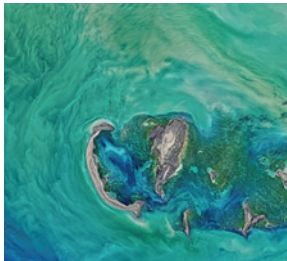
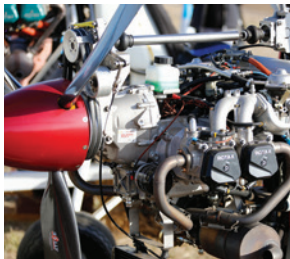




Australian Government  
Civil Aviation Safety Authority



# ANNUAL REPORT 2017-18





### Front cover image credits

Inspector | Civil Aviation Safety Authority | Dean Covell  
Drone app | Civil Aviation Safety Authority | Duncan Grant  
PC-12 cockpit | Pilatus Aircraft Ltd | Gian Marco Castelberg  
A350 XWB on takeoff | Airbus SAS | Fabien Espinasse  
Satellite image | NASA  
Rotax engine | Civil Aviation Safety Authority | Duncan Grant  
Cessna taxi | Civil Aviation Safety Authority | Dean Covell  
Greetings | Civil Aviation Safety Authority | Robin Newell  
Eurocopter EC 130 | Civil Aviation Safety Authority | Duncan Grant  
Camcopter | Schiebel Corporation  
Mustering sunset | Eye in the Sky | Jon Davison  
FalconEye | [dassaultfalcon.com](http://dassaultfalcon.com)  
Headset | Civil Aviation Safety Authority | Duncan Grant

## About this report

This report provides a concise overview of the operations of the Civil Aviation Safety Authority (CASA) and reviews our performance against the corporate goals identified in CASA's *Corporate Plan 2017–18 to 2020–21*.

This report aims to provide readers with a detailed account of CASA's performance for the 2017–18 reporting period.

As well as providing a detailed description of what CASA has done during the year, the report contains financial statements for 2017–18 and identifies CASA's plans to meet expected challenges in the year ahead.

CASA is accountable to the Minister for Infrastructure, Transport and Regional Development and the Parliament of Australia. The publication of an annual report also fulfils an important element of CASA's reporting responsibilities to the wider aviation community.

This report was prepared in accordance with the *Civil Aviation Act 1988*, the *Public Governance, Performance and Accountability Act 2013*, the Public Governance, Performance and Accountability Rule 2014 and other relevant legislation.

## Publication details

ISSN: 1327-5968

ISBN: 978-1-921475-52-8

© Commonwealth of Australia 2018



With the exception of the Coat of Arms and all photos and graphics, this publication is licensed under a Creative Commons Attribution 3.0 Australia Licence. The Creative Commons Attribution 3.0 Australia Licence is a standard form licence agreement that allows you to copy, distribute, transmit and adapt this publication provided that you attribute the work. The full licence terms are available from: [www.creativecommons.org/licenses/by/3.0/au/legalcode](http://www.creativecommons.org/licenses/by/3.0/au/legalcode)

# LETTER TO THE MINISTER

CHAIR – CASA BOARD

Trim Ref: EF09/23970

13 September 2018

The Hon Michael McCormack MP  
Deputy Prime Minister  
Minister for Infrastructure, Transport and Regional Development  
Parliament House  
CANBERRA ACT 2600

Dear Minister

On behalf of the Civil Aviation Safety Authority (CASA), I present to you the Annual Report for the reporting year 1 July 2017 to 30 June 2018. The report has been prepared in accordance with the *Civil Aviation Act 1988*; the *Public Governance, Performance and Accountability Act 2013* (PGPA Act); the Public Governance, Performance and Accountability Rule 2014; and other relevant legislation.

The report is made in accordance with a resolution of the Board of CASA, which is responsible under section 46 of the PGPA Act for presenting an annual report to you, for presentation to the Parliament, on CASA's activities during the period.

Yours sincerely



**Anthony Mathews**

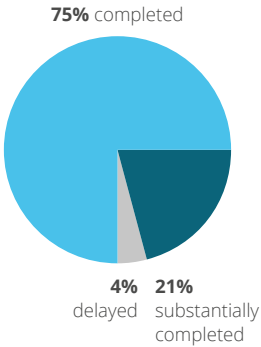
Chair  
CASA Board

# CONTENTS

<b>Part 1: Overview</b>	<b>11</b>
Message from the Chair of the Board	12
Review by the Director of Aviation Safety	14
Financial summary	20
<b>Part 2: Annual performance statement</b>	<b>27</b>
Statement of preparation	28
Performance framework	28
Portfolio outcome	30
Corporate plan objectives	34
Regulator Performance Framework	64
<b>Part 3: Corporate governance and management</b>	<b>67</b>
Corporate governance	68
People management	87
Work health and safety	95
External engagement	100
External scrutiny	106
<b>Part 4: Other accountability reporting</b>	<b>123</b>
Compliance with finance law	124
Significant activities and changes	124
Freedom of information	124
Enforcement actions	124
Environmental sustainability performance	125
Purchasing	127
Advertising	127
Sponsorships and grants	128
Consultancy services	128
Related entity transactions	128
Insurance and indemnities	128
<b>Part 5: Financial statements</b>	<b>129</b>
Independent auditor's report	130
Statement by the Chair of the Board, Chief Executive Officer and Director of Aviation Safety and Chief Financial Officer	132
Statement of comprehensive income	133
Statement of financial position	134
Statement of changes in equity	135
Cash flow statement	136
Notes to and forming part of the financial statements	137
<b>Part 6: Appendices and references</b>	<b>161</b>
Appendix A: Operating statistics	162
Appendix B: Management and accountability data	172
Abbreviations list	180
Compliance index	182
Alphabetical index	183



# SNAPSHOT OF PERFORMANCE

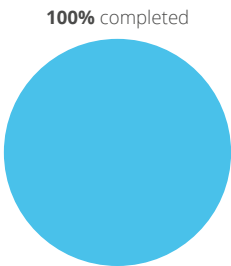


## Goal 1: Maintain and enhance a fair, effective and efficient aviation safety regulation system

Key achievements in 2017–18 included:

- » Significant changes to aviation medical certification were introduced, including delegation to designated aviation medical examiners (DAMEs) of the authority to issue Class 2 medical certificates; provision for pilots to conduct flying training and non-passenger carrying commercial operations under a Class 2 medical certificate instead of a Class 1 medical certificate; and a general exemption giving effect to a new Basic Class 2 medical certificate assessed to the Austroads standard for commercial driver licences.
- » CASA's sector risk profiling methodology was applied to develop risk profiles for seven sectors: aerial mustering, aerodromes, small aeroplane transport, large aeroplane (exceeding 97 seats) transport, aeroplane medical transport, helicopter medical transport, and commercial balloon. The Aviation Safety Committee directed that campaign surveillance be conducted in the small aeroplane transport and commercial balloon sectors.
- » Following the International Civil Aviation Organization (ICAO) coordinated validation mission, Australia's effective implementation rate increased from 85% to 95%, increasing our world standing in relation to compliance with ICAO standards and recommendations practices from 44th to sixth.

See pages 35 to 41 for full results against CASA's corporate plan initiatives for Goal 1.

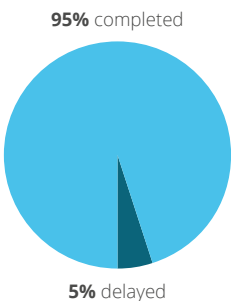


## Goal 2: Collaborative engagement with the wider aviation community to promote and support a positive safety culture

Key achievements in 2017–18 included:

- » The Aviation Safety Advisory Panel (ASAP) was established and met three times. Four technical working groups were convened to provide the ASAP with specialist advice from industry representatives on policy and regulations, enabling advice to be provided to CASA.
- » A major communications initiative continued to increase awareness of the safety rules for remotely piloted aircraft systems and build public confidence in CASA's management of drones. In October 2017, CASA launched [www.droneflyer.gov.au](http://www.droneflyer.gov.au), a website specifically designed for recreational drone users. CASA's tweet promoting the website reached almost 1.5 million people.
- » CASA hosted the 20th United States Federal Aviation Administration Asia-Pacific Bilateral Partners Dialogue Meeting in Canberra, with representation from more than 40 government and industry organisations. The plenary and side meetings strengthened regulatory ties and provided a valuable opportunity to share expertise on emerging aviation matters such as engineering and airworthiness certification.

See pages 46 to 53 for full results against CASA's corporate plan initiatives for Goal 2.



## Goal 3: Continuous improvement of organisational performance

Key achievements in 2017–18 included:

- » Leadership development courses were delivered in all CASA regions and a new performance and communication scheme was released to assist with staff development.
- » A staff exchange program was successfully implemented: a CASA staff member was placed in the Australian Association for Unmanned Systems for an agreed period.
- » CASA established the Training Branch in July 2017 to centralise and further improve training and professional development activities for staff.

See pages 57 to 60 for full results against CASA's corporate plan initiatives for Goal 3.

# THE CIVIL AVIATION SAFETY AUTHORITY

CASA, Australia's civil aviation safety regulator, was established on 6 July 1995 as an independent statutory authority under the *Civil Aviation Act 1988*.

## Key role

CASA's key function is to conduct the safety regulation of civil air operations in Australian territory and the operation of Australian aircraft outside Australian territory. Subject to the overriding considerations of safety, CASA is also responsible for fostering the efficient use of, and equitable access to, Australian-administered airspace.

CASA, the Australian Transport Safety Bureau, the Department of Infrastructure, Regional Development and Cities, Airservices Australia and the Department of Defence constitute Australia's aviation safety framework, each with separate and distinct functions, but working together as parts of an integrated system.

In keeping with CASA's fundamental obligations, efforts are maintained and promoted at all times to ensure our decision-making and actions are lawful, fair, reasonable and consistent, and in all cases contribute to optimal safety outcomes, while not unnecessarily impeding the efficiency of the operations we regulate.

## Portfolio outcome

CASA has a single portfolio outcome, which is set by the Australian Government and outlined in the Portfolio Budget Statements:

Maximise aviation safety through a regulatory regime, detailed technical material on safety standards, comprehensive aviation industry oversight, risk analysis, industry consultation, education and training.

## People

At 30 June 2018, CASA employed 832 ongoing and non-ongoing employees in offices around Australia.

## Operating environment

CASA has a direct regulatory relationship with approximately:

- » **31,140** pilots
- » **15,530** registered aircraft
- » **790** air operator certificate holders
- » **1,360** remotely piloted aircraft operator certificate holders
- » **8,910** licensed aircraft maintenance engineers
- » **1,100** air traffic controllers
- » **320** operators of certified and registered aerodromes
- » **630** maintenance organisations.

CASA is also indirectly connected with more than 100,000 people who are involved in the Australian aviation industry, and with the many millions of passengers whose safety is CASA's primary concern.

# Corporate objectives

CASA’s objectives for 2017–18 were identified in the *Corporate Plan 2017–18 to 2020–21*.

## Vision

Safe skies for all

## Mission

To promote a positive and collaborative safety culture through a fair, effective and efficient aviation safety regulatory system, supporting our aviation community.

## Values

**Teamwork** – to work together to promote a strong, cohesive and highly effective workforce.

**Excellence** – to strive to excel in all we do.

**Respect** – to engage with our peers, colleagues and the wider aviation community in a clear, concise and respectful manner at all times.

**Integrity** – our actions and behaviour are open, transparent and ethical.

**Fairness** – to ensure our actions and decisions are informed, consistent, risk-based, evidence driven and without bias.

**Innovation** – to challenge existing practices and look for opportunities to support effective continuous improvement.

**Courage** – to act with strength of character and conviction while being accountable for our actions.

## Goals

- 1 Maintain and enhance a fair, effective and efficient aviation safety regulation system.
- 2 Collaborative engagement with the wider aviation community to promote and support a positive safety culture.
- 3 Continuous improvement of organisational performance.

## Results

Against the three corporate goals for 2017–18, 89 per cent of targets were met, 10 per cent were substantially completed and 1 per cent were delayed.

## Financial result

CASA recorded an operating surplus of \$0.5 million in 2017–18, compared to a \$6.9 million operating surplus in 2016–17 (see page 20).

Key indicator	2016–17 (\$m)	2017–18 (\$m)	Change (%)
Operating revenue	180.3	180.4	0.1 ▲
Operating expenses	173.4	179.9	3.7 ▲
Operating surplus (deficit)	6.9	0.5 (92.8)	▼

# CASA ENHANCES AVIATION SAFETY BY:

- » Conducting entry control assessments, **regulatory surveillance and oversight**, providing regulatory services, and taking appropriate enforcement actions when necessary.
- » Developing **aviation safety standards and guidance material**, and implementing regulatory changes.
- » Developing **effective enforcement strategies** to secure compliance with aviation safety standards.
- » **Regulating** Australian-administered airspace, registered and certified aerodromes, aerodrome rescue and firefighting services and civilian air traffic control services, and overseeing designers of instrument approach procedures.
- » **Issuing licences, certificates, authorisations, approvals** and other permissions required by persons undertaking a range of aviation-related activities in Australia.
- » Encouraging a greater acceptance by the aviation industry of its obligation **to maintain high standards of aviation safety**.
- » **Conducting regulatory oversight** of operators' drug and alcohol management plans, conducting drug and alcohol testing, and carrying out certain aviation security assessment functions.





- » **Analysing data, providing advice** and making the appropriate interventions to maintain and improve Australian aviation safety performance.
- » **Providing a rapid response service** for authorities requiring protected airspace at short notice.
- » **Providing advice and support to delegates** and authorised persons in the aviation industry, and **administering medical standards** applicable to licence holders.
- » Providing regulatory and other appropriate **training for CASA staff and industry**.
- » Carrying out **oversight of aircraft, maintenance and flying operations** through surveillance of passenger-carrying, charter and freight operations and maintenance organisations.
- » Conducting **oversight of foreign aircraft operations** within Australian territory.
- » **Developing, establishing, and monitoring the instructional standards** for the flying training industry and the flying standards and competency of CASA flying operations inspectors.



**Duncan Grant** | Ground operations at Adelaide airport.



# INTERESTING FACTS IN 2017–18

**422** additional aircraft were registered, bringing the total to **15,529**

**3,720** new flight crew licences were issued, bringing the total to **31,145**

**4,146** people received their first medical certificate – **2,137** received their first Class 1 medical certificate

**51,942** flight crew licensing applications and notifications were processed

**332** new remotely piloted aircraft operator certificates were issued, an increase of **27%** from last year, bringing the total to **1,357**

**3,020** remote pilot licences were issued, an increase of **53%** from last year

**5,173** people/organisations notified CASA of their intention to operate remotely piloted aircraft under CASA's simple commercial operations known as 'excluded RPA operations'

**9%** of Australian-registered aircraft were built before 1961, while **2%** were less than two years old

**1,121** surveillance events were conducted

**128** foreign aircraft were inspected under the European Union Safety Assessment of Foreign Aircraft program

**2,000** International Civil Aviation Organization standards and recommended practices were assessed by CASA for Australian compliance in preparation for the International Civil Aviation Organization coordinated validation mission

**92** new procedures for barometric vertical navigation were validated

**102** airspace change proposals were assessed

**27** wind farm assessments were conducted



**116** flight (re)validations of instrument flight procedures were conducted

**4** initial issue certified aerodrome assessments were undertaken

**149** aviation infringement notices were issued, including **58** for drone-related offences and **49** for prohibited behaviour by airline passengers

**813** industry on-site visits were conducted by aviation safety advisors, who also conducted **162** AvSafety seminars, **44** industry-requested seminars and **6** gateway school visits addressing a total of **7,913** attendees

**1,000+** responses to the first consultation on frequency use at low level in Class G airspace were received through CASA's new online consultation hub, along with **900** responses on CASA's drone discussion paper

**500+** people registered their interest to participate in technical working groups under the Aviation Safety Advisory Panel

**7.7** million people visited CASA's website, resulting in **10.1** million page views. **3** of the top **10** pages related to drones, accounting for **630,316** page views

**58,001** people visited [www.droneflyer.gov.au](http://www.droneflyer.gov.au)

**3,675** orders came through CASA's online store. **45,714** items were dispatched

*Flight Safety Australia* was downloaded **24,124** times via the magazine app

**1** CASA employee was honoured for **35** years of service, **3** employees were honoured for **25** years of service, and **5** employees were honoured for **20** years of service



# INTERESTING ACTIVITIES FOR 2017–18

- » Supported the Commonwealth Games and the ASEAN–Australia Special Summit with **restricted drone and protective airspace measures**
- » Revised agreements with the Gliding Federation of Australia for **high-altitude gliding operations** known as wave camps, enabling speedy exemptions for competitions
- » Trialled the **sector campaign surveillance** methodology and tools on the small aeroplane transport and commercial balloon sectors, using the learnings from each campaign to continually improve the approach to future campaigns
- » Ensured that a commercial **drone delivery service** was safe to operate in the Canberra suburb of Bonython, including by issuing permissions to fly over populous areas and beyond visual line of sight
- » Established updated protective airspace architecture to **support international space tracking in Canberra**, to protect aircraft from high-intensity frequency operations while enabling general aviation and sport aviation operations
- » Established **new offshore helicopter procedures** to support oil rig operations
- » Delivered positive safety outcomes to **enable railway tunnelling** under Perth Airport and above-ground monitoring using lasers
- » Assisted the Department of Industry, Innovation and Science to draft amendments to the *Space Activities Act 1998* to **deal with rocket launches** below the trigger height of 100 kilometres
- » Conducted complex assessments on proposed **high-altitude pseudo-satellite drones** that operate over 18 kilometres above the earth's surface
- » Commenced development of the regulatory framework for **tiltrotor aircraft** – which can take off and land like a helicopter or an aeroplane and in flight have the faster speed and longer range of an aeroplane – through proposed Civil Aviation Safety Regulations Part 133
- » Participated in the Standards Australia committee that developed a new standard for the **marking of electrical towers and cables** affecting low-flying aircraft
- » Finalised an arrangement with the **European Aviation Safety Agency** under which CASA's production approvals of certain Australian aircraft manufacturers are automatically accepted in the European Union
- » Approved Australia's **first trial of night aerial firefighting operations**, including a world-first helicopter hover-fill from an open water source



Tobias Barth | stock.adobe.com





# PART 1: OVERVIEW

This part of the report provides an overview of the people, projects and resources involved in regulating aviation safety in Australia and progressing CASA's vision of *Safe skies for all*. CASA's key achievements in 2017–18 are identified, along with some of the initiatives and challenges that lie ahead.

## In this part:

- » Message from the Chair of the Board **12**
- » Review by the Director of Aviation Safety **14**
- » Financial summary **20**

Parilov | stock.adobe.com

# MESSAGE FROM THE CHAIR OF THE BOARD

Since I joined the Board in 2014, the change in CASA has been remarkable. I am pleased to report that the last 12 months continued along this line with a number of achievements to be proud of.

## Delivering results

This report records a year of consolidation and progress, and one which has delivered a cultural shift to consider industry from a client service perspective. CASA is focused on delivering safety outcomes across industry and working hard to support all the sectors, including general aviation.

Of course, there are significant cost and performance challenges which require us to continually improve and innovate. With the Board's full support, the Chief Executive Officer and Director of Aviation Safety, Mr Shane Carmody, has been driving significant change in how CASA operates and behaves. This year we introduced the Service Delivery Transformation program, which sets out the blueprint for change and how the organisation is becoming more relentlessly customer focused and making itself more efficient and streamlined in accordance with government policy.

Many of this year's reforms and achievements have made it easier to do business with CASA. CASA focused on enhancing its collaboration with industry and created the new Aviation Safety Advisory Panel (ASAP) to provide a direct line to CASA. The representation across all sectors provides industry with a clear voice and an appropriate mechanism to provide input to CASA's decision-making processes.

The aviation medical reforms introduced this year should support general aviation by allowing a Class 2 medical certificate as an option for pilots operating commercial flights that do not carry passengers.

Designated aviation medical examiners now have the option to issue Class 2 medical certificates on the spot for non-complex medical applications. The introduction of the Basic Class 2 medical certificate allows private pilots to be issued a medical certificate based on the Austroads commercial vehicle standards.

I was pleased that we could deliver the independent review of the fatigue management rule set that will lead to finalisation of Civil Aviation Order 48.1. I was also pleased with the new top six safety ranking given to Australia by the International Civil Aviation Organization (ICAO). The ranking follows the latest ICAO audit of Australia's aviation safety system, conducted in late 2017. The audit delivered a 95 per cent safety oversight score, a benchmark that CASA will seek to maintain.

Surveillance findings are now being presented in a more useful format for industry and CASA is taking a proactive approach to sharing information as part of its surveillance activity. The three levels of surveillance findings – safety alerts, safety findings and safety observations – remove the negativity previously associated with noncompliance notices and will foster improved collaboration between industry members and the regulator.

This collaborative approach has also delivered satisfactory outcomes in areas such as the introduction of new radio procedures for use in low-level Class G airspace, and successful consultation on options for low-cost ADS-B and use of the MULTICOM frequency as the common low-level Class G frequency below 5,000 feet. The views of the aviation community, particularly in general aviation, were sought and considered.



# Working collaboratively and recognising challenges

I would like to thank all the staff in CASA and members of the aviation community, for working hard to collaborate in a respectful way, to understand and appreciate the roles and views of all parties and, most importantly, to work together to ensure that Australia's enviable safety record is maintained and the future viability of the industry that we all enjoy is protected and sustained. There has been strong growth in sport and recreational aircraft and I hope that some of the changes that I have previously mentioned may help to arrest the decline in general aviation operations.

