that State/Territory planning agencies are required to protect airports and their environments for aviation purposes.

Regional and rural airports form a key element of national infrastructure that has long been neglected.

Some larger airports in regional centres do have the capacity for growth and self-sustaining charging and renewal, while many smaller airports are continuing a long term decay through neglect. The larger and often tourism or mining focussed regional airports that can sustain themselves should be treated differently from smaller airports in terms of policy, access to Commonwealth funding support and statistical analysis.

Smaller and non-self-sustaining airports are in dire need of assistance to ensure they remain a useable part of the national infrastructure system. This significant impairment of national infrastructure must be reversed by Commonwealth intervention and funding support through a new regional, rural and remote airport scheme that will support the ongoing maintenance and development of this critical national infrastructure.

Remote airports are supported through the current remote area scheme and this is a welcome policy that delivers across a range of national infrastructure, social, economic and community objectives.

Policy Actions:

1. Development of an integrated airport and aviation policy that seeks to maximise the compatibility of developments with aviation outcomes.

2. Commit to recognising airports as critical national infrastructure and develop appropriate funding mechanisms to support the ongoing development and maintenance of airports.

3. Direct the ACCC to oversee and regulate pricing at major and secondary airports and direct it to maintain a focus on airport pricing, especially as it affects aviation users.

4. Ensure that access for regional airlines and business jets at primary airports continues to be available on a fair and reasonable basis at fair and reasonable prices.

5. Protect airports for aviation use as a primary goal of planning policy and prevent the further destruction of aviation airport infrastructure due to inappropriate, non-aviation related development using the NASAG guidelines as a starting point.

6. If an airport or aerodrome is proposed for closure, the closure not proceed until an alternative and equivalent airport has been constructed and commissioned.

7. Commit to maintaining, protecting and continuing to develop for aviation purposes a general aviation airport in each Australian capital city.

8. Enforce Aerodrome Local Ownership Program (ALOP) deeds to ensure airports previously handed over to local government remain as airports.

9. Provide for increased education of local government airport owners through a best practice program that identifies airports that encourage GA and the initiatives they use to remain viable .

10. Maintain the airport remote area scheme or combine it into the proposed airport scheme above.

SECURITY

Problem:

Additional costs arising from security measures continue to affect the industry.

In the case of regional routes, the additional costs imposed are such as to threaten the viability of some routes as terminal screening costs are passed from airport operators back to regional airline passengers.

In addition, the viability of providing sophisticated screening at regional airports may be compromised by difficulties with maintenance, staffing and skills levels as well as the significant capital and operating costs involved with sterile areas in regional airports.

As any nationally imposed threat assessment and security measures are for the protection of the entire community, the costs of any measures should be fully funded from consolidated revenue.

If threat levels and assessments decrease, there does not appear to be any planning or system for reducing security requirements.

The Office of Transport Security (OTS) has grown very large and the threat assessment and response system – including the mandated need for screening – does not have the essential flexibility to de-escalate in accordance with reduced risk and threat assessments.

Aviation security must have as its basis realistic risk and threat assessment.

Policy Actions:

1. As any nationally imposed threat assessment and security measures are for the protection of the entire community, the costs of any measures should be fully funded from consolidated revenue.

2. Review OTS and aviation security policies and procedures in consultation with industry with a view to reducing the size of OTS, reducing the cost of compliance especially in regional areas, and increasing the operational flexibility available, especially for security screening in regional areas.

3. Link the threat assessment level with security requirements so that if the threat level drops, so does the security response.

4. If the threat level requires additional screening or other measures on ‘thinner’ regional routes, the government should provide ongoing financial support to the airport owner for the provision of the required services.

INSURANCE AND LIABILITY

Problem:

In its efforts to comply with the intent of international treaty obligations, a previous government enacted the Damage from Aircraft Act. In so doing, an additional and unreasonable liability was created for all aircraft operators whereby they were made liable for any damage from an aircraft, irrespective of contributory negligence or other factors that might otherwise mitigate that liability.

In addition, the legislation specifically excludes the 'roping-in' of any other party that may also have played a role in the cause of any damage.

Consequently, the Damage from Aircraft Act does not work in a fair or equitable way and has been proven to raise a liability, especially for general aviation users, that was not envisaged in the original second reading speech or explanatory memorandum of the legislation.

In addition, the current government has proposed the creation of a compulsory third party insurance scheme for all aircraft owners. It is not clear what remedy such a scheme would provide in addition to the current civil remedies, or what market failing it may seek to rectify.

Policy Actions:

1. Review the current proposal for a compulsory third party insurance scheme so as to establish the need for such a program through significantly more consultation with industry and aircraft owners.

2. Amend the *Damage From Aircraft Act* so as to:

   a) Introduce the defence of contributory negligence.

   b) Allow others, in addition to the aircraft operator, to be 'roped-in' and liable to pay any damages accessed in accordance with allocations of liability attributed by courts.

   c) Amend the eligibility or coverage of the Act to specifically exclude any person who suffers damage or injury as a consequence of being brought to the scene of an accident by the nature of their employment, training or skills – such as firefighters, rescue and emergency services and powerline workers – who are already covered under mandatory Workers Compensation Insurance.

   d) Exempt general aviation operations from the applicability of the Act as per the original intent of the legislation second reading speech and explanatory memorandum.

   e) Remove duplication in State based legislation covering the same issues.

