



The Hon Darren Chester MP
Minister for Infrastructure and Transport
Deputy Leader of The House
Member for Gippsland

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27 OCT 2016

Mr Marc De Stoop
President
Aircraft Owners and Pilot Association (AOPA)
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Dear Mr De Stoop

Thank you again for providing the Government with the Aircraft Owners and Pilots Association's (AOPA) Project Eureka brief. I appreciate the effort the members of AOPA have put into the development of this brief on issues affecting general aviation (GA).

As I advised in my letter of 27 April 2016, I asked the Department of Infrastructure and Regional Development (the Department), in consultation with relevant stakeholders, to examine and prepare a response to the issues and recommendations raised in Project Eureka.

I can advise that a number of the recommendations and proposals put forward in Project Eureka have been, or are being, actioned by the relevant Government agencies.

Regarding the Aviation Safety Regulation Review (ASRR) the Department has recently published an update on progress with the implementation of the Government's response on its website (www.infrastructure.gov.au).

While the Civil Aviation Safety Authority (CASA) is making good progress in a number of areas of regulatory reform, there are other issues arising out of the Government's response to the ASRR that I am aware industry is seeking to have progressed as soon as possible. I have asked CASA to complete implementation of the Government's response to the ASRR this year relevant to CASA, except for those areas which CASA and industry have agreed to delay implementation given other priorities (e.g. some parts of the regulatory reform program).

As industry has indicated to me, the real test of the effectiveness of implementation of the Government's response will be compliance of CASA staff and industry with the new regulatory policies, procedures and philosophies over the next few years.

CASA has undertaken a number of regulatory initiatives in relation to pilot licensing and flying training regulations (CASR Parts 61, 141 and 142), as well as making changes to the timing of the Cessna Supplemental Inspection Documents program and easing Jabiru engine flying limitations. CASA has also extended the implementation period for the new fatigue rules by one year to May 2018 and agreed to conduct an independent and comprehensive review of fatigue limits.

Arising out of the ASRR, CASA has established a Director's Advisory Panel and timetable for the completion of the regulatory reform program which is revised on an ongoing basis to reflect consultations with industry and implementation of the three tier regulatory approach.

I am aware that one of AOPA's major priorities is seeking changes to current regulatory requirements for medicals for private GA pilots. CASA has confirmed it will be reviewing private pilot certification requirements, having regard to overseas developments and relevant research in this field, and will consult with industry on this matter through the release of a draft discussion paper later this year.

In relation to the implementation of the Automatic Dependent Surveillance – Broadcast (ADS-B), CASA has mandated this technology to enhance Australia's capability in the surveillance of aircraft, and to improve air traffic management safety and efficiency for the industry and the travelling public. ADS-B, for the first time, provides vast parts of the Australian continent with electronic surveillance where previously there has been no coverage and clearly provides benefits in terms of providing more accurate information for search and rescue operations.

I am advised that CASA, in consultation with Airservices Australia (Airservices), is continuing to examine ADS-B arrangements noting the increasing level of aircraft that have taken up this technology.

On airspace reform, the Government's Australian Airspace Policy Statement (AAPS) which came into effect in July 2015 makes it clear that CASA should consider the adoption of proven international systems that meet Australian airspace requirements. The AAPS recognises that systems such as the US National Airspace System (NAS) include a range of characteristics that should be considered and implemented as appropriate where they are of benefit to the Australian aviation industry.

Approach with vertical guidance in Australian aviation is being advanced by the Department, CASA and Airservices with the release of the final Baro-VNAV policy which will see the implementation of these procedures at over 100 Australian airports. In terms of Satellite Based Augmentation Systems (SBAS), the Department is assisting the Department of Industry, Innovation and Science in a whole-of-Government assessment of a SBAS Testbed proposal by industry parties. Industry will be informed by the Department of the outcome of these deliberations once finalised.

The Government recognises the importance of the Australian aviation skills and training environment. The Department has commissioned an independent Aviation Workforce Skills Study into the state of the aviation workforce in Australia, the aviation industry's workforce and skills needs going forward, and the possible actions that the Government and industry can take to meet these needs to best harness available opportunities. The findings of the study are expected to be provided to the Government before the end of the year and it is expected that these findings will assist in informing future Government policy on aviation skills and training in Australia.

In relation to CASA and Airservices industry charges, I would note both organisations have undergone recent reviews to seek to enhance the efficiency of their operations and reduce their overall costs, while also examining their future resourcing needs.

CASA's long term funding strategy is currently subject to a review with the outcome expected to be announced in the 2017 Budget, noting the major airline sector is already the main contributor to CASA funding.

Airservices has announced that it is significantly reducing its overall costs while ensuring that any changes do not impact on the delivery of core air traffic and aviation rescue and fire fighting services. Airservices has also confirmed that it already limits the impact of service costs on GA operators resulting in at least 6 out of 10 aircraft below 5700kg not incurring any charges from Airservices. GA aircraft are also only charged for full-stop landings and therefore are able to conduct multiple circuits and touch-and-goes under one fee from Airservices.

The Government fully appreciates the role that Australia's aviation industry plays in our economy and in our community including general aviation.

I am keen to get a better understanding going forward of what our agencies, the Government and industry can do to sustain aviation growth into the future. That is why I have asked the Bureau of Infrastructure, Transport and Regional Economics (BITRE) to undertake a major study to examine the current state of the GA sector in Australia, the issues facing the industry and the factors influencing the viability of the sector. A copy of the Terms of Reference for the study are attached.

The outcomes of this study will help to inform both the Government and industry in understanding and responding to the challenges and opportunities faced by the diverse GA sector of the aviation industry.

I will also be proposing that the GA Action Group, which was formerly a sub-group of the Aviation Industry Consultative Council, report directly to me in the future and that the Group act as a reference group for the BITRE general aviation study.

While there are many initiatives underway, there are some recommendations and proposals in Project Eureka which are neither consistent with the ASRR report or the Government's response to the report, or are not considered appropriate for implementation, such as the privatisation of Airservices and related recommendations.

I would note that the ASRR Report did not support the adoption of safety rules from another country. The Report noted this option faces “socio-political and legislative challenges, with unintended and perhaps unknown consequences to the industry and would not only fail to accelerate the (reform) program but is likely to delay it”.

Thank you again for preparing the Project Eureka brief and I look forward to working productively with the GA sector on the common goal of a safe, growing and sustainable Australian aviation industry.

Yours sincerely

A handwritten signature in blue ink, consisting of a large, stylized 'D' followed by a series of loops and a long horizontal tail.

DARREN CHESTER

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