Clearly there are a number of challenges that remain, including ensuring appropriate access to airspace and infrastructure and overcoming the pilot and aviation engineer shortage. While there are risks that need to be managed, the health of the industry will only be achieved through a respectful, transparent and trustworthy relationship with its regulator. I and the Board are confident that the risks will be met, and challenges overcome. We all need to encourage young people into the profession to ensure that this industry becomes vibrant once again.

# Acknowledgements

I need to acknowledge a number of people in what will be my last message as Chair of the CASA Board. First and foremost, I must acknowledge the staff at CASA who, despite suffering a degree of criticism from industry at times, work tirelessly with the best intentions for the aviation industry at heart.

I acknowledge the passion and commitment of all industry representatives and trust that CASA as the regulator is improving the way it does its business according to its regulatory philosophy and has maintained a respectful relationship in its dealings with industry members.

Our work program and outcomes achieved for the year are significant and would not have been possible without the close working relationship we have with the Minister for Infrastructure, Transport and Regional Development and ministry officials.

And finally, I acknowledge the commitment and support of my past and present board members, who have worked with me to demand change. I hope I have left the organisation in a stronger position than when I began.

A positive and collaborative approach will provide solutions. I remain as passionate about this industry as ever and am confident that all challenges will be met head on.

Safe flying.



**Jeff Boyd**  
Chair of the CASA Board



# REVIEW BY THE DIRECTOR OF AVIATION SAFETY

The 2017–18 reporting period saw CASA deliver significant results, including a revised focus on consultation with key aviation stakeholders, progress on simplifying aviation medical processes, and an ongoing focus on the challenges associated with remotely piloted aircraft systems.

We considerably advanced our international standing through strong results from the International Civil Aviation Organization (ICAO) audit. We also streamlined and improved the way we communicate and undertake consultation through the establishment of CASA's Aviation Safety Advisory Panel (ASAP) and consultation hub. In addition, we simplified the processes for aviation medicals and continued to manage a high level of activity in the remotely piloted aircraft systems sector, facilitated by the establishment of a dedicated branch within CASA and additional resources allocated through the 2018–19 Budget process.

The following achievements are worthy of note for 2017–18.

## International Civil Aviation Organization coordinated validation mission

Staff across CASA put considerable effort into preparing for the ICAO coordinated validation mission (ICVM) which took place in Canberra from 9 to 13 October 2017. This work started back in April 2017 and involved people across many disciplines working closely together in what was a demanding period.

The purpose of the ICVM was to evaluate the progress made by Australia in resolving findings and recommendations made by ICAO on the safety oversight audit conducted on Australia in February 2008 under the Universal Safety Oversight Audit Programme comprehensive systems approach.

The assessment resulted in Australia's effective implementation rate increasing from 85.05 per cent to 94.98 per cent, increasing our world standing in relation to compliance with ICAO standards and recommendations practices from 44th to sixth. This has put us ahead of our international counterparts, including the United States, the United Kingdom and New Zealand. See page 94 for more information and background on the audit process.

## Aviation Safety Advisory Panel

In July 2017, CASA established the ASAP as the primary advisory body through which CASA directs its engagement with industry and seeks input on current and future regulatory and associated policy approaches. The panel replaced a number of consultative committees, including CASA's Standards Consultative Committee.

The ASAP is intended to provide me, as CASA's Chief Executive Officer and Director of Aviation Safety, with informed, objective, high-level advice from the aviation community on current, emerging and potential issues that have, or may have, significant implications for aviation safety and the way CASA performs its functions.

Honorary Professor Patrick Murray, University of Southern Queensland, was appointed the inaugural Chair of the ASAP. ASAP membership consists of between six and 10 highly experienced representatives from the aviation community who have agreed to serve as members, plus two representatives nominated by CASA.

To ensure the widest possible range of industry experience and expertise, the following individuals were appointed as ASAP members for a two-year period, from 1 July 2017:

- » Mr Rob Sharp, Group Executive, Virgin Australia
- » Mr John Gissing, Group Executive, Qantas Group
- » Ms Caroline Wilkie, Chief Executive Officer, Australian Airports Association
- » Mr Greg Russell, Honorary Chair, The Australian Aviation Associations Forum (TAAAF)
- » Mr Jim Davis, Chairman, Regional Aviation Association of Australia, and TAAAF member
- » Mr Michael Monck, Chairman, Recreational Aviation Australia, and TAAAF member.

CASA's representatives are Mr Graeme Crawford, Group Executive Manager, Aviation, and Mr Rob Walker, Executive Manager, Stakeholder Engagement Division.

The first meeting of the ASAP was held on 4 September 2017. In October 2017, CASA invited people to register their interest in joining an ASAP technical working group (TWG). This resulted in responses from more than 500 passionate and experienced members of the aviation community willing to share their time and expertise, which was a very pleasing outcome.

The ASAP and TWGs are delivering significant results and have been acknowledged by industry as being open and transparent in their operation. The TWGs are appointed by the ASAP and provide an opportunity for much broader representation in the consultative process by sectors of industry that are expert in their field. Although there have been differing views in the past between sectors, the TWGs have shown strong collaboration and a commitment to aviation safety and practical outcomes.

During the first half of 2018 the ASAP and TWGs reviewed the draft flight operations regulations ahead of public consultation and commenced work on reviewing the licensing scheme for aircraft engineers.

## Aviation medicals

Much progress has been made in CASA's aviation medicine processes, which have historically been a source of frustration for some members of the aviation community.

At its November 2017 meeting, the ASAP expressed support for CASA's proposal to allow a pilot to conduct limited commercial operations using a private pilot medical certificate. Coming into effect on 1 March 2018, the Class 2 medical certificate is an option for non-passenger-carrying commercial flights, including operators in aerial application, flight examiners and flight instructors.

The second key change is that, since April 2018, designated aviation medical examiners have been able to issue Class 2 medical certificates on the spot without needing to send the application to CASA for review, streamlining the process for many pilots with uncomplicated medical histories.

Finally, since 28 June 2018, CASA has been able to issue Basic Class 2 medical certificates based on the Austroads commercial vehicle driver standards.

These are all practical changes designed to make the licensing process simpler wherever possible, while ensuring that safety is maintained.

## Surveillance

CASA also made improvements to its overall surveillance capability over the last 12 months, following recommendations arising from the Government's response to the Aviation Safety Regulation Review. Work has focused on exploring different methods for surveillance planning and looking at data opportunities to support the way we prioritise and plan surveillance activities. The changes to surveillance came into effect on 1 November 2017.

The purpose of CASA's surveillance is to enable us to make an assessment of an authorisation holder's ability to manage its safety risks and willingness to comply with legislative obligations.

CASA has continued to publish sector risk profiles to improve our shared understanding with industry of sector risks and appropriate treatment plans, and to allow authorisation holders to have access to relevant sector information.

## Fatigue rules

At the request of the CASA Board, an independent review of Civil Aviation Order 48.1 (CAO 48.1) was undertaken in 2017 to benchmark new fatigue rules for operators and pilots with other leading aviation countries. The report was released on 21 March 2018 with a summary of consultation prepared in readiness for the TWG meeting in July 2018.

The independent review confirmed the need for CASA to modernise Australia's fatigue rules and provided recommendations which we expect to consult industry about and implement later in 2018.

## Regulation reform program

Significant progress was made on CASA's regulation reform program. CASR Part 149 – Approved Self Administering Aviation Organisations was made in July 2018. It had been hoped that completion of this Part would take place earlier in 2018, but important policy-related developments requiring additional consideration and associated drafting adjustments contributed to a longer than expected delay.

The flight operations regulations, including general rules of the air, commercial air transport and aerial work, have been drafted and extensive consultation has taken place with the ASAP and TWGs. CASR Part 91 has also been through public consultation and is being updated based on feedback.

Transition of 94 foreign air transport operators to CASR Part 129 has been completed and limited category aircraft are now operating in accordance with CASR Part 132.

## Financial results

CASA recorded an operating surplus of \$0.5 million in 2017–18, compared to a \$6.9 million surplus in 2016–17. The difference of \$6.4 million reflects the overall result of an increase in expenses of \$6.5 million. The increase in expenses was the net result of increases related to employee expenses – an increase in average staffing level (to 799 in 2017–18 from 765 in 2016–17), an increase in salaries under the CASA Enterprise Agreement 2016–19, pay point progressions and promotions, and an increase in redundancies – offset by decreases in consultancies and service contracts and insurance expenses.

Further information on CASA's financial results is on pages 20 to 24.

## Outcomes not achieved

There were delays to the program to improve CASA's EAP (European Aviation Processing) permissions and licensing system, which resulted in us not meeting expected milestones. This was primarily due to the departure of key project management personnel. New staff have now been recruited and a revised project plan has been developed. The project is due to recommence in July 2018.

We also experienced delays to a planned review of the management of airworthiness delegates by CASA and to the implementation of improvements to CASA's type certification processes. The planned review for managing airworthiness delegates will recommence during 2018–19 and the improvements to type certification processes are expected to be finalised in 2018–19.

## The year ahead

There are a number of focus areas for the year ahead, which include finalising the regulation reform program, resolving the fatigue rules, finalising the MULTICOM determination, and improving and streamlining CASA services. The foundational phase of CASA's Service Delivery Transformation program was substantially completed during 2017–18 with the next phases due to be undertaken from August 2018.

In keeping with the Government's response to Recommendation 32 of the Aviation Safety Regulation Review, once the remaining principal parts of the Civil Aviation Safety Regulations have been made, CASA will further review offences and penalties under the civil aviation legislation.

In February 2018, CASA undertook a stakeholder relationship survey, *Measuring our Performance*. A random sample of the aviation community was generated by the Operational Safety Analysis team and invitations to take part in the survey were sent in April and May. A total of 1,168 people completed the survey and the overall results were presented to the Board at the end of June 2018.

The results from the stakeholder satisfaction research showed a significant improvement across all aspects of CASA's relationship with industry compared to the results of the previous survey, conducted in 2015. The overall result was a mean satisfaction rating of 6.2 out of 10 (compared to 4.2 in 2015).

Significantly, those stakeholders who were 'satisfied or very satisfied' with the relationship with CASA increased from 25 per cent in 2015 to 53 per cent in 2018. Additionally, those who were 'dissatisfied or very dissatisfied' decreased from 46 per cent in 2015 to 20 per cent in 2018.

While the results show a strong positive change, CASA will continue to focus on building collaborative relationships with industry.

## Our people

On 30 May 2018, CASA announced a scholarship in honour of our friend and colleague Mr Stephen Guerin, who was one of three people who lost their lives in an aircraft accident at Renmark, South Australia, on 30 May 2017.

Stephen had an extensive career in aviation, working as a pilot before joining CASA in 2008, and was passionate about aviation and aviation safety. In honouring Stephen and his commitment to aviation, the \$15,000 annual scholarship will be made available to three individuals – one each year over the next three years – and is open to pilots in South Australia studying for a commercial pilot licence or higher qualification.

## Safe skies for all

It was an eventful year for CASA as staff went through organisational change to further align the roles and responsibilities of our branches. This can be a disruptive process, and I thank our people for their support during this time and for their continued commitment to aviation safety.

As reflected in CASA's regulatory philosophy, a deep and abiding commitment to safety must be at the heart of everything an operator does, in the same way that a sound commitment to good regulatory practice must be at the heart of everything CASA does.

During the year it became very clear to me that the public is unforgiving of a regulator which does not apply the rules that it has at its disposal. We need to ensure that, as a safety regulator, we are capable, confident and willing to apply regulation in an appropriately balanced, proportionate and pragmatic way. At CASA, we seek to be fair and ensure that we are applying the rules as firmly as each situation requires. Aviation safety depends on us.

My colleagues and I are committed to the achievement of CASA's vision of *Safe skies for all* through our decision-making and the work that we do every day.



**Shane Carmody**

Chief Executive Officer  
and Director of Aviation Safety





# KEY MOMENTS OF AUSTRALIAN AVIATION SAFETY HISTORY

## March 1910

The first flight of a powered aircraft in Australia took place.

## October 1919

The International Convention Relating to Air Navigation (Paris Convention) was signed. The convention entered into force in Australia on 1 June 1922.

## November 1938

The Department of Civil Aviation, Australia's first Commonwealth department dedicated to civil aviation, was established.

## December 1944

The Convention on International Civil Aviation (Chicago Convention) was signed. The convention entered into force in Australia on 4 April 1947.

## Early 1990s

The Future Air Navigation System, developed by the International Civil Aviation Organization in partnership with key air transport and industry stakeholders, was introduced. It has resulted in significantly more efficient operations for airline operators and is now improving the safety of all operations by the use of required navigation performance for instrument approach procedures.

## July 1998

The Civil Aviation Amendment Bill 1998 was introduced, providing a basis for, among other things, implementation of the Regulatory Framework Reform Program.

## June 1999

CASA announced a suite of reforms, including rewriting of the aviation regulations.

## March 1921

The Civil Aviation Branch of the Department of Defence, Australia's first Commonwealth agency with responsibility for civil aviation, was established.

## July 1988

The Civil Aviation Authority, Australia's first statutory authority with responsibility for civil aviation, was established under the *Civil Aviation Act 1988*.

## July 1995

The *Civil Aviation Legislation Amendment Act 1995* and the *Air Services Act 1995* replaced the Civil Aviation Authority with two separate organisations: the Civil Aviation Safety Authority (CASA) and Airservices Australia (Airservices).

## October 2003

The Civil Aviation Amendment Bill 2003 was introduced to implement, among other things, governance reforms, including the abolition of the CASA Board.

The Southern Moon, rests outside an Australian National Airways hangar.

**Courtesy of the Civil Aviation Historical Society/Mac Job collection**

#### November 2004

CASA promulgated a new policy placing its greatest safety focus on high-capacity regular public transport flights.

#### July 2007

The *Airspace Act 2007*, *Airspace Regulations 2007* and *Australian Airspace Policy Statement 2007* were introduced, giving CASA sole carriage of the regulation of all Australian-administered airspace.

#### March 2009

The *Civil Aviation Amendment Act 2009* made significant governance and enforcement-related changes to CASA, including re-establishing the Board (from July 2009). The *Transport Safety Investigation Amendment Act 2009* established the Australian Transport Safety Bureau as an independent agency (from July 2009).

#### July 2014

The *Commonwealth Authorities and Companies Act 1997* was repealed and replaced by the *Public Governance, Performance and Accountability Act 2013*. Amendments were consequently made to governance provisions in the *Civil Aviation Act 1988*.

#### September 2008

Provisions came into effect, under Part 99 of the *Civil Aviation Safety Regulations 1998* (CASR), requiring air operators to establish drug and alcohol management plans and empowering CASA to test personnel who undertake safety-sensitive aviation activities for alcohol and other drugs.

#### June 2011 to June 2014

CASA completed the transition to the new suite of regulations for maintenance for regular public transport operations and engineer licensing (CASR Parts 42, 66, 145 and 147). In February 2013, a new suite of regulations for flight crew licensing and training were made (CASR Parts 61, 64, 141 and 142).

#### February 2017

The final fitment mandate for Automatic Dependent Surveillance Broadcast (ADS-B) technology came into effect for all instrument flight rules aircraft operating in Australia, heralding a new era in air traffic surveillance that keeps Australian aviation at the forefront of safety.



# FINANCIAL SUMMARY

CASA recorded an operating surplus of \$0.5 million in 2017–18, compared to a \$6.9 million surplus in 2016–17. The difference of \$6.4 million reflects the overall result of an increase in expenses of \$6.5 million.

The increase in expenses was the net result of increases related to employee expenses – an increase in average staffing level (to 799 in 2017–18 from 765 in 2016–17), an increase in salaries under the CASA Enterprise Agreement 2016–19, pay point progressions and promotions, and an increase in redundancies – offset by decreases in consultancies and service contracts and insurance expenses.

In 2017–18, CASA's operating result was \$0.5 million more favourable than the revised estimate published in the 2018–19 Portfolio Budget Statements. The actual result was a surplus of \$0.5 million, compared to an estimated surplus of \$0.016 million.

The variance from the estimate was primarily due to higher than expected employee expenses of \$0.8 million, offset by lower than expected supplier expenses of \$0.7 million and lower than expected depreciation and amortisation charges of \$0.4 million. Table 1 provides further details.

**Table 1** Comparison of 2017–18 actual results with 2016–17 actual and 2017–18 budget results

	Actual 2017–18	Actual 2016–17	Variance		Actual 2017–18	Estimated actual <sup>a</sup> 2017–18	Variance	
	\$m	\$m	\$m		\$m	\$m	\$m	
Income	180.4	180.3	0.1	▲	180.4	180.2	0.2	▲
Expenses	179.9	173.4	6.5	▲	179.9	180.2	(0.3)	▼
Surplus/(deficit)	0.5	6.9	(6.4)	▼	0.5	0.0	0.5	▲

<sup>a</sup> Budget figures are 2017–18 estimated actuals based on the figures published in the 2018–19 Portfolio Budget Statements.

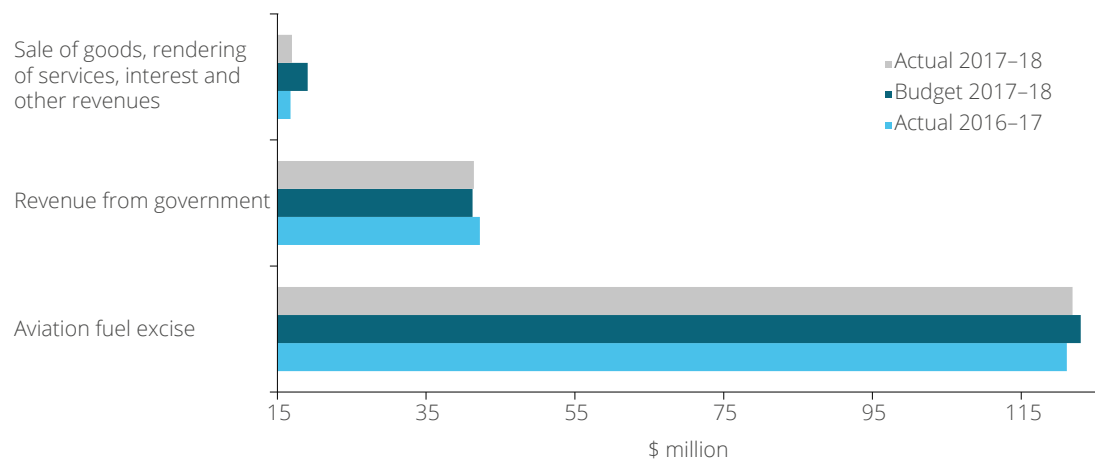
# Net result

## Income

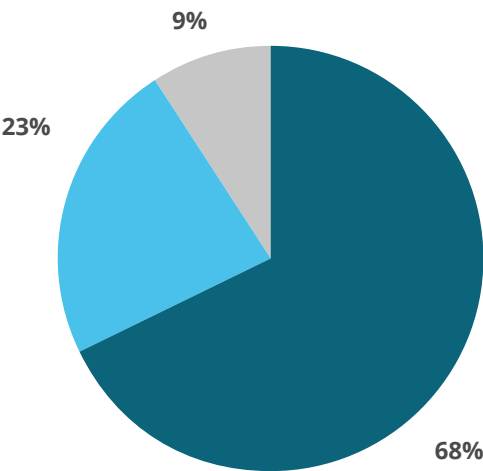
The increase in income in 2017-18 was primarily associated with an increase in aviation fuel excise revenue due to an increase in sales of aviation jet fuel. There was no change in the aviation fuel excise rate for 2017-18.

Figure 1 shows the change in income from 2016-17 to 2017-18 and compares actual results to revised budget estimates for 2017-18.

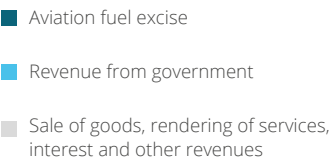
**Figure 1** Actual revenue for 2016-17 and actual and budgeted results for 2017-18



**Figure 2** Sources of revenue, 2017-18



In 2017-18, approximately 68 per cent of CASA's income was from aviation fuel excise (67 per cent in 2016-17) and 23 per cent was from government appropriations (23 per cent in 2016-17). The remainder was derived from the sale of goods and rendering of services, interest and minor sundry revenue (see Figure 2).



Expenses

Total expenses increased by \$6.5 million in 2017-18 compared to 2016-17. This was primarily attributable to an increase in employee expenses.

Figure 3 shows the change in expenses from 2016-17 to 2017-18 and compares actual results to revised budget estimates.

