EXPLANATORY STATEMENT

Statement of Expectations for the Board of the Civil Aviation Safety Authority for the period 31 January 2022 to 30 June 2023

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Outline

This Statement of Expectations (SoE) is issued by the Minister as a notice under section 12A of the *Civil Aviation Act 1988,* addressed to the Board of the Civil Aviation Safety Authority (CASA).

Section 12A of the *Civil Aviation Act 1988* provides that the Minister may notify the Board of CASA in writing of the Minister's views on CASA's strategic direction and the manner in which it should perform its functions.

This SoE outlines the Minister's expectations of CASA during the period 31 January 2022 to 30 June 2023.

The SoE emphasises the need for CASA to perform its functions in a manner that supports Government policy, including that aviation safety remains the highest priority. CASA is also expected to comply with relevant legislation and to keep the Minister and the Secretary of the Department of Infrastructure, Transport, Regional Development and Communications (the Department) informed of CASA's activities.

The SoE addresses CASA's governance, regulatory approach, key initiatives and stakeholder engagement. It also outlines the Minister's expectations as to how CASA conducts its functions, and the need for consultation with the industry, government and the broader community.

CASA was consulted in finalising the SoE.

Details of the SoE are set out in the Attachment.

Section 10 of the *Legislation (Exemptions and Other Matters) Regulation 2015* provides that notices given under section 12A of the *Civil Aviation Act 1988* which are legislative instruments under the *Legislation Act 2003* are not subject to disallowance.

Authority: Section 12A of the *Civil Aviation Act 1988*

ATTACHMENT

Details of the Statement of Expectations

Section 1: Overview

This section outlines the legislative framework and purpose for issuing the Statement of Expectations (SoE) to the Board of the Civil Aviation Safety Authority (CASA).

The section notes the importance to Australia of a safe, economically sustainable and well regulated aviation sector. CASA plays an important role in ensuring delivery of benefits to all Australians through the safe operation of the aviation industry. CASA is required to balance the benefits of reducing regulatory burden with ensuring the delivery of safety and public interest outcomes.

It is expected that CASA will respond with a Statement of Intent within three months of the date of the SoE.

Section 2: An Effective and Efficient Organisation

This section states that CASA should perform its functions in accordance with the *Civil Aviation Act 1988* (the Act), the *Airspace Act 2007* and the *Public Governance, Performance and Accountability Act 2013* as well as other relevant legislation. It is expected that CASA's resources will be used in an efficient, effective, economical and ethical manner, following best practice principles and guidelines. CASA's conduct and values should be consistent with those of the Australian Public Service.

Section 3: Governance

This section notes that while CASA is an independent regulator, it performs its statutory functions as part of the Australian Government. It is accountable to both the Parliament and the public. It is expected that the Board would be responsible for matters set out in the Act, including strategic direction, risk management and corporate planning.

It is expected that the Board will facilitate effective engagement with stakeholders, including by publishing on CASA's website a communique of matters discussed in each Board meeting.

Subject to the Act, it is expected that the Director of Air Safety (DAS), as the CEO of CASA, will effectively manage the organisation.

It is also expected that the Board would keep the Minister and the Secretary of the Department fully informed of CASA's activities, and promptly advise of all material events, including through concise quarterly progress reports.

The Minister asks that CASA keep him informed of media releases, major speeches and other significant information required for the Minister to uphold his obligations to be accountable to the Parliament.

The Minister expects CASA to fully cooperate with the Parliament, and with other Commonwealth public accountability mechanisms. The Minister also expects CASA to perform its functions consistent with Australia's international obligations, including the requirements of the International Civil Aviation Organization (ICAO).

Section 4: Regulatory Approach

This section notes the Act's stipulation that CASA must regard the safety of air navigation as the most important consideration. The effective management of safety requires a systems-based approach, including risk based and evidence driven decision making by CASA. CASA's regulatory approach must therefore take into account the differing risks associated with different industry sectors, or 'categories of operations'.

The Minister expects CASA to consider the economic and cost impacts on individuals, businesses and the community in both the performance of its functions and in the development and promulgation of safety standards. The Minister also expects that CASA will take a pragmatic, practical and proportionate approach to regulation as it applies to different industry sectors.