AVIATION RESEARCH

Problem:

There is currently no coherent, consolidated high-level research body charged with the responsibility of delivering relevant analysis of aviation issues and trends that would serve policy makers and industry.

Consequently, there is no well researched, independent, reliable and high-level policy advice available to industry or government that can be used for policy development purposes or to identify emerging opportunities or threats to the Australian aviation industry.

In addition, a range of statistical measures collected by BITRE are collated in such a way as to give a skewed view of particular industry sectors – for example regional airlines and regional airports.

Policy Actions:

1. Create a government funded Aviation Research Institute to inform itself, government and industry of relevant industry issues and trends. This would reflect international best practice seen in other advanced aviation countries such as the US, UK and Canada. The government should partner with existing higher education and research institutions where possible. The Institute should include both a contracting arm to provide research to industry and an extension program to ensure research is communicated to industry.

2. Review, in consultation with industry, the data collection and allocation processes of BITRE to ensure they reflect an accurate measurement of the industry in areas such as regional aviation and airports where many airports and routes are counted as regional despite being driven by tourism or mining.

3. Commission the BITRE to undertake a detailed study on the economic and social contribution of aviation to Australia.

4. Direct the BITRE to work more closely with international organisations such as IATA to improve the availability of economic analysis of the aviation industry in Australia and to benchmark Australian performance against other relevant countries.

5. Refer any research from the study above to the proposed Aviation Ministerial Council to develop suitable policy responses to issues identified.

TECHNOLOGY and ENVIRONMENT

Problem:

There is enormous potential for environmental improvements through improved access to and use of technology to support air traffic services. More accurate guidance and reporting means more direct routes, less time in the air, less fuel burnt and a reduced environmental footprint.

There are a range of processes currently in place to assess the use of GPS and other systems as they might assist aviation safety and there is the potential for a significant environmental and efficiency pay-off for sound government investment.

Key considerations should include the cost/benefit of any proposed system on industry, the possibility of other sectors such as geoscience, agriculture, land and sea transport contributing to the cost of such a system, and the ability of the aviation industry to absorb and manage significant change and cost.

In addition, consideration must be given to the need to maintain traditional aviation navigation aids for training purposes such as NDB and VOR.

Close consultation with industry is essential to ensure the long term plan for this significant cost impost is manageable.

Policy Actions:

1. Maintain ASTRA as the primary consultation forum on technology issues for aviation navigation technology with direct reporting to the Minister.

2. Coordinate the range of current reviews (including the Geoscience Australia project, CASA and Airservices proposals) of a national navigation and positioning system to ensure consideration of all potential users and contributors including geosciences, aviation, agriculture and land and sea transport.

3. Ensure that any decision on the future technology requirements for aviation includes a comprehensive risk based cost-benefit analysis to ensure the industry can absorb any costs over the short to medium term.

4. Adopt a continuous review of the regulatory regime to remove restrictions to new technology and innovation safely.

NON-AVIATION IMPACTS ON AVIATION

Problem:

There are a range of non-aviation issues that continue to impact aviation safety and as a result of gaps in legislative and regulatory coverage, they are permitted to continue to impact on aviation safety with no risk assessment or mitigation.

Impacts may include wind towers, wind monitoring towers, radio masts, smokestacks, coal seam gas plumes, powerlines, buildings near runways or proposed buildings that could potentially impact on approaches or departures from airports.

It must be noted that many of these developments are occurring away from airports, but still have significant impact on aviation safety – for example, for legal low level aviation operations that are likely to conflict with unmarked, un-notified wind monitoring towers.

Policy Actions:

1. All airport master plans – regardless of them being approved by the Commonwealth Minister or a local authority – must give detailed consideration to the likely impact of any buildings on the safe operation of aircraft. Where the proposed building imposes an aviation risk, primacy must be given to aviation safety with the building application being refused.

2. Industry strongly supports the current work of NASAG in developing, in cooperation with the planning and related agencies of the States/Territories, a range of guidelines to inform and, where appropriate, restrict future developments that may impact on aviation safety.

3. Industry strongly supports the strengthening of the NASAG guidelines into legally binding national regulatory requirements.

4. In the future, aviation industry peak bodies should be included as an integral member of NASAG processes.

5. Establish a national database of tall structures, regardless of their height but based on an aviation risk assessment, which is accessible by all pilots and to which reporting of all tall structures is made mandatory. Such a database should be made available to all legitimate low-level aviators through a website.

6. Establish a national mandatory requirement for the marking and notification of aviation hazards that will include wind towers, wind monitoring towers, powerlines, radio masts and other aviation hazards. In particular, all powerline companies should be required to make mapping information of their network available to bona fide low level aviation operators and should be required to mark powerlines that pose a hazard to bona fide low level operators such as agricultural application and firefighting companies.

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