Figure 3 Actual expenses for 2016-17 and actual and budgeted results for 2017-18

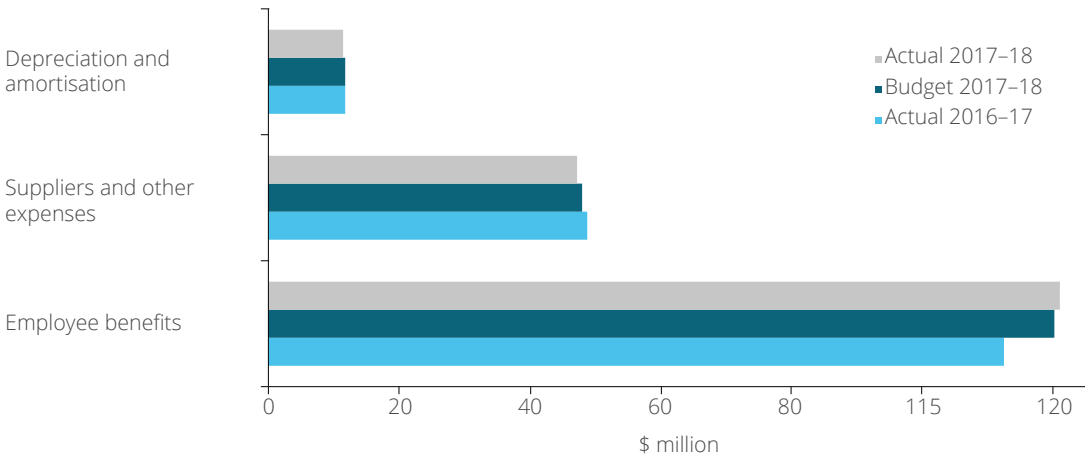
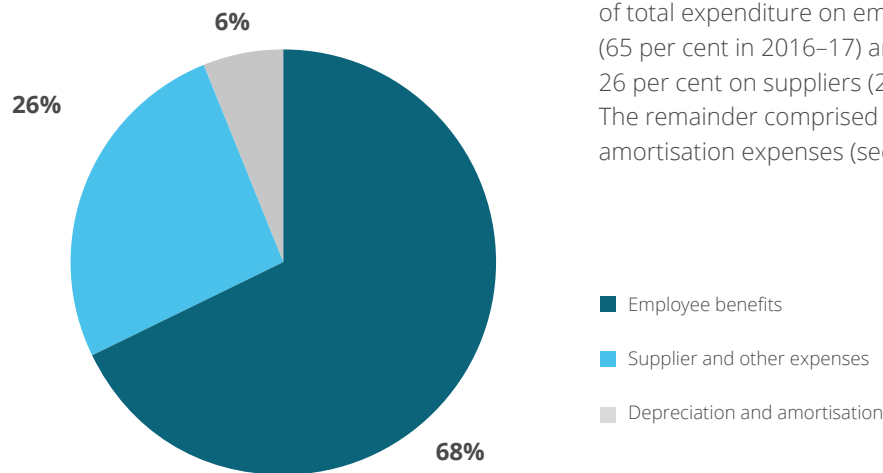


Figure 4 Expenditure, 2017-18



In 2017-18, CASA spent approximately 68 per cent of total expenditure on employee costs (65 per cent in 2016-17) and approximately 26 per cent on suppliers (28 per cent in 2016-17). The remainder comprised depreciation and amortisation expenses (see Figure 4).



## Cash flow

CASA's cash balance (including short-term investments) at 30 June 2018 was \$69.2 million (\$69.3 million in 2016–17). The decrease in the cash balance was represented by net cash received from operating activities of \$7.8 million (\$12.5 million in 2016–17) offset by an increase of \$1.0 million in net cash used by investing activities to \$7.9 million (\$6.9 million in 2016–17), attributable to increases in purchases of property, plant and equipment and intangibles.

The cash balance provides funding for CASA's capital replacement program, in line with its capital management plan. The cash balance also provides for the estimated future payments to be made in respect of services provided by employees (that is, employee provisions for leave entitlements).

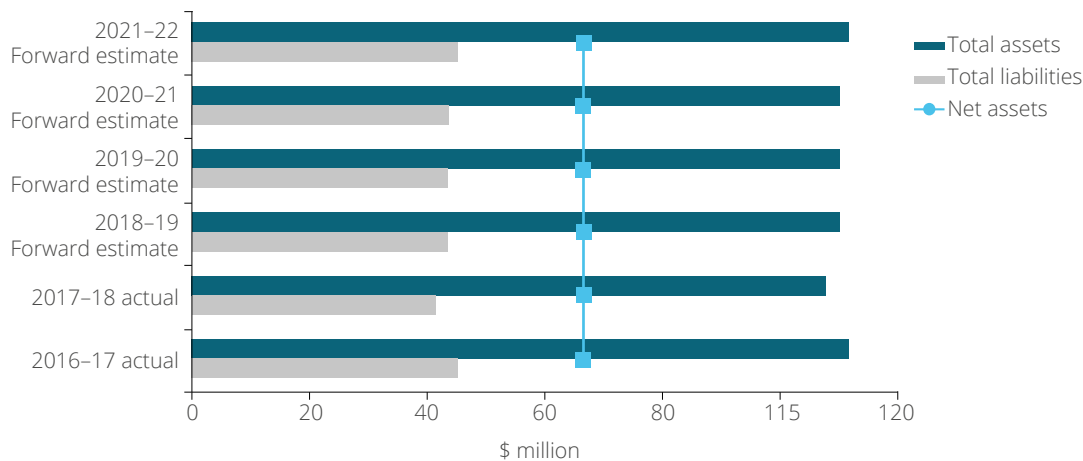
## Financial position

Key indicators of the health of CASA's financial position are its ability to sustain its asset base, pay debts as they fall due in the short term, and maintain prudent levels of long-term liabilities.

The ability of CASA to sustain its asset base is indicated by changes in net assets. The net asset position decreased by \$0.05 million in 2017–18.

Figure 5 shows that CASA maintains a sustainable net assets level in relation to 2017–18 and forward estimates.

**Figure 5** Financial position, 2016–17 to 2021–22





## Financial outlook

CASA is budgeting for a minor operating surplus position for 2018–19 of \$0.01 million, with small operating surpluses continuing in the forward years 2019–20, 2020–21 and 2021–22.

CASA's total forecast income for 2018–19 is \$188.5 million, derived as follows:

- » \$43.9 million from government appropriations
- » \$125.7 million from the aviation industry through the collection of excise revenue on aviation fuel sold for domestic air travel
- » \$16.5 million from regulatory service fees plus the issue of aviation security identification cards
- » \$1.0 million from the sale of goods and services and other sundry income
- » \$1.4 million from interest from investments and cash deposits.

**Dean Covell** | PPL Examiner and student pilot.

CASA's balance sheet projection shows a small increase in net assets for 2018–19 with modest increases in the forward years. The organisation's financial position indicates its capacity to deal with financial pressures.

CASA's cash and cash equivalents balance, including investments, are budgeted to remain above \$64 million in the next four years. Aviation fuel excise revenue, as published in the 2018–19 Portfolio Budget Statements, is expected to increase by 9.1 per cent over the forward years.

Retained surplus is budgeted to increase slightly in 2018–19 and the following years as a result of modest operating surpluses.

# Dreamliner delivery flight



In November 2017, CASA's Rick Hession and Wayne Burns, flying operations inspectors from Sydney Region, were on board the delivery flight of *Great Southern Land*, the new Qantas Boeing 787 Dreamliner, which flew from Boeing's Paine Field in Seattle to Sydney.

Joined by journalists, Qantas cabin crew, the Qantas B787 fleet manager, a technical pilot and a training pilot, they were on board to oversee all aspects of the flight.

One of CASA's inspectors was on the flight deck at all times to observe the flight crew procedures, including take-off and landing and the use of the aircraft navigation systems via a mouse and large flat screens on which traditional instruments were shown, along with pictorial representations of real-time tracking, weather, traffic and aircraft systems health.



**CASA** | CASA inspectors with Boeing 787 Dreamliner, *Great Southern Land*.

A Boeing engineer sat in a spare seat, monitoring altitude, aircraft speed, engine thrust and fuel flow through a laptop, benchmarking the aircraft's performance against the manufacturer's figures.

On arrival in Honolulu, the aircraft still had 13.2 tonnes of fuel on board. It had burned an average of 4.8 tonnes per hour, demonstrating

**Tim Stake** | The Boeing Company.

the Dreamliner's notable fuel efficiency. From the passenger cabin, Rick and Wayne watched the trailing edge devices constantly run in and out, minutely and automatically adjusting the lift and drag on the wings to improve performance.

On take-off from Honolulu, their work continued as they observed flight preparation, flight monitoring and the associated paperwork, the checking of crew licences, extended diversion time operations procedures, weather avoidance, communications, and aircraft certificates.

The early morning arrival into Sydney was planned to coincide with media morning news cycles and allowed the Dreamliner to fly at the lowest safe altitude around the harbour so that footage could be taken from helicopters before lining up for the final approach into Mascot.

On touchdown, cheers and applause from the assembled crowd could be heard from the cabin. As is customary on special occasions, the Dreamliner was welcomed with a cascading water arch from one of the airport's fire trucks before being towed into a hangar to be met by 1,500 cheering Qantas staff.

Amid the fanfare, CASA's inspectors noted the excellent job of the crew in shutting down the aircraft systems and handing over to ground engineers.

The delivery flight was the result of two years of project work by CASA and Qantas, which included the final acceptance flights, inspections and the issue of a certificate of airworthiness before the flight.

## Recognising growth in remotely piloted aircraft



The rapid growth in the number of remotely piloted aircraft systems (RPAS), commonly referred to as 'drones', being operated recreationally and commercially was recognised in the 2018–19 Budget, which allocated funds to enhance CASA's ability to effectively and efficiently manage the safety standards and compliance of the sector.

In 2017, the number of remote pilot licence holders increased by a remarkable 65 per cent, and the number of remotely piloted aircraft operator certificate holders grew by 70 per cent.

To better address the challenges associated with this growing and dynamic sector of aviation, CASA has established a dedicated branch to strengthen its oversight.

The new branch brings together such functions as the delivery of RPAS policy and standards, regulatory services, and surveillance.

In tandem with other areas of CASA, the branch has worked to establish and build relationships with RPAS operators, manufacturers and industry associations, as well as to provide safety education for operators and public awareness of RPAS operations.

The challenges facing CASA in the RPAS sector include keeping abreast of rapidly evolving technology, balancing public expectations, maintaining a safe aviation system while allowing drones to be used for innovative purposes, and working with other national aviation authorities to develop a compatible approach to oversight.

**David Henrichs** | [unsplash.com](https://unsplash.com)

We are also taking steps to reach recreational drone users who may not be aware of CASA and its role or understand that aviation legislation applies to them. We have focused on education about and promotion of RPAS safety, distributing messages through social media and other communication channels.

CASA branched out into cinema advertising in 2017, when our digital media team of Beth Montano, Nicholas Foley-Jones and Adrian Barac produced a new 30-second ad to raise awareness of drone rules. They reworked the animation from CASA's original social media campaign and converted the sound to Dolby Digital 5.1 surround sound.

The cinema advertising was shown on 1,962 screens across Australia, including premium and 3-D screens, and is expected to have reached more than 510,000 movie goers.

Other highlights during the year included CASA meeting with United States Federal Aviation Administration counterparts in Canberra to discuss RPAS issues of mutual interest, receiving 910 responses to a discussion paper on RPAS seeking feedback on key safety-related regulatory issues, and publishing a review of aviation safety regulation of RPAS. In addition, CASA delivered the keynote speech at the Australian Association for Unmanned Systems conference.





## PART 2: ANNUAL PERFORMANCE STATEMENT

This part of the report provides a detailed assessment of CASA's performance during the year, and how it contributed to achieving the authority's portfolio outcome and corporate goals. It provides an update on the status of ongoing initiatives and presents CASA's approach to enhancing and promoting higher standards of aviation safety in the future.

To complement the performance report, detailed information on aspects of CASA's operations is provided in Appendix A.

### In this part:

- » Statement of preparation **28**
- » Performance framework **28**
- » Portfolio outcome **30**
- » Corporate plan objectives **34**
- » Regulator Performance Framework **64**

Duncan Grant | Cirrus SR22



# STATEMENT OF PREPARATION

I, on behalf of the Board of the Civil Aviation Safety Authority, present the 2017–18 annual performance statements of the Civil Aviation Safety Authority, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and the *Civil Aviation Act 1988* and other applicable legislation.

In our opinion, at the date of this statement, based on the material provided to the Board, these annual performance statements accurately reflect the performance of the entity, and comply with subsection 39(2) of the PGPA Act.



**Jeff Boyd**

Chair of the CASA Board

# PERFORMANCE FRAMEWORK

CASA's performance framework takes into account the enhanced Commonwealth performance framework under the PGPA Act and the Australian Government's Regulator Performance Framework.

CASA measures its performance in achieving its purpose of 'Maintaining, enhancing and promoting the safety of civil aviation, with particular emphasis on preventing aviation accidents and incidents' through its portfolio outcome and the strategic direction and objectives articulated in its corporate plan.

This annual performance statement provides details of CASA's performance against the measures in the Infrastructure and Regional Development Portfolio Budget Statements 2017–18 and the *CASA Corporate Plan 2017–18 to 2020–21*.

Figure 6 provides an overview of CASA's goals and key performance indicators for 2017–18.

**Figure 6** Alignment of CASA's portfolio and corporate objectives and performance measures in 2017–18

Portfolio Budget Statements	<b>Outcome 1</b>  Maximise aviation safety through a regulatory regime, detailed technical material on safety standards, comprehensive aviation industry oversight, risk analysis, industry consultation, education and training.  <b>Program 1.1: Civil Aviation Safety Authority</b>  Key performance indicators:  » Number of accidents per hours flown is reduced, by industry sector. » Number of incidents per hours flown is reduced, by industry sector. » Clear, open and transparent engagement with the industry to support the continuous improvement of an efficient and effective aviation safety regulatory framework.		
	<b>Portfolio and corporate goals</b>		
Corporate Plan	1 Maintain and enhance a fair, effective and efficient aviation safety regulation system.	2 Collaborative engagement with the wider aviation community to promote and support a positive safety culture.	3 Continuous improvement of organisational performance.
	<b>Key performance areas and indicators</b>		
	<b>Aviation safety regulation and service delivery:</b>  » CASA is an effective aviation safety regulator by international standards. » CASA does not unnecessarily impede the efficient operation of regulated entities. » CASA actively contributes to the continuous improvement of the aviation safety regulatory framework.  <b>Industry oversight:</b>  » Actions undertaken by CASA are proportionate to the risk being managed. » Compliance and monitoring approaches are streamlined and coordinated.	<b>Stakeholder engagement:</b>  » CASA is open and transparent in its dealings with regulated entities and all of its stakeholders. » Communication with regulated entities and all of CASA's stakeholders is clear, targeted and effective. » Education and promotion deliverables are relevant, timely, effective and appropriately targeted.	<b>Governance and organisational effectiveness:</b>  » CASA's governance structures, finance and risk management align with Commonwealth better practice.  <b>CASA's capability and capacity:</b>  » CASA maintains the capability and capacity to effectively deliver aviation safety regulation.

# PORTFOLIO OUTCOME

In 2017–18, CASA was responsible for a single portfolio outcome:

Maximise aviation safety through a regulatory regime, detailed technical material on safety standards, comprehensive aviation industry oversight, risk analysis, industry consultation, education and training.

The outcome was set out in the 2017–18 Infrastructure and Regional Development Portfolio Budget Statements.

CASA's results in achieving this outcome are measured through three performance indicators:

- » Number of accidents per hours flown is reduced, by industry sector.
- » Number of incidents per hours flown is reduced, by industry sector.
- » Clear, open and transparent engagement with the industry to support the continuous improvement of an efficient and effective aviation safety regulatory framework.

## Reduced accidents and incidents

The accident and incident rates were analysed over the period from 2008 to 2018, based on Australian Transport Safety Bureau air safety incident reports and Bureau of Infrastructure, Transport and Regional Economics (BITRE) data on flying hours. Trend estimates are shown in figures 7 and 8.

### Findings

The accident rates suggest a decreasing trend for the air transport and aerial work sectors between 2008 and estimated figures for 2018. Recent increases in the accident rate for air transport are consistent with the inherent volatility in the data, being less than one standard deviation from the 10-year average. The trend in the general aviation sector appears to have stabilised over the past few years, while the trend for flying training has recently increased.

The incident rates suggest a relatively stable trend across the air transport, aerial work and general aviation sectors. Incident rates for the flying training sector indicate an increasing trend, which may be linked to an improvement in the incident reporting culture associated with the sector.

### Methodology

To report accident rates, the flying hours for 2017 were estimated based on the trend projected from historical figures for 2008 to 2016 obtained from the BITRE. Flying hours from the BITRE are collected on a calendar year basis, and had to be aligned with CASA's financial year reporting requirements.

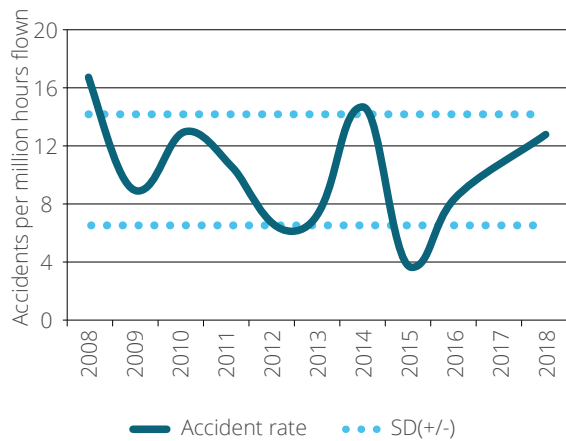
The accident rate information for 2017–18 was calculated on the basis of the historical figures and adjusted for the 30 June end date. The quality assured occurrence information utilised in the accident rate calculations was extracted on 9 August 2018, by which date all accident data to 30 June 2018 had been processed.

To report incident rates, the flying hours for 2017 were estimated on the same basis as for accident rates. The quality assured occurrence information utilised in the incident rate calculations was also extracted on 9 August 2018. However, because of a seven-month lag associated with the incident quality assurance process, the rate calculations were based on data to 31 December 2017.

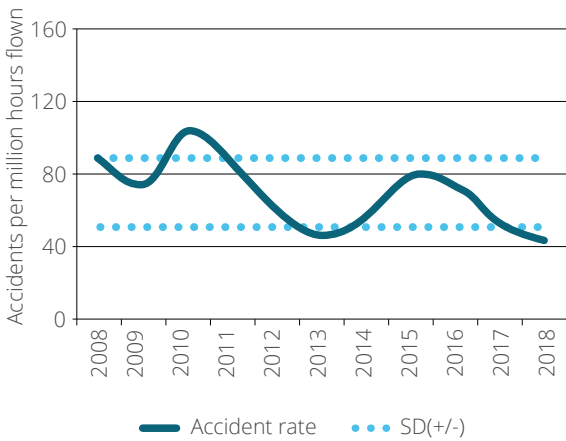
The standard deviation (positive or negative movement) from the average is shown to highlight any statistically significant movements. Care should be taken in interpreting the sector trends, given the assumptions made in calculating the results.

**Figure 7** Industry sector – accident rate trends

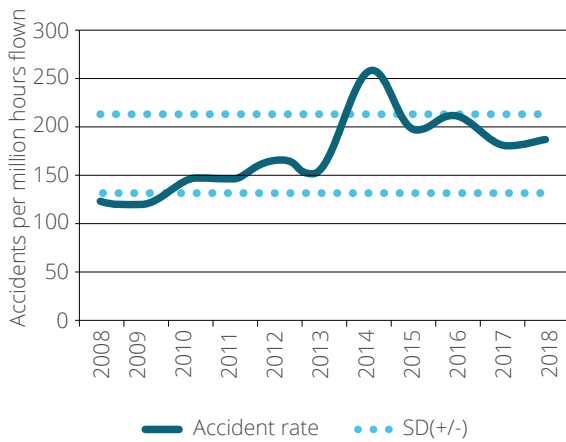
**Air transport**



**Aerial work**



**General aviation**



**Flying training**

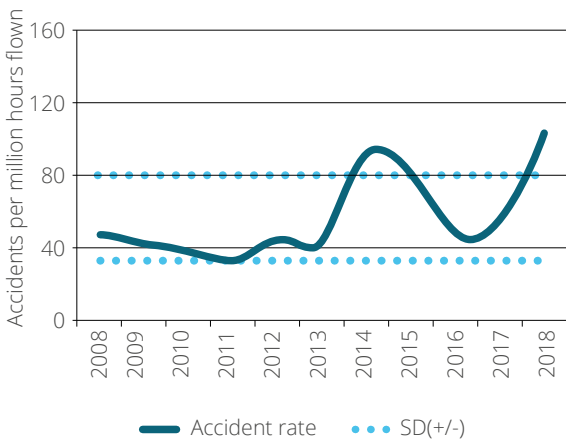
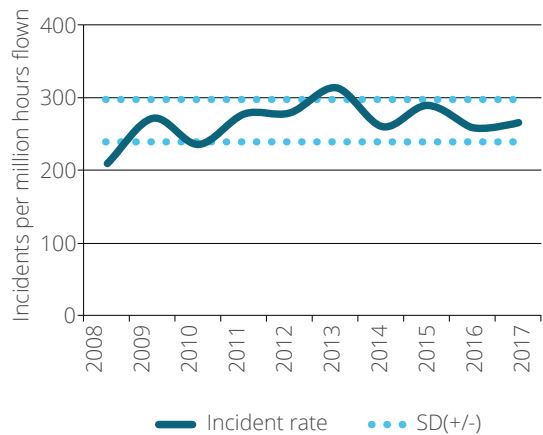


Figure 8 Industry sector – incident rate trends

Air transport



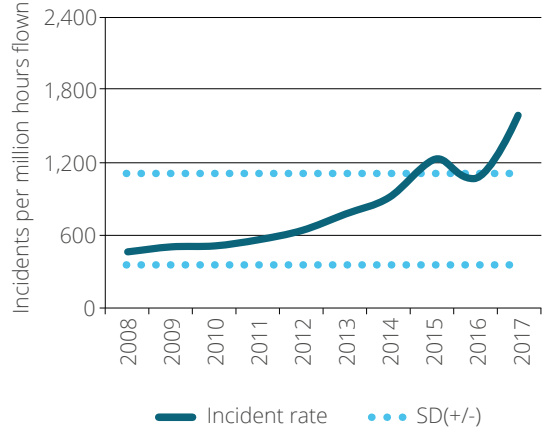
Aerial work



General aviation



Flying training





## Effective engagement with industry

CASA's Aviation Safety Advisory Panel (ASAP) and a web portal dedicated to consultation both came into operation in July 2017. These changes resulted from a review of the forums in which CASA engages with industry, and have been broadly supported by the aviation community.