In support of the above, it is expected that CASA will undertake the following:

- Paragraph (a) — review its regulatory philosophy following industry consultation by the end of 2022.
- Paragraph (b) — fully consider the impact of new regulatory requirements on general aviation, with a particular focus on regional and remote Australia. Each Explanatory Statement drafted by CASA for subordinate legislation is to set out how impacts upon different industry sectors and regional and remote Australia have been addressed.
- Paragraph (c) — review its consultation framework with stakeholders in the aviation community to ensure that regulatory proposals are fit for purpose. The outcome of this review should be provided to the Minister by 30 June 2022.
- Paragraph (d) — release an exposure draft of proposed regulations for industry consultation before regulations are put to the Minister for consideration unless the resulting delay would impact upon aviation safety.
- Paragraph (e) — review client services standards and ensure that key performance indicators for client delivery functions are published on its website by 30 June 2022.
- Paragraph (f) — following a review, seek to publish by 1 May 2022 a work plan of measures to appropriately reduce the regulatory burden on general aviation.
- Paragraph (g) — by 30 September each year, report to the Minister on its forward regulatory program, including advice on how industry views were taken into account when prioritising the various initiatives.

Section 5: Key Initiatives

This section outlines the Minister's expectation that CASA will focus on the following key initiatives:

- Paragraph (a) — engagement with industry in implementing flight operations reforms.
- Paragraph (b) — support Airservices Australia (Airservices) and the Department of Defence (Defence) in the implementation of the OneSKY project, in addition to continued regulatory oversight of Australia's existing air traffic management system.

- Paragraph (c) — work closely with the Department and Airservices on the integration of Remotely Piloted Aircraft Systems (RPAS) into Australian airspace, including initiatives outlined in the National Emerging Aviation Technologies (NEAT) Policy Statement.

- Paragraph (d) — support Airservices on the new Flight Information Management System (FIMS).

- Paragraph (e) — provide regulatory oversight for major aerodrome infrastructure projects, as well as providing advice on leased federal airport developments.

- Paragraph (f) — apply sufficient resources to the regulatory oversight of the development of Western Sydney Airport and associated airspace.

- Paragraph (g) — share safety information with the Australian Transport Safety Bureau (ATSB), consistent with the Safety Information Policy Statement.

- Paragraph (h) — work collaboratively with the Department and Airservices on modernising airspace management, including leading the development of the Australian Future Airspace Framework.

- Paragraph (i) — work collaboratively with Geoscience Australia and Airservices on the implementation of satellite-based augmentation systems in the aviation environment.

- Paragraph (j) — work collaboratively with the Australian Space Agency as required.

- Paragraph (k) — work with the Department on preparing advice on a new long term funding strategy for CASA and in examining opportunities to reduce regulatory costs in the aviation industry.

- Paragraph (l) — prepare a workforce plan by 30 June 2022 to outline how CASA will maintain its required skills base, and achieve key cultural improvements regarding professionalism, probity, transparency and accountability.

- Paragraph (m) — within CASA's legislative responsibilities, work with the Department to achieve appropriate mutual recognition and bilateral arrangements to support the recognition of Australian designs, innovation and certification in comparable jurisdictions, and minimise the red tape involved in moving between such jurisdictions (including where possible, the automatic recognition of licences and approvals).

- Paragraph (n) — identify ways to promote the availability of flight instruction and related services, especially in remote and regional areas of Australia.

Section 6: Stakeholder Engagement

This section details the expectation that CASA will be transparent and effective communicators, implementing regulations in a modern and collaborative manner, particularly in relation to the following:

Paragraph (a) — effective stakeholder engagement.

Paragraph (b) — recognition of the various sectors which make up the aviation industry and undertaking effective engagement with them.

Paragraph (c) — effective communication with stakeholders and government agencies.

Paragraph (d) — work closely with the Department and other agencies to deliver integrated and comprehensive safety advice.

As this is a legislative instrument which is not subject to disallowance, no Statement of Compatibility with Human Rights is required (per section 9 of the *Human Rights (Parliamentary Scrutiny) Act 2011*).

The Honourable Barnaby Joyce

Minister for Infrastructure, Transport and Regional Development