The Government's response to the 2014 Aviation Safety Regulation Review identified a need for CASA to improve its service delivery and relationship with industry, including by conducting regular surveys to measure the health of its relationship with stakeholders.

As it had been more than two years since CASA undertook an initial stakeholder survey in 2015, CASA engaged Colmar Brunton in January 2018 to conduct a second stakeholder relationship survey, *Measuring our Performance*.

The 2018 survey explored current stakeholder perceptions of CASA's service provision and relationship with industry, and measured changes in perceptions since the 2015 benchmark.

The survey involved both qualitative and quantitative research methodologies:

- » In-depth interviews were conducted with industry participants, including targeted stakeholders and a broad cross-section of industry participants.
- » An online survey was sent to a random sample of 11,000 industry participants representing a broad cross-section of the aviation industry.

The survey took place from 18 April to 13 June 2018. A total of 1,168 stakeholders completed the online survey and 34 in-depth interviews were conducted.

Work has commenced on drafting an action plan to respond to the survey findings.

A high-level report on the survey was presented to the CASA Board at the end of June 2018. The report indicated that the survey outcomes were more favourable than those of the 2015 survey.

The final report will be presented to the Board, staff, stakeholders and clients in the first quarter of 2018–19.

The organisation-wide Service Delivery Transformation program also commenced during 2017–18. The aims of the program are to transform a number of services and to deliver services that are client-centred.

CASA has made considerable progress towards achieving its goal of ensuring that its engagement with industry is effective.

# CORPORATE PLAN OBJECTIVES

This section presents a detailed review of CASA's performance in 2017–18 against the goals, initiatives and performance measures set out in the *CASA Corporate Plan 2017–18*.

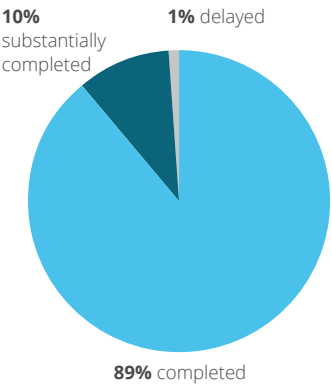
As shown in Figure 6, the three goals of CASA's corporate plan are achieved through five key areas of performance. For each of those areas, the corporate plan identifies initiatives and measures of success in delivering those initiatives.

This section sets out a detailed report on performance for each measure, including a 'snapshot' assessment using the following keys:

- ✓✓✓ Ongoing/completed
- ✓✓ Substantially completed/issues being managed
- ✓ Delayed
- ✗ Cancelled

The reports on the delivery of strategic initiatives are followed by reports against key performance indicators for each goal, as identified in the corporate plan and, in some cases, required under the Government's Regulator Performance Framework.

## Performance overview



Of the 69 performance measures set for the three corporate goals in 2017–18, 89 per cent were met, 10 per cent were substantially completed and 1 per cent were delayed. This high level of achievement is consistent with CASA's performance over the past five years.

## Factors affecting performance

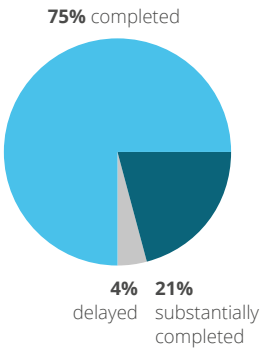
In 2017, CASA undertook a post-implementation review of its structure. The structure, which had been in place since July 2016, was the result of a major review known as *Renewing CASA*.

The post-implementation review was not intended to be a substantial restructure but was intended to address some areas of concern and misalignment and to clarify roles and responsibilities. The review process was generally positively received.

A new structure commenced on 2 January 2018. Given the nature of the change, CASA's performance may have been affected by the change process.

# Goal 1: Maintain and enhance a fair, effective and efficient aviation safety regulation system

CASA focuses its efforts on maintaining, enhancing and promoting aviation safety, as set out in the *Civil Aviation Act 1988* and in accordance with all government directions. CASA's work centres on enhancing oversight and surveillance, continuing the regulatory implementation program, continuing to reform Australian-administered airspace and continuing effective enforcement to secure compliance with safety standards.



Of the 28 performance measures in place against this goal, 75 per cent were assessed as on track or completed, 21 per cent were substantially completed and 4 per cent were delayed.

CASA's success against this goal can be measured through its increased and ongoing consultation with the aviation community on regulatory reform and on issues which are of mutual interest. In 2017–18, CASA improved its surveillance and made changes to simplify processes for aviation medicals.

See pages 36 to 41 for full results against each of the corporate plan initiatives for Goal 1.

## Key achievements

- » Significant changes to aviation medical certification were introduced, including delegation to designated aviation medical examiners (DAMEs) of the authority to issue Class 2 medical certificates; provision for pilots to conduct flying training and non-passenger carrying commercial operations under a Class 2 medical certificate instead of a Class 1 medical certificate; and a general exemption giving effect to a new Basic Class 2 medical certificate assessed to the Austroads standard for commercial driver licences.
- » CASA's sector risk profiling methodology was applied to develop risk profiles for seven sectors: aerial mustering, aerodromes, small aeroplane transport, large aeroplane (exceeding 97 seats) transport, aeroplane medical transport, helicopter medical transport, and commercial balloon. In addition, the Aviation Safety Committee directed that campaign surveillance be conducted in the small aeroplane transport and commercial balloon sectors.
- » Following the International Civil Aviation Organization (ICAO) coordinated validation mission, Australia's effective implementation rate increased from 85.05 per cent to 94.98 per cent, increasing our world standing in relation to compliance with ICAO standards and recommendations practices from 44th to sixth.
- » CASA's Office of Airspace Regulation risk assessment database project was completed on 30 June 2018. The database generates site-specific traffic and airspace information and identifies trends in aviation activity or incidents.
- » The transition process for Civil Aviation Safety Regulations (CASR) Part 129 was completed. All 94 holders of foreign air transport air operator certificates transitioned within the two-year transition period.
- » The arrangements in place with the International Air Transport Association (IATA) to provide CASA with access to IATA operational safety audit reports on foreign operators, to augment existing audit and surveillance activities, were extended in 2017–18 to include Australian international operators. This enhances the effectiveness of CASA's oversight and surveillance of regulated carriers and contributes to greater efficiency for the operators involved.

- » CASA is a member of a counterterrorism steering group (coordinated by the Department of Home Affairs) examining safety and security aspects of the use of counter-drone technology, and a member of the group's legal issues sub-committee. CASA also engages with academic institutions and other government agencies in the development of remotely piloted aircraft systems (RPAS) activities as part of its safety partnerships for research and development initiative.
- » CASA actively contributed to the work of the Department of Infrastructure, Regional Development and Cities and the Department of Finance in the development of options for managing insurance and indemnity related issues that affect the transition of delegates exercising powers under the Civil Aviation Regulations to authorisation holders under the Civil Aviation Safety Regulations.

## Challenges

The challenge of maintaining and enhancing a fair, proportionate, effective and efficient aviation safety regulatory system revolves around the understanding and balancing of many competing interests, methods and philosophies.

CASA has responded to the challenge by:

- » leveraging the ASAP and associated technical working groups as part of CASA's commitment to collaborating with interested parties in a meaningful way
- » taking significant steps towards improving service systems throughout the organisation to enhance the service experience for clients
- » delivering regulatory philosophy workshops within the organisation, complemented by a focused program on discretion, proportionality and just culture
- » continuing the evolution of CASA's regulatory posture.

## Key performance area – Aviation safety regulation and service delivery

<b>Initiative 1.1</b>	<b>Ensure the Australian civil aviation safety regulatory regime is complete and optimised for aviation safety performance, taking into account a pragmatic, practical and proportionate approach to regulation as it applies to risk in different industry sectors</b>
<b>Measure</b>	Develop and commence implementation of the final tranche of regulatory reform
<b>Result</b> ✓✓✓	<p>The final tranche of regulatory reform – Civil Aviation Safety Regulations (CASR) Parts 91, 103, 105, 119, 121, 131, 133, 135, 138 – has commenced. Public consultation for CASR Part 91 and the Part 91 Manual of Standards was completed in May 2018.</p> <p>Aviation Safety Advisory Panel technical working group meetings were conducted for CASR Parts 121, 133 and 135. CASR Part 119 was discussed at each of the three working group meetings.</p> <p>CASR Part 149 was made in July 2018.</p>
<b>Measure</b>	Develop safety performance indicators
<b>Result</b> ✓✓✓	The initial phase of a summary of available data sources was finalised. The report on the development of safety performance indicators was completed, and included recommendations on safety performance indicators for CASA and activities to support CASA's understanding of safety performance in the future.
<b>Measure</b>	Ensure all internal process manuals are current
<b>Result</b> ✓✓✓	Internal process manuals were monitored to ensure that the content remained current.

<b>Measure</b>	Review our RPAS safety regulatory strategy to inform future regulation of RPAS in consultation with the Government, industry and the community
<b>Result</b> ✓✓✓	<p>CASA published a high-level policy document, the <i>Review of Aviation Safety Regulation of Remotely Piloted Aircraft Systems</i> report, on 10 May 2018. The report was informed by analysis of a 2017 discussion paper. CASA will consider the Government's response to the recommendations from the Senate Rural and Regional Affairs and Transport References Committee as required.</p> <p>The regulatory roadmap is under development. CASA will work with consultants to further develop content in 2018–19.</p>
<b>Measure</b>	Continue the implementation of the Government's response to the Aviation Safety Regulation Review
<b>Result</b> ✓✓✓	<p>Two Aviation Safety Regulation Review (ASRR) recommendations, 32 and 33, are yet to be completed. Implementation of Recommendation 32 will not begin until after the operations suite of Parts has been finalised. Recommendation 33 is being implemented in line with the regulatory reform timeline.</p> <p>Recommendations 23 and 25 were completed on 1 November 2017 when changes to CASA's surveillance came into effect.</p>
<b>Initiative 1.2</b>	<b>Ensure CASA's actions achieve the requisite aviation safety performance without unnecessarily impeding industry and important public interests</b>
<b>Measure</b>	Embed the principles of CASA's regulatory philosophy across the workforce
<b>Result</b> ✓✓✓	<p>CASA completed revisions of its program and materials for inculcating the principles of the regulatory philosophy among managers and staff.</p> <p>A program of focused workshops on discretion, proportionality and just culture is under development for delivery in the fourth quarter of 2018 and early 2019. A targeted pilot workshop was delivered for new remotely piloted aircraft systems inspectors. New workshops on implementing the regulatory philosophy are to be delivered in 2019, with a view to including industry participants.</p>
<b>Measure</b>	Develop and measure performance against service delivery standards for all regulatory services tasks
<b>Result</b> ✓✓✓	<p>Development of a national oversight plan to manage CASA priorities in conducting regulatory services, surveillance and national sector campaigns was agreed, and scoping work commenced for the associated improvement to be delivered in 2018–20.</p> <p>Work commenced on a new operating model which will establish baselines for quantity, quality and timeliness of services, so that practical indicators are defined for measured and managed regulatory services tasks.</p> <p>CASA has established a team to define and introduce a national operating model to monitor and review divisional performance against targets and time frames for regulatory service and surveillance functions.</p>
<b>Measure</b>	Implement an internationally-benchmarked process for establishing unsafe conditions in-service (airworthiness directives)
<b>Result</b> ✓✓✓	A new process to consider airworthiness concerns and issues was developed and is under trial. The process is internationally benchmarked against European Aviation Safety Agency and United States Federal Aviation Administration (FAA) equivalents.



<b>Initiative 1.3</b>	<b>Promote, develop and improve CASA's regulatory philosophy</b>
<b>Measure</b>	Implement and monitor compliance with the principles of CASA's regulatory philosophy
<b>Result</b> ✓✓✓	CASA managers and staff in line areas are working together on complaints about deficient or defective implementation of the principles of CASA's regulatory philosophy. Processes are being reinvigorated to ensure that actions taken in line with regulatory philosophy principles are recorded (internally and in communications with stakeholders). These approaches will be included in future training programs for CASA inspectorate staff and their managers.
<b>Measure</b>	Implement a multi-phased internal and external communication plan to raise awareness and understanding of CASA's regulatory philosophy
<b>Result</b> ✓✓✓	Enhanced training programs have been developed to raise awareness and understanding of CASA's regulatory philosophy among CASA management and staff as well as members of the aviation community.
<b>Measure</b>	Develop and introduce strategies and practices which foster voluntary compliance and the achievement of higher standards of safety
<b>Result</b> ✓✓	An initiative for the promulgation of special safety notifications similar to the FAA's Safety Alerts for Operators is under review, with a view to the introduction of an appropriate mechanism in the first quarter of 2018–19.
<b>Measure</b>	Continue to develop and deliver enforcement and related training to ensure the principles of CASA's regulatory philosophy are applied
<b>Result</b> ✓✓✓	<p>Enforcement-related training was delivered by CASA subject matter experts throughout the organisation. Initial discussions were held on providing appropriate enforcement-related training for the Civil Aviation Safety Authority of Papua New Guinea and the Indonesian Directorate General of Civil Aviation.</p> <p>Presentations on CASA's recognised best practice approach in this area were made to the Victorian Building Authority and the House of Representatives Standing Committee on Tax and Revenue.</p>
<b>Initiative 1.4</b>	<b>Improve the client experience through the provision of regulatory and licensing services</b>
<b>Measure</b>	Develop a customer service charter that will shape the way we deliver client services
<b>Result</b> ✓✓	The drafting of the service charter is well advanced and is expected to be finalised in the first quarter of 2018–19.
<b>Measure</b>	Optimise client service channel options with an imperative to provide self-service and digital options
<b>Result</b> ✓✓✓	CASA completed the development of a new client-facing portal and a self-service digital aviation reference number application process to go live on 2 July 2018.
<b>Measure</b>	Create an efficient, simple and accessible client experience
<b>Result</b> ✓✓✓	CASA participated in the first meeting of the ICAO Electronic Personnel Licensing Taskforce and contributed to the drafting of proposed amendments to Chapter 5 of ICAO Annex 1 that will enable the use of electronic personnel licences.
<b>Measure</b>	Adopt, develop and drive a digital first approach to medical certification that supports the objectives of our service delivery
<b>Result</b> ✓✓✓	<p>All planned aviation medicine reforms were delivered on time and with all objectives met. This included:</p> <ul style="list-style-type: none"> <li>» extending Class 2 medical certificates to cover non-passenger-carrying commercial operations</li> <li>» allowing designated aviation medical examiners to assess and issue a Class 2 medical certificate application at the time of examination</li> <li>» launching the Basic Class 2 medical certificate.</li> </ul> <p>A number of enhancements were made to CASA's medical records system to enable more streamlined processing of all classes of medical certificates, including a greater proportion of system-issued medical certificates.</p>

## Key performance area – Industry oversight

<b>Initiative 1.5</b>	<b>Conduct regulatory services and surveillance of the aviation industry to assure aviation safety performance</b>
<b>Measure</b>	Develop and commence implementation of the National Surveillance Selection Process, a nationally coordinated systematic approach to prioritisation of surveillance activity across CASA
<b>Result</b> ✓✓✓	<p>The National Surveillance Selection Process (NSSP) was developed with a phased approach. Phase 2 of the NSSP was finalised on 30 June 2018 and the final phase will commence in 2018–19.</p> <p>The NSSP's primary functions are to provide an objective, evidence-driven and risk-based approach to CASA's authorisation holder audit scheduling, and to assist in the identification of required inspectorate resources. The NSSP is one of the four pillars of the national oversight plan (NOP), which will manage CASA's priorities in conducting regulatory services and surveillance.</p> <p>The NOP will include:</p> <ul style="list-style-type: none"> <li>» scheduled surveillance activities, under the NSSP</li> <li>» national coordinated surveys, audits and monitoring activities designed to inform regulatory decision makers – for example, a national sector campaign, inclusive of a survey and surveillance activities, was undertaken to better inform regulatory decision-makers on risks in the commercial balloon sector</li> <li>» activities in response to incidents, accidents and emerging risks – for example, regulatory safety reviews</li> <li>» regulatory services.</li> </ul>
<b>Measure</b>	Focus further attention on international air transport operators operating into Australia
<b>Result</b> ✓✓✓	<p>The CASR Part 129 transition process was completed; 94 foreign air transport air operator certificate holders transitioned within the two-year period. The 12-month foreign operator audit schedule is on track.</p> <p>Work to incorporate foreign aircraft surveillance into the European Union Safety Assessment of Foreign Aircraft program has commenced.</p> <p>The foreign aircraft surveillance schedule for 2018–19 has been created within the NSSP.</p>
<b>Measure</b>	Finalise a strategic and integrated approach to sector risk profiling and use the data to inform and update our surveillance activities
<b>Result</b> ✓✓✓	<p>CASA's strategic approach has been finalised, and the NOP will use sector risk profile results to inform surveillance activity. The process around integrating the sector risk profiles is being developed as the NOP matures.</p> <p>At the direction of the Aviation Safety Committee, a sector-aligned surveillance audit team was formed and undertook a sector campaign surveillance trial on the small aeroplane transport and commercial balloon sectors.</p> <p>Results from sector campaign surveillance activities are being used to validate the specific sector risk profiles and to deliver continuous improvement in relation to CASA's surveillance activities.</p>

<b>Measure</b>	Improve consistency in decision making and regulatory interpretation across CASA offices
<b>Result</b>	CASA publishes key regulatory decisions on its external website for industry information.
✓✓✓	<p>CASA's regulatory implementation program has a core focus on Manuals of Standards and guidance material for new regulations, to ensure correct regulatory interpretation by CASA and industry.</p> <p>CASA has established an executive team to provide a decision-making forum for the Aviation Group in order to facilitate consistent decision-making across the regions and branches.</p> <p>The new forum identified the need for inspectors to enhance their skills in standardised regulatory decision-making. This will be addressed in 2018–19.</p> <p>A coordinated enforcement program is in place across CASA and training on making good legal and enforcement decisions is delivered to all new staff. Refresher training is being developed for delivery in the first half of 2018–19.</p>
<b>Measure</b>	Regularly review Australian airspace and implement initiatives identified in the Australian Airspace Policy Statement
<b>Result</b>	CASA conducted and commenced all activities for 2017–18 described in the <i>Office of Airspace Regulation Strategic Work Plan</i> .
✓✓	<p>The Office of Airspace Regulation (OAR) database is now operational and is used to inform CASA's priorities and resource allocations for airspace reviews and aeronautical studies.</p> <p>A review of approximately 150 restricted or danger areas commenced in 2017–18. The Melbourne study has been delayed and is expected to be completed during the second quarter of 2018–19, following release of the proposed airspace design and flight procedures for the new parallel runway at Melbourne Airport. All other reviews are on schedule.</p>
<b>Initiative 1.6</b>	<b>Develop modern enforcement strategies, policies and practices</b>
<b>Measure</b>	Publish a proposed revised enforcement framework for CASR Part 13 for public consultation and comment
<b>Result</b>	CASR Part 13 is partially complete. Further action is dependent on the completion of other substantive CASR Parts.
✓✓	
<b>Measure</b>	Publish a discussion paper on the nature and level of penalties in the <i>Civil Aviation Act 1988</i> and the regulations CASR for public comment
<b>Result</b>	In accordance with CASA's commitment to address ASRR Recommendation 32, a discussion paper will be published on the nature and level of penalties after the major new CASR Parts have been completed. This is expected to occur in the second quarter of 2018–19.
✓✓	
<b>Initiative 1.7</b>	<b>Provide airworthiness assurance for all Australian aircraft and Australian designed and/or built aircraft operating internationally</b>
<b>Measure</b>	Develop an international airworthiness strategy in order to identify opportunities for recognition with other NAAs across the airworthiness spectrum
<b>Result</b>	The development of an international airworthiness strategy was completed.
✓✓✓	The order of priorities for future airworthiness recognition was established based on the volume of CASA approvals held in a country.

<b>Initiative</b> <b>1.8</b>	<b>Provide lead regulator role for the OneSKY project</b> <i>(OneSKY is a joint Defence/Airservices Australia project to acquire a new air traffic management surveillance data processing and display system)</i>
<b>Measure</b>	Oversight the acquisition and implementation of the OneSKY project after contract and start date are established
<b>Result</b> ✓✓	CASA and Airservices Australia have signed a memorandum of understanding outlining the relationship and responsibilities of both authorities for the OneSKY project. CASA has developed an audit tracking and reporting process that will be implemented when Airservices Australia's plans are finalised. CASA expects to receive the plans in 2018–19.
<b>Measure</b>	Conduct detailed analysis and assessment of aviation activity in Australia to justify change as required
<b>Result</b> ✓✓✓	<p>A phased approach was taken in the development of an OAR database to provide airport-specific and airspace-specific information. Phases 1 and 2 are complete.</p> <p>The database provides a fully automated and robust airport and airspace data management and analysis system. It can generate site-specific traffic and airspace information, and identify trends in aviation activity or incidents using data from Airservices Australia, the Bureau of Infrastructure, Transport and Regional Economics and the Australian Transport Safety Bureau. The data analysis informs OAR airspace reviews and can be used to trigger airspace changes based on risk.</p>
<b>Measure</b>	Conduct entry control and surveillance of certificate holders
<b>Result</b> ✓	The activity has been delayed pending the submission of documentation and safety cases by Airservices Australia for the OneSKY project.
<b>Measure</b>	Participate on ICAO panels and technical working groups
<b>Result</b> ✓✓✓	CASA participated in ICAO activities that supported Australia's commitment to ICAO and the Asia-Pacific region throughout the year. CASA participated on several key ICAO panels, working groups and steering committees that improve aviation safety, efficiency and capacity in the region while aligning priorities and outcomes with the ICAO Aviation System Block Upgrade program and ICAO's No Country Left Behind initiative. Involvement in ICAO activities has enhanced the reputation of CASA as a contributor to ICAO fora and supported Australia's position as a Part 1 member of the ICAO Council.

# Key performance indicators

CASA reports against 10 key performance indicators (KPIs) which are supported by performance measures and quantitative metrics set out in the *CASA Corporate Plan 2017–18*.

CASA's performance in relation to Goal 1 is measured against KPIs 1 to 5, as shown in Table 2.

**Table 2** Performance summary against key performance indicators 1 to 5, 2017–18

Key performance indicator	Performance measures	Performance summary
1. CASA is an effective aviation safety regulator by international standards	1a. Measurement against comparable National Aviation Authorities  Number of accidents per million hours flown (Air Transport) (– <i>current</i> )  Number of accidents per million hours flown (General Aviation) (– <i>previous period</i> )	Aviation activities conducted by national aviation authorities vary within general aviation and, to a lesser extent, air transport. CASA's first report against this measure will be completed when 2017 data are available from comparable national authorities.
2. CASA does not unnecessarily impede the efficient operation of regulated entities <sup>a</sup>	2a. New regulations are developed using a stakeholder engagement process and supported by Regulation Impact Statements to demonstrate net benefits from new regulations  2b. Applications for authorisations submitted to the Client Services Centre meet service delivery standards	<p>In 2017–18, eight regulatory changes were made and two changes required further assessment. The remaining changes did not require further review but were consistent with CASA's regulatory philosophy.</p> <p>CASA follows Office of Best Practice Regulation guidelines when amending regulations. Industry consultation processes improved in 2017–18, through the development of a consultation hub and adoption of the practice of seeking industry letters of support through the Aviation Safety Advisory Panel prior to making major regulatory changes. There was no net change in regulatory burden.</p> <p>Growth across all lines of service in 2017–18 indicated that there was a sustained difference between demand for client services and CASA's capacity to deliver, resulting in a shortfall of between 25% and 30%. Factors contributing to the shortfall included staff unavailability due to turnover, redirection of resources to digital upgrade projects, increases in new service types, and workload arising from triennial reporting of aircraft registration data.</p> <p>The total number of applications on hand at the end of 2017–18 was over 9,000. Increases in applications related to remotely piloted aircraft systems (RPAS) resulted in a higher work volume and significant increase in applications on hand. CASA is continuing to implement measures to address the capacity shortfall.</p>



Key performance indicator	Performance measures	Performance summary
3. CASA actively contributes to the continuous improvement of the aviation safety regulatory framework <sup>a</sup>	<p>3a. CASA has a program of initiatives in place to improve the aviation safety regulatory framework</p> <p>3b. CASA standards meet ICAO minimum standards (optional) – for Australian applicable standards</p>	<p>CASA's priority for improvement of the aviation safety regulatory framework is to complete the regulation reform program.</p> <p>CASA has initiated changes to aviation medicine and flight crew licensing via exemptions ahead of legislative changes. CASA has a process in place to receive feedback from industry, CASA staff, the International Civil Aviation Organization (ICAO), the Australian Transport Safety Bureau and the public.</p> <p>CASA has made, but not yet commenced, legislative changes regarding fuel carriage and associated requirements.</p> <p>CASA has implemented a process in relation to required performance standards for communication and surveillance in foreign airspace for Australian operators.</p> <p>CASA has processes in place to record and consider industry proposals for regulatory change. The processes will improve over time to capture more of the informal feedback from industry.</p> <p>In 2017–18, CASA received 41 proposals for regulatory change, of which four were industry initiated, 19 were ICAO initiated and 18 were internally generated, and 75% were assessed on time.</p> <p>Survey data collected from participants in CASA's information sessions for aviation safety advisors indicated a high satisfaction rating. The analysis suggests that over 80% of participants provided a satisfaction rating in the 8–10 range (1 being the lowest and 10 the highest) for several categories. A small number of low satisfaction responses were recorded.</p> <p>Measure 3b relates to Australia's alignment with ICAO Standards and Recommended Practices (SARPs).</p> <p>There are currently a total of 11,244 SARPs across the 19 annexes to the Chicago Convention (as at 29 June 2018). Under Article 38 of the Convention, States are obliged to adopt standards and where not adopting standards are required to lodge differences according to the appropriate category.</p> <p>Category A – Contracting State's requirement is more exacting or exceeds a SARP</p> <p>Category B – Contracting State's requirement is different in character or the Contracting State has established other means of compliance</p> <p>Category C – Contracting State's requirement is less protective, partially implemented or not implemented.</p>

Key performance indicator	Performance measures	Performance summary
<b>4. Actions undertaken by CASA are proportionate to the risk being managed<sup>a</sup></b>	<p>4a. Regulatory burden is only increased with a clear safety case</p> <p>4b. Enforcement action is proportionate to the infringement identified</p> <p>4c. Number of complaints where CASA has acted disproportionately to the risk being managed</p>	<p>There were no regulatory changes that increased the regulatory burden in 2017–18.</p> <p>CASA issued 45 aviation infringement notices during 2017–18. They were issued for RPAS-related offences under CASR Part 101, and the number of notices reflected the high volume of complaints that CASA received in relation to RPAS.</p> <p>As in previous years, the majority of Administrative Appeals Tribunal applications arose from aviation medical certificate matters. Most of the cases were able to be settled prior to hearing. CASA has been successful in all aviation medical matters which have proceeded to hearing in recent times, including during the fourth quarter of 2017–18 when two decisions were handed down affirming CASA's decision.</p> <p>Of the 80 complaints finalised in 2017–18, two were upheld on the basis that CASA had failed to act proportionately. One related to failure to apply the regulatory philosophy when assessing the date of expiry of a medical certificate, and the other related to a statement from CASA that a site visit was required to assess a certificate of approval variation, when a desktop assessment would have been sufficient.</p>
<b>5. Compliance and monitoring approaches are streamlined and coordinated<sup>a</sup></b>	5b. Oversight of regulated entities is undertaken in accordance with the CASA Surveillance Manual	<p>In 2017–18:</p> <ul style="list-style-type: none"> <li>» on average, 67% of surveillance reports were issued within the 20-day period stipulated in the manual</li> <li>» 44% of authorisation holder performance indicator assessments, including for RPAS operators, were completed within the past six months; the result increases to 70% if RPAS operators are excluded.</li> </ul>

a Key performance indicator required under the Regulator Performance Framework.

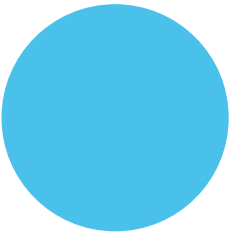
## Looking ahead

- » CASA will need to work closely with the Department of Infrastructure, Regional Development and Cities on the civil aviation regulatory requirements arising from the development of new runway infrastructure at the Brisbane, Melbourne, Perth, Sydney and Sunshine Coast airports.
- » The OneSKY project will be a major focus for CASA as it provides guidance on civil aviation regulatory aspects of the national air traffic control systems replacement.
- » CASA will need to work with Geoscience Australia and Airservices Australia on satellite-based technology and capability, and with the Australian Space Agency on civil aviation regulatory aspects of space operations.
- » CASA will complete the standards development phase, involving multiple public consultation events, for the last tranche of aviation regulations to migrate from the Civil Aviation Regulations 1988 to the Civil Aviation Safety Regulations 1998. This will encompass CASR Parts 91, 103, 105, 119, 121, 131, 133, 135 and 138, and will include a significant reduction in the number of individual legislative instruments. The result will be a significantly more coherent and internationally compatible set of aviation regulations and standards.
- » New streamlined maintenance regulations for Australia's general aviation sector will be developed, to minimise regulatory burden, reduce costs and align with the best practices of other leading aviation nations. The proposed new regulations will cover maintenance for aircraft used in private and aerial work operations.
- » Work will continue to further enhance the National Surveillance Selection Process to better identify appropriate surveillance methods according to the types of operations or activities conducted by authorisation holders. Identifying actual activities will assist CASA through the Aviation Safety Committee to focus its surveillance activities on the areas likely to have the highest impact on the safety of flight.
- » In conjunction with its continuing delivery of regulatory philosophy implementation workshops for CASA managers and staff, CASA will initiate a program to explain and discuss the importance of CASA's regulatory philosophy among members of the regulated aviation community.
- » A new program of reform will commence to improve regulatory services and surveillance activities. The reforms are expected to improve delivery times for regulatory services, and consistency and quality assurance in regulatory approval processes. The reforms will ensure that surveillance activities are sector aligned and utilise standardised processes and new technologies, and that inspectors are allocated to audit teams outside their home regions.

## Goal 2: Collaborative engagement with the wider aviation community to promote and support a positive safety culture

CASA maintains a constructive working relationship with other Australian Government agencies and promotes effective collaboration through consultation and communication with the wider aviation community. Through its consultative forums, feedback channels, educational efforts and promotional campaigns, CASA engages in a clear, open and transparent manner with the aviation industry to continuously improve the regulatory framework and be a partner in supporting and promoting a positive aviation safety culture.

100% of targets met



Of the 22 measures in place against this goal, all were assessed as on track or completed.

CASA's success against this goal can be measured through its ongoing safety promotion activities for the wider aviation community and through successful international engagement.

The introduction of the ASAP and associated technical working groups in July 2017 has provided a range of industry representatives and their members with an opportunity to engage with CASA, and to provide objective, high-level advice on current and emerging issues. The ASAP also ensures that CASA's engagement and consultation with industry is effectively targeted.

See pages 47 to 53 for full results against each of the corporate plan initiatives for Goal 2.

## Key achievements

- » The ASAP was established and met three times. Four technical working groups were convened to provide the ASAP with specialist advice from industry representatives on policy and regulations, enabling advice to be provided to CASA. More than 500 industry participants registered to be involved with the ASAP and more than 80 people participated in the five working group meetings held in 2017–18.
- » A major communications initiative continued to increase awareness of the drone safety rules and build public confidence in CASA's management of drones. In October 2017, CASA launched [www.droneflyer.gov.au](http://www.droneflyer.gov.au), a website specifically designed for recreational drone users, which promotes the drone safety rules clearly and concisely. CASA's tweet promoting the website reached almost 1.5 million people.
- » CASA hosted the 20th FAA Asia-Pacific Bilateral Partners Dialogue Meeting in Canberra, with representation from more than 40 government and industry organisations. The plenary and side meetings strengthened regulatory ties and provided a valuable opportunity to share expertise on emerging aviation matters such as engineering and airworthiness certification.
- » CASA continued to engage with the Civil Aviation Safety Authority of Papua New Guinea and the Indonesian Directorate General of Civil Aviation to advise on implementation of, and responses to, ICAO audit findings. CASA received acknowledgement for the value of its contribution to both States' improved scores for effective implementation of the findings. Papua New Guinea's score improved from 50.41 per cent in 2013 to 62.16 per cent in 2017, and Indonesia's score improved from 50.61 per cent in 2016 to 80.34 per cent in 2018.
- » CASA finalised the inaugural aerospace medicine training program in early 2018. This joint initiative between CASA, Qantas and Virgin Australia provides trainee aerospace medicine doctors with formal training over a two-year period, including a structured rotation program between the three organisations. The program is an Australian first, and will commence in early July 2018.

# Challenges

- » In 2017–18, considerable effort and time was directed to enhancing CASA's consultation processes and relationships with industry. The ASAP and its technical working groups are now delivering significant results and have been acknowledged by industry as being open and transparent in their operation. CASA will continue to monitor and, where appropriate, evolve its consultation mechanisms to ensure that it continues to collaborate with industry.
- » The rapid technological changes and proliferation of RPAS, or 'drones' as they are commonly known, continues to present challenges for CASA and the broader aviation industry. In 2017–18, CASA devoted significant time and resources to ensuring that the community and industry can embrace and optimise use of the new technologies as safely as possible.

## Key performance area – Stakeholder engagement

Initiative	Work with international organisations and other nations
2.1	
Measure	Maintain key regulatory relationships with organisations such as the Federal Aviation Administration, the European Aviation Safety Agency and the Civil Aviation Authority New Zealand, and others
Result ✓✓✓	<p>In March 2018, CASA successfully co-hosted the 20th FAA Asia-Pacific Bilateral Partners Dialogue Meeting in Canberra, which was attended by over 40 government and industry delegations from the United States, New Zealand, Singapore, China, Japan, Korea and other countries in the region. Plenary and bilateral discussions during the meeting focused on airworthiness and certification linkages in the context of emerging industry innovations, with a view to updating current bilateral arrangements or establishing new arrangements.</p> <p>CASA continues to progress working relationships through the regular exchange of information, liaison, teleconferences and international meetings. Throughout the year, relationships with regulator counterparts were strengthened by initiatives such as:</p> <ul style="list-style-type: none"><li>» hosting a remotely piloted aircraft systems (RPAS) discussion forum with Federal Aviation Administration (FAA) colleagues, in Canberra</li><li>» facilitating a visit by colleagues from the Civil Aviation Authority of New Zealand (CAA NZ) to work on personnel licensing matters under the Trans-Tasman Mutual Recognition Arrangement</li><li>» attending the FAA–EASA International Aviation Safety Conference in Washington DC in June 2018.</li></ul> <p>A key achievement was supporting the development and signing of the first trilateral arrangement on regulatory collaboration and information sharing between CASA, CAA NZ and Transport Canada.</p> <p>CASA continued to engage with CAA NZ colleagues to revitalise the ANZA discussions and progress mutual recognition of private pilot licences and Class 2 medical certificates. Joint procedures were developed between CASA and CAA NZ on approaches to Queenstown aerodrome.</p>



<b>Measure</b>	Promote Australian expertise
<b>Result</b> ✓✓✓	<p>CASA facilitated dangerous goods training for inspectors from New Zealand, Papua New Guinea (PNG), Samoa, Kiribati and Tonga, and follow-up mentoring placements for PNG inspectors. Other training opportunities, that were attended by regional regulatory counterparts included:</p> <ul style="list-style-type: none"> <li>» upset prevention and recovery training, attended by CAA NZ staff</li> <li>» the maintenance program and reliability course, attended by Civil Aviation Authority of Singapore (CAAS) staff</li> <li>» a forum on legislative development and enforcement, attended by officials from the Indonesian Directorate General of Civil Aviation.</li> </ul> <p>CASA and CASA PNG continued to work towards closer information sharing on flight crew licensing as well as capacity building and mentoring of aviation medical personnel under the auspices of the Australian Aid program. CASA and the Pacific Aviation Safety Office (PASO) have commenced negotiations on a working arrangement to provide cost-recoverable technical assistance on a range of regulatory matters for the benefit of 10 Pacific island countries.</p> <p>CASA also advised and presented at an Austrade aviation mission to Thailand, with senior Australian industry delegates and the Australian Ambassador to Thailand. The focus of the mission was to promote Australian aviation expertise and business opportunities – topics ranged from aviation workforce training and education programs, through to the development of supportive regulatory frameworks.</p> <p>In June 2018, CASA was visited by a delegation from the Civil Aviation Authority of Thailand (CAAT) and the Thai air navigation service provider, AEROTHAI, who were in Australia on a study visit seeking methodologies to assist their transition from Aeronautical Information Services to Aeronautical Information Management. The Thai delegation included the Deputy Director General of the CAAT.</p>
<b>Measure</b>	Work with international counterparts to inform regional and global harmonisation of regulatory development
<b>Result</b> ✓✓✓	<p>CASA coordinated advice to regulatory counterparts from the United States, Canada, New Zealand, Singapore, Brazil, Turkey, New Caledonia and other countries on topics including CASA operational matters, liaison opportunities, medical certification reforms, ICAO State Safety Program benchmarking, implementation of ICAO Standards and Recommended Practices, updates to civil aviation safety regulatory amendments, and regional safety oversight cooperation systems. The 20th FAA Asia-Pacific Bilateral Partners Dialogue Meeting also presented a valuable opportunity for CASA staff to strengthen and develop new working relationships with overseas colleagues.</p> <p>CASA participated in discussions with Airservices Australia and the Department of Infrastructure, Regional Development and Cities (including Australia's post in Montreal, Canada) on formulating whole-of-government aviation policy in the lead-up to ICAO's 13th Air Navigation Conference, to be held in October 2018, and the next ICAO General Assembly, to be held in 2019.</p> <p>CASA and CAA NZ are actively supporting PASO in its organisational and governance reform, as well as improving technical expertise linkages and training, recognising that safer Pacific aviation is a regional priority.</p>

<b>Measure</b>	Deliver activities with our counterparts in both Indonesia and Papua New Guinea to enhance aviation safety oversight capacity in the region, as agreed in relevant memoranda of understandings on cooperation in the transport sector
<b>Result</b> ✓✓✓	<p>Under CASA's Australian Aid program, 13 activities were implemented to enhance the regulatory oversight capabilities and organisational performance of PNG and Indonesian counterparts. In particular:</p> <ul style="list-style-type: none"> <li>» CASA provided dangerous goods training for CASA PNG officers in Port Moresby and in Australia, which culminated in ICAO certification for CASA PNG.</li> <li>» CASA's Principal Medical Officer provided mentoring, including on-the-job training and advice, to CASA PNG's Aviation Medical Officer.</li> <li>» Indonesian Directorate General of Civil Aviation (IDGCA) staff were supported to study Australian aerodrome rescue and firefighting services, which influenced the development of Indonesia's first airport emergency exercise manual.</li> </ul> <p>CASA, CASA PNG and the IDGCA are considering additional training opportunities and placements for regulatory officers.</p> <p>CASA directly shared information with CASA PNG to assist PNG to implement the findings of an ICAO coordinated validation mission (ICVM) under the Universal Safety Oversight Audit Programme. In June 2018, CASA PNG scored an interim effective implementation score of 62.16 per cent, which was a significant improvement from its previous score of 50.41 per cent in 2013. A CASA PNG senior executive expressed appreciation for CASA's support and partnership at the PNG Regulator Symposium in March 2018. CASA and CASA PNG also continued to collaborate on other issues, such as sharing pilot licensing examination material and processes.</p> <p>CASA's ongoing engagement with the IDGCA saw Indonesia increase its ICVM effective implementation score, from 50.61 per cent in 2016 to 80.34 per cent in October 2017. During bilateral discussions at the Indonesia–Australia Transport Sector Forum in April 2018, Indonesian officials expressed gratitude for CASA's level of partnership and contribution to the development of the IDGCA's regulatory capacity.</p>
<b>Measure</b>	Maintain active engagement with Asia Pacific regulatory counterparts, including through our role as technical advisor to the Departmental Australian Council Representative to the Pacific Aviation Safety Office (PASO)
<b>Result</b> ✓✓✓	<p>CASA attended three PASO meetings (a council meeting, the annual general meeting and a special council meeting) in the capacity of technical advisor to the Departmental Australian Council Representative.</p> <p>The PASO forum provides a valuable opportunity for CASA to engage with Pacific island counterparts and a vital channel for regulatory cooperation and Australia's leadership on aviation regulatory and policy matters in the region. The Australian delegation advised PASO members on governance issues, organisational reform, forward strategy and financial management. CASA commenced discussions on a working arrangement with PASO, to reaffirm Australia's commitment to the region, with a view to finalising the arrangement in 2018–19.</p> <p>CASA and the Department of Infrastructure, Regional Development and Cities continue to champion Pacific issues in wider forums and enhance linkages with ICAO, such the Global Aviation Safety Oversight Systems initiative, which is favourably perceived by the 10 Pacific island Member States.</p>

<b>Measure</b>	Review and establish formal bilateral arrangements with counterpart agencies that recognise mutual safety outcomes to reduce regulatory duplication and costs to Australian industry
<b>Result</b> ✓✓✓	CASA mapped its suite of bilateral arrangements and initiated meetings with stakeholders to review, update and improve various arrangements which are a strategic priority for CASA. CASA entered into the first trilateral arrangement of its kind between CASA, CAA NZ and Transport Canada on information sharing and regulatory cooperation. Policy and implementation discussions are continuing between CASA and CAA NZ on mutual recognition of private pilot licences and Class 2 medical certificates, which will streamline regulatory requirements and industry costs across the two jurisdictions.
<b>Measure</b>	Contribute to International Civil Aviation Organization (ICAO) aviation safety and technical groups as appropriate to maintain Australia's standing as a state of chief importance in ICAO, shape the direction of global aviation standards, and inform CASA of best practice
<b>Result</b> ✓✓✓	<p>CASA, Airservices Australia and the Department of Infrastructure, Regional Development and Cities reviewed government resourcing of Australian representation at ICAO forums and developed an induction kit for Australian representatives, to ensure that Australian messaging is coordinated and resource efficient, particularly in the lead-up to the ICAO Council elections to be held in 2019. A training day for Australian Government officials who participate in ICAO forums was held at the Department of Infrastructure, Regional Development and Cities in April 2018. Collaboration among the three agencies is also refining Australia's ICAO Council re-election strategy and policy positions in the lead-up to the 13th Air Navigation Conference, to be held in October 2018. Where possible, CASA continues to support ICAO's resourcing requests for coordinated action team missions.</p> <p>In response to the findings of an ICAO coordinated validation mission of Australia conducted in late 2017, CASA contributed to revised MoUs on whole-of-government policy settings and engagement in ICAO forums. A tripartite MoU between the Department, CASA and Airservices and an MoU encompassing all Australian Government agencies involved in aviation are under consideration, to be finalised in 2018–19. The MoUs clarify several processes, roles and responsibilities between agencies.</p>
<b>Initiative</b> 2.2	<b>Work with partner organisations</b>
<b>Measure</b>	Collaborate with local government organisations on local and national safety issues such as remotely piloted aircraft systems and airport-related issues
<b>Result</b> ✓✓✓	<p>CASA continued to work with state and local government agencies on a range of aviation safety matters as required, providing accurate and informative advice in a timely manner. For example, a booklet on safety management systems for small rural and regional aerodromes (most of which are managed by local government) was added to the <i>SMS for Aviation: A Practical Guide</i> kit in June 2018.</p> <p>At the 2018 National General Assembly of Local Government, CASA held an exhibit highlighting the role of local government in airport-related issues, such as planning and development and RPAS, and sought feedback from local government on potential signage to support local initiatives to discourage drone use in restricted airspace.</p>
<b>Measure</b>	Explore opportunities for us to demonstrate safety leadership by bringing industry safety partners together
<b>Result</b> ✓✓✓	<p>CASA provided secretariat support to the Aviation Safety Advisory Panel (ASAP) and technical working groups which consulted heavily on Civil Aviation Safety Regulations (CASR) Parts 91, 66, 101 and 103.</p> <p>CASA coordinates the Regional Airspace and Procedures Advisory Committees (RAPAC) forums to discuss matters relating to airspace and related procedures in Australia. The first round of RAPAC meetings are complete. For the 2018 schedule of meetings, please refer to <a href="http://www.casa.gov.au/operations/standard-page/rapac-meeting-schedule">www.casa.gov.au/operations/standard-page/rapac-meeting-schedule</a></p>

<b>Measure</b>	Listen and respond appropriately following industry engagement
<b>Result</b>	See above. ✓✓✓
<b>Initiative 2.3</b>	<b>Develop stakeholder relationships</b>
<b>Measure</b>	Further develop the newly established Aviation Safety Advisory Panel that covers the largest possible industry representation but with a senior membership that allows agile, strategic and constructive engagement
<b>Result</b>	The ASAP was further developed during 2017–18 through the establishment of short-term technical working groups (TWGs) to support the work of the ASAP. During 2017–18, four TWGs were convened, with an additional 12 planned for the remainder of 2018. Engagement has been constructive between both forums and allowed for discussion and endorsement of policy positions on issues such as CASA's aviation medicine policy, a review of maintenance engineer licensing, radio frequency use in low-level airspace, the development of flight operations regulations, and fatigue. ✓✓✓
<b>Measure</b>	Develop a consultation protocol for our stakeholders and clients which sets out the basic principles that we will apply in our consultation activities
<b>Result</b>	The consultation protocol has been finalised and incorporates the latest developments arising from the establishment of new consultative arrangements. However, full implementation of the protocol has been deferred until staffing resources are finalised. ✓✓✓
<b>Measure</b>	Communicate clearly about our role by developing communication products and campaigns, including a focus on the regulatory process
<b>Result</b>	Planning is underway to produce plain English guidance material for CASR Part 91, in line with the out-of-print <i>Visual Flight Rules Guide</i> , as well as companion material for pilots. ✓✓✓
<b>Measure</b>	Continue to review and improve staff communication to ensure their timely access to relevant information
<b>Result</b>	CASA undertook focus groups with staff and one-on-one discussions with managers to seek input on their communication preferences and assist CASA to better focus internal communication activities. The research was undertaken in May and June 2018; a summary and recommendations will be finalised in July 2018.  A new communication channel, <i>Horace Extra</i> , was launched to keep CASA staff up to date on what is happening around CASA. The newsletter-style email is circulated fortnightly, alternating with <i>CASAflyer</i> . It is intended to bring together a summary of news items and information published on CASA's intranet (Horace) that staff might have missed. ✓✓✓
<b>Measure</b>	Continue to provide timely, accurate advice to our government and international stakeholders and enhance working relationships with existing stakeholders as well as establish appropriate relationships with new stakeholders
<b>Result</b>	CASA provided advice on Australian regulatory developments and ICAO benchmarking queries, in person and via correspondence, to regulatory counterparts in the United States, Canada, Europe, China, Singapore, New Zealand, Brazil, New Caledonia and other countries. CASA also coordinated responses to queries from foreign regulators, and facilitated invitations for observers to attend CASA audit activities in the interests of supporting working relationships and various bilateral arrangements. CASA prepared letters of introduction for Australian aviation businesses seeking to conduct overseas operations.  CASA continues to provide timely and accurate advice to government stakeholders, including the Deputy Prime Minister's Office and parliamentary committees. ✓✓✓

<b>Initiative 2.4</b>	<b>Provide comprehensive safety promotion programs to the aviation industry and stakeholders</b>
<b>Measure</b>	Continue to develop and implement safety communication strategies in response to identified priority areas, such as drones, dangerous goods, safety management systems and human factors, and sport aviation
<b>Result</b> ✓✓✓	<p>A range of communication plans were developed and implemented in support of specific business initiatives and outcomes. This included safety-focused external communication campaigns on issues such as cabin safety; drone safety awareness, including airspace restrictions during the Commonwealth Games and the ASEAN–Australia Special Summit; and changes to CASA surveillance.</p> <p>Drone safety awareness activities for the Commonwealth Games included tailored maps on the CASA website highlighting the restrictions in place during the games; social media advertising and targeted advertising at the Brisbane and Gold Coast airports, hotels, registered clubs, and shopping centres; and 30,000 postcards (promoting the tagline ‘Play it safe these games, leave your drone at home’) distributed via backpacker and hotel accommodation. Targeted drone-related advertising was also undertaken in cinemas and on ferries in Sydney to support the ASEAN–Australia Special Summit drone restrictions.</p> <p>Implementation of the ongoing sport aviation communication strategy included distribution of the <i>Close Calls Sport Aviation Special 2018</i> to the nine self-administering sport organisations.</p> <p>CASA also supported the Australian Transport Safety Bureau and the Australian Helicopter Industry Association in delivering the ‘Don’t push it, land it’ safety initiative, encouraging helicopter pilots to conduct a precautionary landing. The initiative was launched at Rotortech in May 2018.</p> <p>Communications to industry and staff were developed and implemented in support of the Service Delivery Transformation program, in readiness for the release of a new aviation reference number application portal and related forms in July 2018.</p> <p>Significant industry and staff communication was also undertaken in regard to changes to aviation medicine. This included partnering with medical associations to educate the broader medical professional community about the changes.</p> <p>Internal communication plans were developed and implemented in support of the Renewing CASA post-implementation review, the rollout of end-user computing devices, the launch of an internal online training platform (Lynda.com), and ongoing internal initiatives in areas such as an employee engagement survey, work health and safety, diversity, and changes to physical workplace environments.</p>
<b>Measure</b>	Review and refine existing programs/products such as <i>OnTrack</i> and Human Factors for pilots in a process of continuous improvement
<b>Result</b> ✓✓✓	<p><i>OnTrack</i> now requires updating due to airspace changes. CASA has commenced research into the use of <i>OnTrack</i> and a review of the best platform/format to convey its information in the future.</p> <p>A revision of the <i>Safety Behaviours: Human Factors for Pilots</i> resource kit is underway. The majority of text was completed in June 2018 and the remaining video and workbook components are expected to be completed by the second quarter of 2018–19. The kit is being revised to meet likely human factor requirements for Part 135 under the new regulations for small aircraft transport.</p>
<b>Measure</b>	Develop a social media strategy
<b>Result</b> ✓✓✓	A social media strategy has been drafted and is being finalised. The strategy makes several recommendations which are currently being explored in more detail, including a recommendation to trial the use of Facebook Live video streaming for outreach activities.



<b>Initiative 2.5</b>	<b>Strengthening international and Asia Pacific regional aviation safety engagement</b>
<b>Measure</b>	<p>Finalise, publish and begin to implement CASA's International Engagement Strategy ensuring appropriate focus on:</p> <ul style="list-style-type: none"> <li>» mutual recognition arrangements</li> <li>» the Government's safety initiatives in the Asia Pacific region; and</li> <li>» commitment to the Tripartite MoU between the Department, Airservices Australia and CASA regarding the management of Australia's International Civil Aviation Organization (ICAO) responsibilities</li> </ul>
<b>Result</b> ✓✓✓	<p>CASA commenced the implementation of the International Engagement Strategy and the development of an operational approach and action plan considering CASA policy and Australian Government policy priorities. The implementation approach considers bilateral relationships, regulatory opportunities and risks, and industry representation. Work to collect data to enable CASA to enact and refine the strategy is ongoing. CASA's bilateral and trilateral efforts throughout the year accorded with the strategic priorities described in the international engagement strategy.</p>
<b>Measure</b>	Develop stronger relationship with the Civil Aviation Authority New Zealand and the Defence Aviation Safety Authority to exploit mutually beneficial outcomes
<b>Result</b> ✓✓✓	<p>CASA liaised with aviation medicine personnel in CAA NZ and the Royal Australian Air Force (RAAF) at a joint workshop discussing medical standard harmonisation, exchange of knowledge about patient data trends, and medical examination procedures. Following the joint workshop, CASA commenced preliminary work on the development of an exemption policy for RAAF officers who meet Class 2 medical standards under equivalent Australian Defence Force medical checks.</p> <p>CASA is continuing to work with CAA NZ on mutual recognition of private pilot licences and Class 2 medical certificates and streamlining of industry application processes. CASA is also monitoring CAA NZ's colour vision deficiency reforms and providing updates to CAA NZ on medical certification reforms being undertaken in Australia.</p>
<b>Measure</b>	Develop principles and practices to support the effective implementation of CASA's International Engagement Strategy
<b>Result</b> ✓✓✓	See the report on Initiative 2.5.
<b>Measure</b>	<p>Work with the Department and Airservices Australia to finalise a strategic review into Australia's participation in ICAO:</p> <ul style="list-style-type: none"> <li>» within the Tripartite, work with other Government stakeholders to the Convention on International Civil Aviation 1944 (the Chicago Convention) including the Australian Transport Safety Bureau, Australian Maritime Safety Authority and Bureau of Meteorology</li> <li>» prepare for the ICAO Coordinated Validation Mission (ICVM) reviewing Australia's effective implementation of ICAO Standards and Recommended Practices</li> </ul>
<b>Result</b> ✓✓✓	<p>CASA finalised input to Australia's strategic review of participation on ICAO panels and groups, which included several changes in representation.</p> <p>In April 2018, all Australian representatives on ICAO committees undertook training facilitated by the Department of Infrastructure, Regional Development and Cities to ensure coordinated Australian policy positions, advice and messaging in an international environment. MoUs between the various government agencies with aviation policy responsibility and input were developed and are expected to be finalised in early 2018–19.</p>

# Key performance indicators

CASA reports against 10 KPIs which are supported by performance measures and quantitative metrics set out in the *CASA Corporate Plan 2017–18*.

CASA's performance in relation to Goal 2 is measured against KPIs 6 to 8, as shown in Table 3.

**Table 3** Performance summary against key performance indicators 6 to 8, 2017–18

Key performance indicator	Performance measures	Performance summary
6. CASA is open and transparent in its dealings with regulated entities and all of its stakeholders <sup>a</sup>	<p>6a. Processes, guidance and applicable policy manuals (standards, enforcement and surveillance) are available on the website</p> <p>6b. Unfavourable decisions are accompanied by a statement of reasons where required under legislation or other authority and are published on the CASA website</p> <p>6c. Industry forums are conducted in an open and transparent manner</p> <p>6d. Regulations are subject to public consultation</p> <p>6e. Number of complaints about CASA not being open and transparent</p> <p>6f. Authorisations are only refused, amended, suspended or cancelled by the Client Services Centre when there is a regulatory or safety imperative</p>	<p>Processes, guidance and applicable policy manuals are available on the CASA website. CASA is undertaking a website content review to archive dated and inaccurate content, as well as content that is infrequently accessed. Another large number of pages have been reviewed as a result of the Service Delivery Transformation program and changes to aviation medicine. Processes have been put in place to ensure that all new documents meet accessibility guidelines.</p> <p>The Industry Complaints Commissioner advised that, of the 80 complaints received during 2017–18, two related to CASA's failure to act openly or transparently. The subjects of those complaints were a failure to apply the regulatory philosophy when assessing the date of expiry of a medical certificate; and a statement from CASA that a site visit was required to assess a certificate of approval variation, when a desktop assessment would have sufficed.</p> <p>Public consultation was conducted on all regulation changes that required it.</p> <p>CASA accepted the majority of applications for authorisations; 1.7% were refused due to safety and regulatory imperatives.</p>

Key performance indicator	Performance measures	Performance summary
<b>7. Communications with regulated entities and all of CASA's stakeholders is clear, targeted and effective<sup>a</sup></b>	7a. Stakeholder feedback mechanisms maintained through the use of SCC <sup>b</sup> forums, formal public consultation processes and clear complaints processes	<p>CASA's feedback mechanisms include forums, public consultations, complaint processes, and social media.</p> <p>A range of communication plans have been developed and implemented in support of specific business initiatives and outcomes.</p> <p>Usage statistics are reviewed regularly for <i>CASAflyer</i>, CASA's internal electronic magazine; <i>Horace Extra</i>, CASA's internal email newsletter; and <i>casa.gov.au</i></p> <p>Social media statistics are also reviewed regularly. A total of 3,537 stories were monitored during the reporting period. Of those, 81% were neutral in tone towards CASA, 2% were positive, 12% were mixed and 5% were negative. Negative stories are trending below the long-term average of 6%.</p> <p>Feedback from external forums was positive. Survey results indicated that 95% of AvSafety seminar attendees understood the role of CASA's aviation safety advisors and their positive impact on safety.</p> <p>CASA maintains constructive relationships with media representatives.</p>
<b>8. Education and promotion deliverables are relevant, timely, effective and appropriately targeted</b>	8a. Education and promotion activities meet the needs of regulated entities and CASA staff	<p>CASA continuously engages with internal and external stakeholders to ensure that activities meet safety needs and priorities.</p> <p>Social media channels are being used effectively. CASA has 38,858 followers on Facebook, 9,748 on Twitter and 8,974 on LinkedIn. CASA's combined social media audience grew by 46% in 2017–18.</p> <p>Plans have been developed to address the six outstanding protocol questions identified by the ICAO coordinated validation mission in October 2017, and will be implemented over the next 18 months.</p> <p>Work continues on finalising the development and implementation of courses for regulatory staff as outlined within the training programs and requirements for their roles.</p> <p>Thirty-seven courses were delivered to 760 participants in 2017–18 through the Regulatory and Technical Training Framework. These courses received an average training approval rating of 89%, which is consistent with the average rating over the 2016–17 period.</p>

<sup>a</sup> Key performance indicator required under the Regulator Performance Framework.

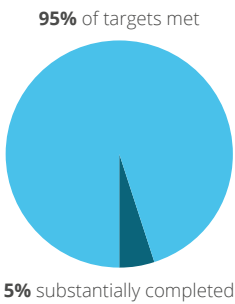
<sup>b</sup> Refers to the Standards Consultative Committee, which has been replaced by the Aviation Safety Advisory Panel.

## Looking ahead

- » CASA's approach to the regulation of aviation medicine will continue to evolve. Further enhancements to CASA's evidence-based approach to aviation medicine policy and regulation are expected. Part of this work will involve working with registrars of births, deaths and marriages and the Australian Institute of Health and Welfare to build a picture of pilots' health outcomes during and after their flying careers (private and commercial).
- » In 2018–19, CASA will actively support Australia's campaign to seek re-election to the ICAO Council as a State of chief importance in air transport. CASA will continue to participate in ICAO aviation safety and technical panels, working groups and other forums as appropriate, to shape the direction of global aviation standards and contribute to Australia's standing in the ICAO community, and to advocate on matters of importance to Australian agencies and industry.
- » CASA will maintain strong working relationships with like-minded regulators such as the FAA, Transport Canada and the Civil Aviation Authority of New Zealand, via regular dialogues and bilateral/multilateral arrangements, with a focus on enhancing or establishing reciprocal arrangements with Asia-Pacific counterparts. The provision of technical assistance and Australian expertise will continue to be administered in Papua New Guinea and Indonesia through the Australian Aid program, and across Pacific island countries through the Pacific Aviation Safety Office.
- » CASA will continue to work with ICAO and other Member States to refine international approaches to electronic personnel licensing. It is expected that, between 2019 and 2020, the international regulatory context will enable the utilisation of electronic personnel licences, which would subsequently be considered within an Australian context.
- » A significant amount of effort will be put into the achievement of the deliverables under CASA's Service Delivery Transformation program, which is expected to considerably streamline the experience of clients interacting with CASA and promote a culture characterised by high levels of client care in service delivery.

### Goal 3: Continuous improvement of organisational performance

CASA closely monitors its organisational performance and seeks to continually improve its operational activities, regulatory services and other support functions. CASA is adopting a comprehensive quality management systems approach to drive continuous improvement across all facets of the organisation.



Of the 19 measures in place against this goal, 95 per cent were assessed as on track or completed and 5 per cent were substantially completed.

CASA’s success against this goal can be measured through the delivery of leadership development courses to support CASA’s people, implementation of governance review recommendations as part of work done to further strengthen CASA’s governance, and improvements to the IT environment.

See pages 58 to 60 for full results against each of the corporate plan initiatives for Goal 3.

### Key achievements

- » Leadership development courses were delivered in all CASA regions and a new performance and communication scheme was released to assist with staff development.
- » A staff exchange program was successfully implemented: a CASA staff member was placed in the Australian Association for Unmanned Systems for an agreed period.
- » The Training Branch was established, to centralise and improve training and professional development activities for staff.
- » CASA’s data centre was refreshed to modernise the IT infrastructure that supports the delivery of core ICT services to CASA staff and customers. The upgrade provided additional capability to support activities such as the desktop replacement project and the Service Delivery Transformation program.
- » Aboriginal and Torres Strait Islander members of CASA’s Indigenous Engagement Network received mentoring from Indigenous entrepreneur Dion Devow, 2018 ACT Australian of the Year, to support their development and their role as contributors to the delivery of initiatives within the Reconciliation Action Plan.
- » The implementation of a vision for quality across CASA was commenced and well progressed. It includes a significant investment in the implementation of a continuous improvement framework.

### Challenges

Following the 2015–16 Renewing CASA process, a post-implementation review was undertaken during 2017–18. CASA’s organisational structure was reviewed and a range of recommendations were implemented. The work resulted in increased role clarity and the development of a revised internal planning and reporting framework, including branch-level performance indicators.

## Key performance area – Governance and organisational effectiveness

<b>Initiative</b>	<b>Identify and align our workforce capabilities to meet future challenges</b>
<b>3.1</b>	
<b>Measure</b>	Adopt an active stance on succession planning and leadership development that is founded on the outcomes of the leadership capability assessment initiative
<b>Result</b> ✓✓✓	<p>Leadership development courses were delivered across all CASA regions. They included the Leadership Sampler and Leadership Circles courses, Australian Public Service courses for Senior Executive Service and Executive Level leadership training, and Australian Institute of Company Directors courses. Tailored leadership development plans are being implemented by the executive team based on completed 360° leadership assessments.</p> <p>A capability development framework with management and leadership pathways is under development.</p>
<b>Measure</b>	Redefine the performance framework and guidance material to assist managers to hold people to account for their performance through consistent feedback and stronger people management practices
<b>Result</b> ✓✓✓	<p>CASA's revised Performance and Communication Scheme was released on 7 September 2017, supported by an online form, guidance material and training.</p> <p>Training is available for team leaders and supervisors on how to hold productive performance conversations.</p> <p>Progress through the performance process is regularly monitored and reported to CASA's executive team. Performance improvement and evaluation procedures are used effectively to manage areas of underperformance. CASA's managers are provided with guidance material and coaching to assist them to provide consistent feedback and manage performance.</p>
<b>Measure</b>	Review and implement the recommendations from the 2017 staff engagement survey and regularly measure the level of engagement of CASA staff, including effectively responding to impediments to engagement
<b>Result</b> ✓✓✓	<p>Four key focus areas across the organisation were identified for attention: recognition, development opportunities, leadership and change. A working group was established for each focus area as a consultation forum.</p> <p>As a result of a recommendation from the recognition working group, a new CASA award scheme was launched in May 2018. Recommendations from the other working groups were discussed with the relevant business areas and an implementation and communications plan was developed. The plan will be presented to the People Committee in July 2018.</p>
<b>Measure</b>	Implement staff exchange programs with industry
<b>Result</b> ✓✓✓	The CASA Industry Placement Program was implemented successfully. A CASA staff member was placed in the Australian Association for Unmanned Systems. The association reported that the program had exceeded its expectations and that it would utilise the program again. The program is being further developed to provide placements with other industry bodies as opportunities arise.
<b>Initiative</b>	<b>Consolidate and embed enterprise wide project management and governance</b>
<b>3.2</b>	
<b>Measure</b>	Embed a renewed project management framework
<b>Result</b> ✓✓✓	CASA's Project Management Framework has been in place since June 2017. As part of an annual review, the framework was updated to incorporate feedback from project and program managers. The revised version will be reviewed by the Risk and Investment Committee and other stakeholders and implemented in 2018–19.
<b>Measure</b>	Build project management capability
<b>Result</b> ✓✓✓	CASA is developing appropriate mechanisms for staff to build their project management capabilities.



<b>Measure</b>	Support the management of projects through independent assurance assessments and gateway reviews
<b>Result</b> ✓✓✓	Assurance reviews were undertaken for high-profile projects. In line with a risk-based approach, CASA incorporates project assurance reviews into its audit workplan.
<b>Measure</b>	Embed enhanced organisational change management approaches to support the successful implementation of enterprise wide projects and initiatives
<b>Result</b> ✓✓✓	An organisational change management function has been built into high-profile projects such as the Service Delivery Transformation program to ensure that change management is undertaken from the beginning and throughout the life of the project. Other projects and organisational activities are also supported by CASA's change management function.
<b>Initiative 3.3</b>	<b>Review and improve governance arrangements and quality of our activities</b>
<b>Measure</b>	Implement recommendations from a governance review
<b>Result</b> ✓✓✓	All recommendations from the 2017 governance review have been implemented or substantially progressed.
<b>Measure</b>	Implement a quality framework with a particular focus on aligning the management system with ISO 9001:2015, supporting continuous improvement, developing a quality assurance framework and improved quality measurement and reporting
<b>Result</b> ✓✓✓	<p>CASA completed the development and implementation of a quality framework through the Quality vision, which encompasses six key elements. In implementing the vision CASA has deployed a management system that is aligned with ISO9001:2015, a continuous improvement roadmap, and an assurance framework informed by a quality assurance map that is consistent with the 'three lines of defence' model.</p> <p>In 2018–19, the framework will continue to be embedded, through the delivery of the continuous improvement program of work, and will contribute to the achievement of improved quality measurement and reporting.</p>
<b>Measure</b>	Revisit our approach to risk to build awareness and improve our application of risk principles
<b>Result</b> ✓✓✓	CASA achieved a Comcover assessment rating of 'Advanced' for 2017. This is the second highest rating and keeps CASA in the top quartile of Commonwealth agencies. To improve CASA's application of risk principles, operational risk management and business planning templates were revised, and facilitated discussions were conducted with the senior management team regarding strategic risk and risk leadership behaviours. Over the next 12 months the risk management framework policy and reporting will be further reviewed to ensure that they remain fit for purpose.
<b>Initiative 3.4</b>	<b>Adopt, develop and drive client service delivery improvements incorporating a digital first and any device enabled approach that supports the objectives of our service delivery</b>
<b>Measure</b>	Optimise client contact arrangements with a particular focus on forms, email and phone channels
<b>Result</b> ✓✓✓	<p>CASA has built and delivered the CASA online portal to the foundation stage. The user experience requirements for the online portal, aviation registration number registration and 100-point identity check have been refined and will be ready to go live in July 2018.</p> <p>An upgrade to the underlying telephony technology, to enable additional functionality, is scheduled to be completed by early July 2018.</p>
<b>Initiative 3.5</b>	<b>Leverage proven advances in technology and ICT practices to continually improve services for the benefit of CASA and its clients</b>
<b>Measure</b>	Deliver new desktop capability to increase flexibility for CASA's inspectorate
<b>Result</b> ✓✓✓	The new desktop capability was rolled out across CASA and completed in May 2018.

<b>Measure</b>	Investigate options for the replacement of aviation risk-based system
<b>Result</b> ✓✓✓	CASA worked to identify and define business requirements, scope and resourcing needs for the replacement of the aviation risk-based system. Consolidation of the current system into a replacement system is planned for completion in 2018–19.
<b>Measure</b>	Increase the ability for our staff to access CASA information from ‘any device, anywhere, anytime’
<b>Result</b> ✓✓✓	The CASA end-user computing desktop deployment was completed in May 2018, and improved information access from any device, anywhere, at any time.  Further options using cloud computing will be investigated in 2018–19.

## Key performance area – CASA’s capability and capacity

<b>Initiative 3.6</b>	<b>Improve our training and professional development activities to enhance and develop our people</b>
<b>Measure</b>	Centralise the management of training and development
<b>Result</b> ✓✓✓	CASA established the Training Branch in July 2017 to centralise the management of training and development, including budgetary control. The branch has developed a single, overarching capability development framework and aligned the processes for developing professional development and regulatory and technical training opportunities.
<b>Measure</b>	Establish a learning advisory panel comprised of stakeholders from each functional area of CASA to report to CASA’s executive team
<b>Result</b> ✓✓✓	The Learning Advisory Panel was established in July 2017 and has been integrated into the organisational governance structure. The panel reports to the People Committee.
<b>Initiative 3.7</b>	<b>Continue to maintain sound financial management</b>
<b>Measure</b>	Revise our funding profile in response to revenue and other emerging pressures
<b>Result</b> ✓✓✓	CASA provided an alternative funding profile to the Department of Infrastructure, Regional Development and Cities for incorporation into the department’s submission on the Mid-Year Economic and Fiscal Outlook in October 2018.
<b>Measure</b>	Consult with stakeholders on simplified cost recovery arrangements
<b>Result</b> ✓✓	CASA is developing simplified cost recovery arrangements by reducing the number of fee types to approximately 100 and fixing the prices of as many fees as possible. New fixed fees are approaching finalisation: internal consultation is expected to commence in August 2018 and external consultation will commence shortly after.

## Key performance indicators

CASA reports against 10 KPIs which are supported by performance measures and quantitative metrics set out in the *CASA Corporate Plan 2017–18*.

CASA's performance in relation to Goal 3 is measured against KPIs 9 and 10, as shown in Table 4.

**Table 4** Performance summary against key performance indicators 9 to 10, 2017–18

Key performance indicator	Performance measures	Performance summary
<b>9. CASA's governance structures, finance and risk management aligned with Commonwealth better practice</b>	9a. CASA placed in the top quartile of agencies in the Comcover annual risk management benchmarking survey	Following completion of the Comcover annual risk benchmarking survey, CASA achieved a Comcover assessment rating of 'Advanced' for 2017, maintaining the organisation's position within the top quartile of Commonwealth agencies. CASA's new governance committee structure is maturing and contributing to a more consistent and robust analysis of risk across the organisation.
	9b. Being mindful of CASA's statutory framework, alignment of governance framework and policies with Australian National Audit Office better practice	CASA's financial statements for 2016–17 were finalised on 25 August 2017. The ANAO provided an unmodified opinion of the statements.
	9d. CASA ICT will benchmark and review its operations	CASA has no ANAO active audit recommendations. Interim audits performed by RSM Australia found no issues in the Finance, People and Culture, or Information Technology branches. No interim report was produced.
	9e. CASA ICT service performance will be defined and benchmarked against similar government and private sector organisations	CASA's ICT governance arrangements are aligned with CASA's broader governance processes. Formal benchmarking will occur in 2018–19.
	9f. Agreed project benefits and milestones are measured, monitored and achieved	CASA maintained system availability within agreed service levels in 2017–18, excluding vendor-specific data centre outages in late January and early February 2018.
		CASA significantly improved project oversight and assurance in 2017–18.

Key performance indicator	Performance measures	Performance summary
10. CASA maintains the capability and capacity to effectively deliver aviation safety regulation	<p>10a. Maintain the current high level of employee engagement (75% or above) as reported every two years</p> <p>10b. Staff trained in accordance with the Regulatory and Technical Training Framework</p>	<p>Average staffing levels remained within 5% of budgeted staffing levels throughout 2017–18.</p> <p>On 30 June 2018, average staffing levels were within 1% of the 2017–18 Portfolio Budget Statements resourcing estimate: the actual average staffing level was 798.98, against an estimate of 805. Capability gaps will be measured in the second half of 2018–19.</p> <p>CASA conducted its second stakeholder relationship survey, <i>Measuring our Performance</i>, in April and May 2018. A total of 1,168 participants completed the survey. The results are expected to be published early in 2018–19.</p> <p>Reports on completion rates for regulatory and technical training commenced in February 2018 and were sent to managers on a quarterly basis to enable them to monitor the progress of their inspectors against the mandatory training for their roles and, where appropriate, act to ensure that all mandatory training is completed.</p> <p>The list of industry personnel waiting to attend CASA airworthiness courses to obtain an instrument of appointment or delegation as an airworthiness delegate has decreased from approximately 300 to 12 since October 2016. This is due to the delivery of several airworthiness courses in multiple locations for joint CASA–industry participation.</p>



## Looking forward

- » CASA will continue to rationalise legacy applications by building additional surveillance and case management capability into CASA's EAP (European Aviation Processing) permissions and licensing system.
- » CASA's use of cloud computing technologies will be expanded through the digital program in support of the Service Delivery Transformation program.
- » Improvements will be made to CASA's business intelligence and analytics capability to include the ability for CASA business areas to access data for use in interactive dashboard reports.
- » CASA will maintain and modernise existing ICT capability through a refreshment program that includes updating hardware components, updating and enhancing software, and improving security.
- » From 2 July 2018, CASA will deliver client service delivery improvements incorporating a 'digital first' approach through the establishment of a digital services platform and the introduction of a client portal that allows participants to apply for an aviation registration number online.
- » CASA's Service Delivery Transformation program of work will continue through 2018–19. The next services to be transformed will be for clients seeking RPAS services. The transformed services and experiences will replace the existing manual, forms-based transactions for issuing a remote pilot licence or a remotely piloted aircraft operator certificate and for registering a drone.
- » CASA will launch a new diversity and inclusion strategy in 2018–19 and implement the resulting initiatives over a three-year period. The strategy will seek to support CASA in expanding the diversity of its workforce and emphasise the importance of inclusion to achieving organisational success.
- » CASA will complete the implementation of a revised information management framework.

dianagrytsku | stock.adobe.com



# REGULATOR PERFORMANCE FRAMEWORK

Consistent with the requirements of the Government's Regulator Performance Framework, CASA established an external performance validation panel in June 2016. The panel provides CASA with advice on its performance targets as outlined in CASA's corporate plan.

The panel comprises a representative from the Department of Infrastructure, Regional Development and Cities, a representative from a comparable regulator (the Australian Maritime Safety Authority), a CASA representative and four industry representatives.

aapsky | stock.adobe.com

In support of the CASA Board, the role of the panel is to:

- » assess the appropriateness of, and monitor, key performance measures for CASA
- » review the relevance of the evidence used to support the performance measures
- » monitor the appropriateness of the regulatory service standards and the measurement of performance against those standards.

The external performance validation panel met on 14 November 2017 and 13 March 2018 in addition to providing written advice and comments.

In accordance with the Regulator Performance Framework, CASA prepared a self-assessment report on its performance for 2016–17 in December 2017. The report was provided to the panel for review before it was submitted to the Minister in early 2018. The panel considered that CASA's second self-assessment report provided a detailed and balanced assessment of performance and was a significant improvement when compared to its first report.

CASA will provide its 2017–18 self-assessment report to the Minister separately from this annual report.



## Ramping up international inspection training



As part of a working arrangement with the European Aviation Safety Agency (EASA), CASA has greater access to international-standard ramp inspection training and data.

In January 2017, CASA signed a working arrangement with EASA to participate in the European Union Safety Assessment of Foreign Aircraft (SAFA) program, an international surveillance program which provides for ramp inspections of foreign aircraft against International Civil Aviation Organization standards.

As part of the arrangement, four CASA inspectors undertook ramp inspection training in mid-2017.

Theoretical and practical training of inspectors must be conducted by an EASA-approved training organisation. Qualified EASA senior inspectors provide trainees with one-on-one training on a minimum of 12 ramp inspections.

To qualify as a ramp inspector under the program, a candidate must have relevant experience in a range of inspection items, which include checks on pilot licences, procedures and manuals, cargo carried in the aircraft, and the technical condition of the aircraft and safety equipment.

Training for the four inspectors was conducted at the Joint Aviation Authorities Training Organisation in Amsterdam. On-the-job training was undertaken with the Netherlands Civil Aviation Authority and Luftfahrt-Bundesamt (the German Civil Aviation Authority).

CASA's Grant Hamilton (centre back row), with Werner Lushington (fourth from right), Allison Ingham (third from right) and Miles Gore-Brown (far right), with their international counterparts during practical training at Amsterdam's Schiphol Airport.

CASA was represented by Miles Gore-Brown (flying operations inspector), Werner Lushington (airworthiness inspector), Allison Ingham (safety systems inspector) and Grant Hamilton (Manager International Operations).

In addition to their on-the-job training, the CASA inspectors were given information on SAFA database processes and procedures.

During the theoretical training course, CASA's inspectors were able to build relationships and compare experiences with inspectors from the Netherlands, including Aruba and Curacao, and Kenya, Israel and Macau.

Airline operators inspected during the on-the-job training component included a number of airlines currently operating to Australia, such as Thai Airways, Air India, Garuda Indonesia, United Airlines and Air China, and airlines that do not operate to Australia, such as Saudi Arabian Airlines, Air Malta, easyJet, Air Astana and Mahan Air.

CASA now has internationally qualified inspectors who can conduct ramp inspections on foreign operators as part of an internationally recognised program and in a standardised manner.

Ramp inspections conducted in Australia on foreign operators will now be entered into the centralised SAFA database managed by EASA, providing other countries with valuable information on operators and contributing data for analysis.

## CASA recognised for role in unique project



CASA staff involved in a unique multi-agency airspace project were recognised at a special morning tea function in May 2018.

The protective airspace project for the 2018 Commonwealth Games involved CASA staff from areas including the Office of Airspace Regulation, the Legal and Regulatory Affairs Division, the Stakeholder Engagement Division and the Remotely Piloted Aircraft Systems Branch.

Shane Carmody, Chief Executive Officer and Director of Aviation Safety, attended the morning tea, where staff were presented with individual pins and a special plaque from the Queensland Police Service in recognition of CASA's work.

Queensland Police Service Assistant Commissioner Peter Crawford presented the plaque and thanked CASA for contributing to the success of the Commonwealth Games.

This was CASA's second development and implementation of a multi-agency remotely piloted aircraft (drone) protective airspace solution, the first being for the ASEAN–Australia Special Summit held in Australia in April 2018.

The protective airspace project took more than 12 months of liaison and stakeholder engagement with representatives from the Department of Home Affairs, Airservices Australia, the Department of Defence, the Australian Federal Police and the Queensland Police Service.

CEO/DAS Shane Carmody with CASA staff at celebratory morning tea in recognition of their efforts working with Queensland Police Service.

The Office of Airspace Regulation developed 17 specific remotely piloted aircraft temporary restricted areas, as well as temporary restricted areas for piloted aircraft, in conjunction with Airservices Australia, the Department of Defence and relevant police forces.

The team from the Legal and Regulatory Affairs Division, with input from other areas in CASA, developed at short notice a Civil Aviation Regulation 288 delegation, working extended hours to ensure that the delegation was ready before the games.

The Stakeholder Engagement Division, in consultation with other areas within CASA and other agencies, also developed a multifaceted communication strategy to ensure timely and wide distribution of relevant airspace information to a broad audience.

Communication material included maps on the CASA website highlighting the restrictions in place during the games; social media and targeted advertising at Brisbane and Gold Coast airports, hotels, registered clubs, pubs and shopping centres; and 30,000 postcards promoting the tagline 'Play it safe these games, leave your drone at home'.

The project was a success: there were only a limited number of airspace incursions by remotely piloted aircraft, and no piloted aircraft breached the temporary restricted areas.



## PART 3: CORPORATE GOVERNANCE AND MANAGEMENT

CASA has a range of measures in place to ensure that it meets its commitment to be publicly accountable for its actions and provides a safe and rewarding work environment for its staff. This part of the report details CASA's corporate governance arrangements, organisational structure and people, and describes the initiatives CASA takes to engage effectively with the wider aviation community.

### In this part:

- » Corporate governance **68**
- » People management **87**
- » Work health and safety **95**
- » External engagement **100**
- » External scrutiny **106**

Duncan Grant | Piper Seneca instrument panel

# CORPORATE GOVERNANCE

CASA's governance framework provides the context within which the organisation operates to achieve its objectives, ensuring transparent, ethical and accountable evidence-based decision-making, and effectively managing risk and key stakeholder relationships.

CASA's governance system is firmly aligned with the *Civil Aviation Act 1988* and fully reflects all Commonwealth legislation and policies directly affecting CASA. The system incorporates governing and management arrangements; policy settings; internal and external communication; risk management and auditing arrangements; quality assurance; and the appointment and management of delegates and authorised persons.

## Enabling legislation

CASA was established on 6 July 1995 as an independent statutory authority by an amendment to the *Civil Aviation Act*.

Under section 9 of the *Civil Aviation Act*, CASA's primary function is to regulate the safety of civil air operations in Australia and the operation of Australian aircraft overseas.

CASA's other safety-related functions include encouraging a greater acceptance by the aviation industry of its obligation to maintain high standards of aviation safety by providing comprehensive safety education and training and accurate and timely advice, and by fostering awareness of the importance of aviation safety and compliance with relevant legislation.

CASA also has the functions of cooperating with the Australian Transport Safety Bureau (ATSB), implementing aspects of the Australia–New Zealand mutual recognition agreements, and administering elements of the insurance and financial arrangements required under the *Civil Aviation (Carriers' Liability) Act 1959*.

CASA exercises its powers under the *Civil Aviation Act* and through the *Civil Aviation Regulations 1988*, *Civil Aviation Safety Regulations 1998*, *Civil Aviation Orders*, *Manuals of Standards* and other legislative instruments. CASA also publishes advisory and guidance materials related to air safety.

CASA has specified obligations under the *Airspace Act 2007*, the *Transport Safety Investigation Act 2003* and the *Aviation Transport Security Act 2004*.

CASA is accountable as a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). CASA has annual reporting responsibilities under section 46 of the PGPA Act and sections 44 and 49 of the *Civil Aviation Act*. CASA also has a range of reporting and other responsibilities under legislation generally applicable to Commonwealth government authorities.

## Portfolio structure and responsible minister

CASA is a statutory authority within the Infrastructure, Regional Development and Cities portfolio. The minister responsible for CASA is the Hon Michael McCormack MP, Minister for Infrastructure, Transport and Regional Development. The Hon Darren Chester MP was the responsible minister from 18 February 2016 to 20 December 2017 and the Hon Barnaby Joyce MP held the position from 20 December 2017 to 26 February 2018.

## Ministerial directions

On 21 March 2017, the Minister for Infrastructure and Transport issued a notice of strategic direction under section 12A of the *Civil Aviation Act*, in the form of a Statement of Expectations for the Board of CASA. The Statement of Expectations is the formal and public written expression of the Minister's expectations concerning the operations and performance of CASA for the period from 27 March 2017 to 30 June 2019.

The Minister's expectations are reflected in the corporate plan for 2017–18, which was endorsed by the Board in line with its functions under section 53 of the Civil Aviation Act.

Under section 19 of the PGPA Act, CASA is required to give the Minister for Infrastructure, Transport and Regional Development or the Finance Minister reports, documents and information on its activities. In 2017–18, this included a report on CASA's compliance with the requirements of the public governance, performance and accountability framework and regular reports on CASA's performance.

On 16 August 2017, the Minister for Finance signed Public Governance, Performance and Accountability (Charging for Regulatory Activities) Order 2017 which requires CASA to apply certain policies relating to charging for regulatory activities. This order came into effect on 24 August 2017.

## CASA Board

The CASA Board was established under Part VII of the Civil Aviation Act. The Board comprises a Chair; a Deputy Chair; the Chief Executive Officer and Director of Aviation Safety (CEO/DAS), as an ex-officio member; and up to four other members. At 30 June 2018, the Board comprised the maximum seven members, although the Minister had yet to appoint a Deputy Chair.

The functions of the Board are to:

- » decide CASA's objectives, strategies and policies
- » ensure that CASA performs its functions in a proper, efficient and effective manner
- » ensure that CASA complies with specified ministerial directions.

The Board puts in place strategies, policies and directions to guide the CEO/DAS and staff in their conduct of CASA's day-to-day business.

## Board members

With the exception of the CEO/DAS, Board members are appointed on a part-time basis by the Minister for terms of up to three years, subject to possible reappointment. In appointing Board members, the Minister must ensure there is an appropriate balance of professional expertise and experience but need not ensure that particular sectors of the aviation industry are represented.

The Director of Aviation Safety is appointed under Part VIIA of the Civil Aviation Act. After consulting the Minister, the Board appoints the Director for a term of up to five years, subject to possible reappointment. The Director manages CASA subject to the directions of, and in accordance with policies determined by, the Board.

Mr Shane Carmody occupied the role of CEO/DAS for the full 2017–18 period.

Two new Board members were appointed in 2017–18, for three-year terms: Ms Jane McAloon, on 2 January 2018; and Mr Mark Rindfleish, on 16 April 2018. Ms Anita Taylor was reappointed, for a term that will expire on 1 March 2020.

Table 5 summarises the qualifications and experience of the Board members at 30 June 2018.



**Table 5 CASA Board members at 30 June 2018**

<b>Mr Jeff Boyd</b> <b>Chair</b> First appointed: 1 July 2014 Non-executive member	<p>Mr Jeff Boyd has qualifications as a licensed aircraft maintenance engineer, commercial pilot and company director.</p> <p>Mr Boyd commenced his career in aviation in 1980 as an aircraft maintenance engineer, before qualifying as a commercial pilot and also working as the chief engineer with a regional airline.</p> <p>In 1994, with his wife, Lara Corry-Boyd, he gained an air operator certificate as a charter operator and established Brindabella Airlines. Mr Boyd and his wife grew this business to include regular public transport operations, a flying training school and aircraft maintenance and engineering. In 2002, Brindabella Airlines gained Qantas affiliate status and commenced services from Canberra to Newcastle, Albury and Wagga Wagga. Mr Boyd sold the airline in 2011. At that time it operated over 7,000 regular public transport flights per year to 10 regional and capital city airports.</p> <p>In 2008, Mr Boyd was a finalist in the Ernst &amp; Young Entrepreneur of the Year Award. He has served as a member of the Reserve Bank Small Business Advisory Board, a director and Chairman of the Regional Aviation Association of Australia (RAAA), Chairman of the RAAA Technical Working Group, a director of the Australian Aviation Hall of Fame, and a director of Jetfast Aviation Pty Ltd.</p>
<b>Ms Anita Taylor</b> First appointed: 3 December 2014 Reappointed: 18 December 2017 Non-executive member	<p>Ms Anita Taylor is a chartered accountant with mediation, psychology and governance qualifications. She has a Bachelor of Science (Psychology) and a Bachelor of Commerce (Accounting). Ms Taylor is also a glider pilot.</p> <p>Ms Taylor is Chair of the CASA Board Audit Committee. She is an experienced company director and chairperson, having previously served on financial, education, sports administration, agricultural and development boards. She has also served on committees of community and not-for-profit organisations, and on public and listed companies.</p> <p>Ms Taylor and her husband run a superfine merino and Angus cattle property in regional New South Wales.</p>
<b>Ms Philippa Stone</b> First appointed: 1 October 2015 Non-executive member	<p>Ms Philippa Stone has honours degrees in Arts and Law from the University of Sydney. She is a partner of Herbert Smith Freehills, a major international law firm, and is Joint Global Head of the firm's Capital Markets group, where she specialises in equity raisings and mergers and acquisitions, including a number of major transactions in the aviation sector.</p> <p>Ms Stone has been a guest lecturer at the University of New South Wales on corporate control transactions and at Sydney University on capital markets transactions. She is on the Law Council of Australia's Corporations Law Committee. Ms Stone was a member of the Commonwealth Government's Business Regulation Advisory Group on the CLERP 9 reforms and other Corporations Law simplification changes, and a member of the Australian Securities Exchange's Appeals Tribunal.</p> <p>Ms Stone has been a member of the International Air Services Commission, and prior to that was a non-executive director of Airservices Australia.</p>



---

**Ms Cheryl Cartwright**

First appointed:  
17 April 2017

Non-executive  
member

Ms Cheryl Cartwright has more than three decades experience in media, politics and industry associations, including senior management roles. She has a strong focus on strategy and governance, including not-for-profit boards.

Ms Cartwright's media experience covers print, radio and television. She has been a political and media advisor and was chief of staff to a senior cabinet minister.

From 2005 to 2017, Ms Cartwright was Chief Executive of the Australian Pipelines and Gas Association. She worked closely with the board to redefine and energise the association, dramatically increasing its size and influence and raising its profile.

Ms Cartwright brings comprehensive experience in communications, messaging, strategic planning and corporate governance to the CASA Board.

---

**Ms Jane McAloon**

First appointed:  
2 January 2018

Non-executive  
member

Ms Jane McAloon has a Bachelor of Laws and a Bachelor of Economics (Hons) from Monash University, and a Graduate Diploma in Corporate Governance. She is a fellow of the Australian Institute of Company Directors and of the Governance Institute of Australia.

Ms McAloon has been in the natural resources, energy, infrastructure and utility industries for over 25 years. She is a senior advisor with Gresham, a leading independent Australian-owned advisory and funds management business. She was an executive at BHP Billiton for nine years, working on key strategic issues, corporate transactions, and market, regulatory and reputational matters. Before joining BHP Billiton she was an executive at AGL, held leadership roles in the New South Wales Government Cabinet Office and various departments, was in private legal practice and worked in the Economics Department at Monash University.

Ms McAloon is a non-executive director of Healthscope, EnergyAustralia and the not-for-profit Bravery Trust and a member of the Referendum Council on constitutional recognition for Aboriginal and Torres Strait Islander peoples. She is also a member of the Monash University Industry Council of Advisers. Previous directorships include the Australian Corporations and Markets Advisory Committee and the Australian War Memorial Council.

Ms McAloon has been a safety regulator in the energy sector and always worked with safety management systems as a fundamental principle in successful business.

---

**Mr Mark Rindfleish**

First appointed:  
16 April 2018

Non-executive  
member

Mr Mark Rindfleish has over 45 years experience as an airline pilot and senior operations manager with airlines in Australia and overseas. Mr Rindfleish has been Director Flight Operations Ansett Australia, Vice President Flight Operations Air New Zealand, Executive General Manager Operations Ansett, General Manager Safety Jetstar Airways and Head of Flying Operations and Chief Pilot Jetstar Australia and New Zealand.

In addition, Mr Rindfleish has served in a number of advisory roles, including as safety advisor to Jetstar Airways boards, Chairman Flight Operations and Safety Working Group of Asia Pacific Airlines and Chairman Flight Operations Committee Star Alliance.

Mr Rindfleish has maintained a keen interest in sport and general aviation throughout his career, and regularly flies light aircraft. He is a fellow of the Royal Aeronautical Society, a Master Air Pilot and a member of the Australian Institute of Company Directors.

---

## Mr Shane Carmody

Director of Aviation Safety

First appointed:  
10 October 2016

Ex-officio Board member

Mr Shane Carmody commenced as Chief Executive Officer and Director of Aviation Safety on 7 June 2017, having acted in the position since 10 October 2016.

Mr Carmody's previous appointment was as Deputy Secretary, Department of Infrastructure and Regional Development, where his areas of responsibility included local government and territories, the Office of Transport Security and aviation and airports.

A former Deputy Chief Executive of CASA, Mr Carmody has extensive experience at senior levels in the Australian Public Service. His roles have included Deputy Secretary/Chief Operating Officer at the Department of Veterans' Affairs, Deputy President of the Repatriation Commission, and Deputy Secretary Intelligence and Security and Deputy Secretary Strategy in the Department of Defence. He has significant policy, regulatory and business management experience.

Mr Carmody joined the Australian Public Service in 1989, after a 15-year career as an Army officer serving in Australia and overseas.



**CASA Board |** (Back row) Mark Rindfleish, Cheryl Cartwright, Anita Taylor, Jane McAloon. (Front row) Philippa Stone, Shane Carmody, Jeff Boyd.

## Board meetings

Six scheduled Board meetings were held during 2017–18, on 25 August, 20 October, 7 December, 23 February, 19 April and 29 June. All Board members attended the meetings they were eligible to attend.

In February 2018, the CASA Board undertook a joint strategic planning day with the CASA executive management team.

# Board Audit Committee

The Board appoints an audit committee in accordance with section 45 of the PGPA Act. The Board Audit Committee's role is to provide independent assurance and assistance to the Board to discharge its responsibilities under the Civil Aviation Act and the PGPA Act in respect of financial reporting, performance reporting, the system of risk oversight and management, the system of internal control, and compliance with relevant laws and policies.

The duties of the committee are detailed in the Board Audit Committee Charter and Governance Arrangements. The charter reflects the requirements of the PGPA Act and aligns the structure and layout with the model contained in the *Public Sector Audit Committees* better practice guide published by the Australian National Audit Office in March 2015.

The Audit Committee normally consists of four members appointed by the Board, including a Board member as Chair. The current Chair, Ms Anita Taylor, was appointed as joint Chair from December 2014 and assumed sole responsibility from 1 July 2015.

Two Audit Committee members retired during the year. Mr Rod Alfredson departed in November 2017 and Ms Barbara Yeoh in April 2018, both after many years of sterling service to CASA. Ms Jane McAloon was appointed to the Board Audit Committee on 19 April 2018, to commence from 1 July 2018.

The Board Audit Committee held five meetings during 2017–18, on 23 August, 24 November, 21 February, 6 April and 15 June.

Table 6 summarises the relevant experience of the Board Audit Committee members at 30 June 2018.

**Table 6 Board Audit Committee members at 30 June 2018**

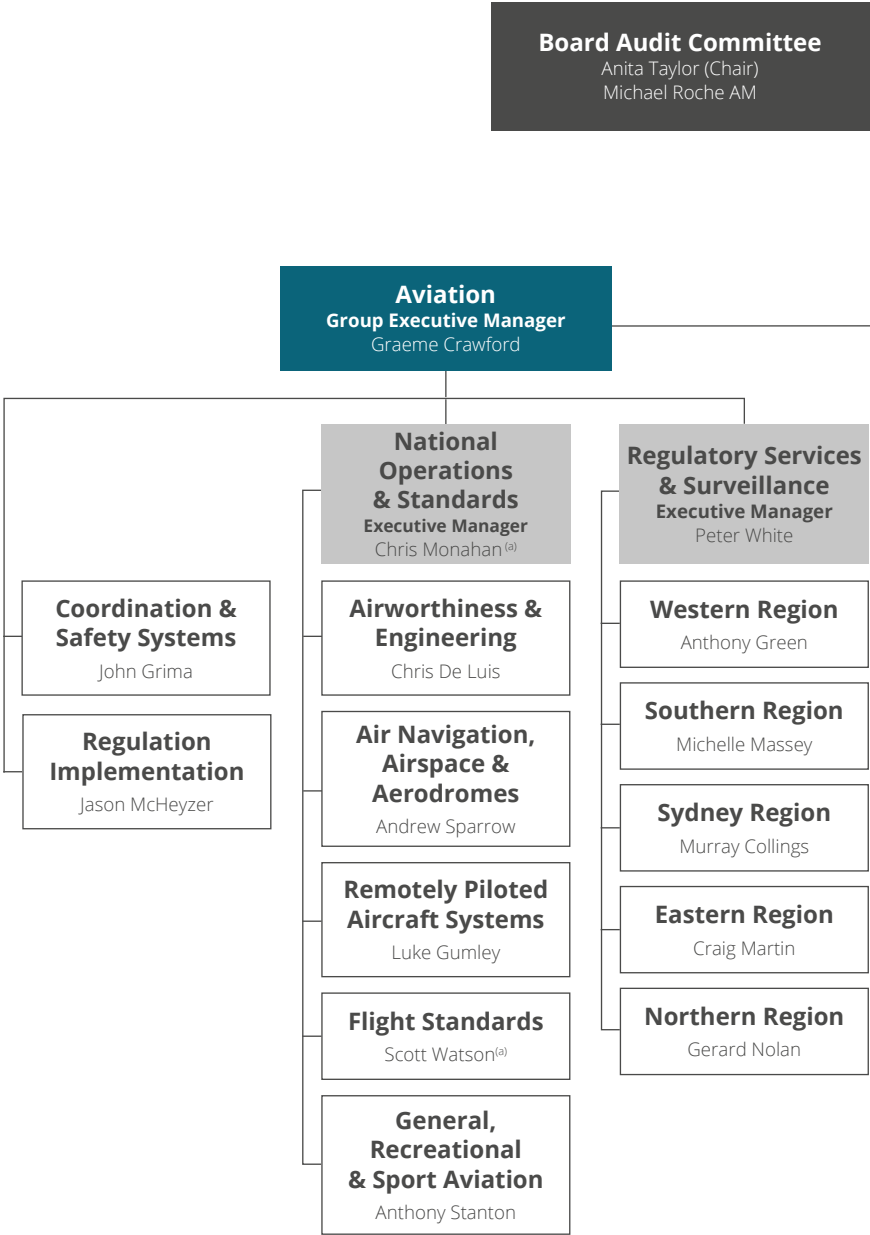
<div><div>Ms Anita Taylor</div><div>Chair</div></div> <div>First appointed: 12 December 2014</div> <div>Reappointed: 18 December 2017</div>	<p>Ms Anita Taylor is a chartered accountant with mediation, psychology and governance qualifications. She has a Bachelor of Science (Psychology) and a Bachelor of Commerce (Accounting). Ms Taylor is also a glider pilot.</p> <p>Ms Taylor is Chair of the CASA Board Audit Committee. She is an experienced company director and chairperson, having previously served on financial, education, sports administration, agricultural and development boards. She has also served on committees of community and not-for-profit organisations, and on public and listed companies.</p> <p>Ms Taylor and her husband run a superfine merino and Angus cattle property in regional New South Wales.</p>
<div><div>Mr Michael Roche AM</div></div> <div>First appointed: 20 February 2010</div>	<p>Mr Michael Roche has qualifications in accounting and information technology systems. He is a fellow of the Australian Society of Certified Practising Accountants and a member of the Australian Computer Society.</p> <p>Mr Roche has extensive experience at senior levels in the Australian Government in corporate and financial management and policy development. He is the director of two not-for-profit companies as well as a member of a number of audit committees and governance boards.</p>

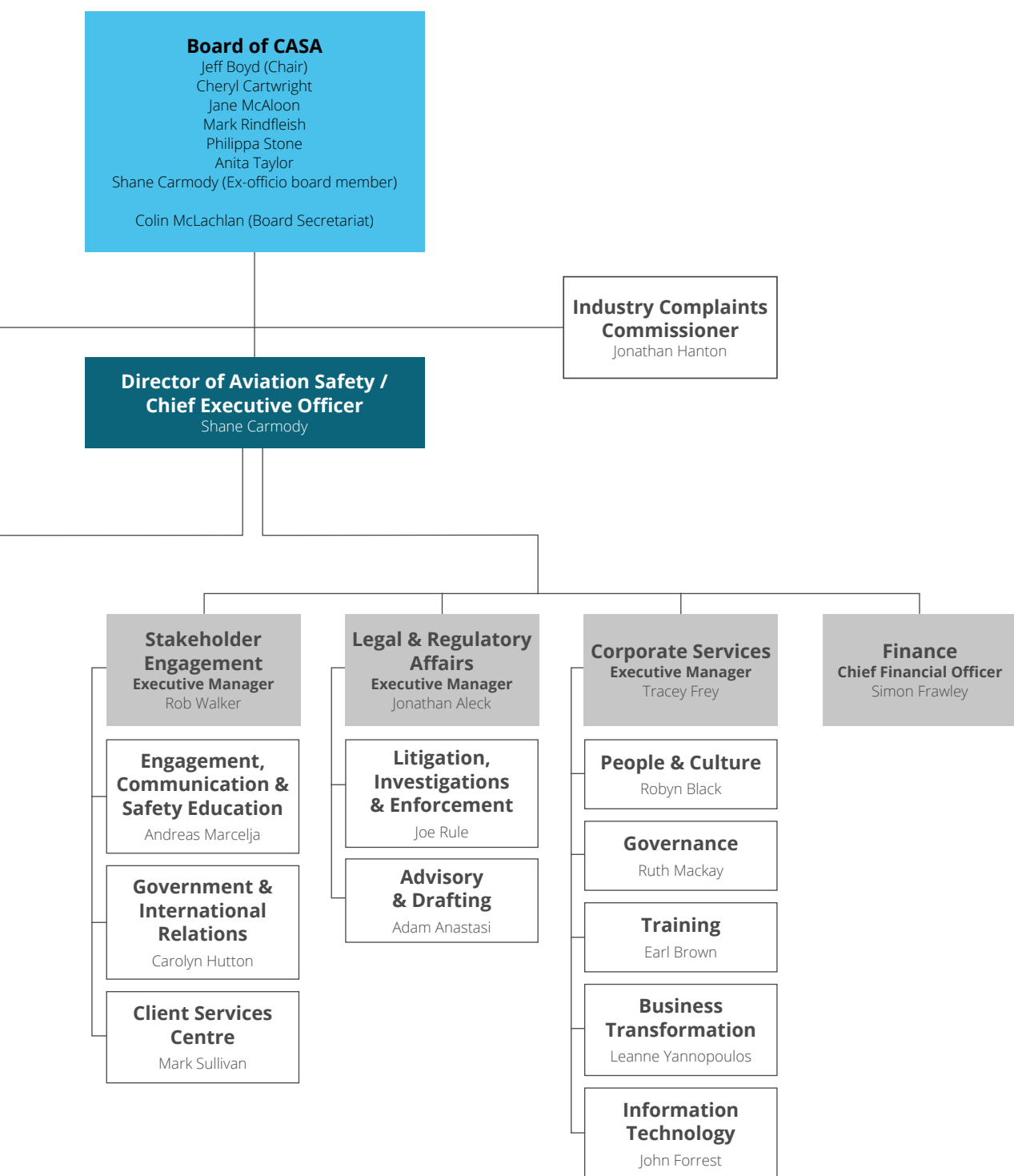
# Organisational structure

CASA's structure is designed to ensure that resources are aligned to core functions, providing for clear lines of reporting.

Figure 9 shows the elements and relationships of CASA's organisational structure at 30 June 2018.

Figure 9 Organisational structure at 30 June 2018





(a) acting

## Organisational changes

In 2017–18, changes were made to CASA's structure to meet evolving regulatory demands and improve the delivery of CASA's outcomes and government priorities.

In August 2017, the Remotely Piloted Aircraft Systems Branch was created to support the growing remotely piloted aircraft sector and allow CASA to be responsive to changes in this area and focus on future technology and drone use.

In December 2017, CASA completed a post-implementation review of the Renewing CASA program of 2015–16. Following the review several structural changes were made to improve clarity of roles and align more closely with International Civil Aviation Organization (ICAO) functions, leading to improved client services and greater focus on aviation policy, collaboration, IT support and project delivery, and governance.

The changes are detailed below.

### Aviation Group

- » The Coordination and Safety Systems Branch was created to focus on strategic direction, consistency and collaboration.
- » The General, Recreational and Sport Aviation Branch was established to provide improved and coordinated regulatory management for those sectors.
- » The National Operations and Standards Division was created, with responsibility for policy and legislation of all aviation safety standards.
- » The Regulatory Services and Surveillance Division was created, incorporating CASA's five regional offices and with responsibility for the provision of surveillance and aviation safety regulatory services and facilitation of regulatory compliance support to operators.

- » Technical operations and international operations functions were transferred to report to the Eastern Region Manager.
- » The Strategic Analysis section was transferred to the Coordination and Safety Systems Branch, to improve sector risk data analysis.

### Stakeholder Engagement Division

- » The Stakeholder Engagement Group was renamed the Stakeholder Engagement Division.
- » The Industry Relations, Safety Promotion Branch and the Stakeholder Communication Branch were amalgamated to form the Engagement, Communication and Safety Education Branch.
- » The Client Services Centre was transferred from Corporate Services into the Stakeholder Engagement Division to consolidate the focus on engagement with stakeholders.

### Corporate Services Division

- » The Sustainability Group was renamed the Corporate Services Division to provide functional clarity.
- » The Governance Branch was created in Corporate Services Division, replacing the Strategy, Quality and Intelligence Branch within the office of the CEO/DAS and centralising CASA's governance and continuous improvement functions.
- » The Business Transformation Branch was created to focus on whole-of-CASA transformation and project management.
- » The Information Management section was transferred from the Information Technology Branch into the Governance Branch to consolidate the information management governance and strategy setting role.
- » The Training Branch was transferred from the Stakeholder Engagement Division into the Corporate Services Division to consolidate the focus on enhancing CASA's people capability.
- » The business analysis function was transferred to the Information Technology Branch.



### Legal and Regulatory Affairs Division

- » Legal Affairs, Regulatory Policy and International Strategy Branch was renamed Legal and Regulatory Affairs Division in recognition of the strong demand for legal counsel and policy advisory services within CASA.
- » The Legal Advisory, Drafting and Contracts section was renamed Advisory and Drafting Branch, to improve clarity of functions.
- » The Litigation and Enforcement section was renamed Litigation, Investigations and Enforcement Branch, to improve clarity of functions.

### Finance Branch

- » There were no changes to the Finance Branch as a result of the post implementation review.

### Senior manager appointments and departures

The following senior managers were appointed during the year:

- » Ms Robyn Black, Branch Manager, People and Culture, Corporate Services Division
- » Mr Earl Brown, Branch Manager, Training, Corporate Services Division
- » Mr Murray Collings, Regional Manager Sydney, Regulatory Services and Surveillance Division
- » Mr Chris De Luis, Branch Manager, Airworthiness and Engineering, National Operations and Standards Division
- » Mr John Grima, Branch Manager, Coordination and Safety Systems, Aviation Group
- » Ms Carolyn Hutton, Branch Manager, Government and International Relations, Stakeholder Engagement Division

- » Mr Andreas Marcelja, Branch Manager, Engagement, Communication and Safety Education, Stakeholder Engagement Division
- » Mr Chris Monahan, Branch Manager, Flight Standards, National Operations and Standards Division, Aviation Group
- » Mr Andrew Sparrow, Branch Manager, Air Navigation, Airspace and Aerodromes, National Operations and Standards Division
- » Mr Peter White, Executive Manager, Regulatory Services and Surveillance Division, Aviation Group.

The following senior managers departed during the year:

- » Mr Gerard Campbell, Branch Manager, Training, Corporate Services Division
- » Ms Cate Saunders, Branch Manager, People and Culture, Corporate Services Division
- » Mr Fred van der Heide, Regional Manager Sydney, Regulatory Services and Surveillance Division.

### Senior executives

The following sections summarise the qualifications, experience and responsibilities of CASA's senior executives.

**Aviation Group**  
**Graeme Crawford**

Group Executive Manager  
Phone: 02 6217 1330  
Email: [graeme.crawford@casa.gov.au](mailto:graeme.crawford@casa.gov.au)



**Profile**

Mr Graeme Crawford obtained his production and mechanical engineering and industrial management qualifications from Glasgow Caledonian University and is a former member of the Institution of Industrial Managers.

Mr Crawford began his aviation career in 1979 as a technical apprentice at Rolls-Royce in Scotland. He held a variety of engineering roles at Rolls-Royce and GE Caledonian, conducting defect investigations and test cell reject investigations and providing technical support to the engine maintenance operations, as well as designing engine maintenance programs and providing technical advice and on-wing technical support to customer airlines and engine-leasing companies.

Mr Crawford joined CASA in May 2016. Prior to this appointment, he had over 20 years experience in senior executive roles at globally renowned aviation organisations such as Qantas Airways, Pratt & Whitney, Goodrich Aerospace, Air Canada and General Electric. In those roles, he was responsible for maintenance businesses and initiated and led major business transformation programs delivering both increased efficiencies and improved customer service levels. He has demonstrated the ability to motivate and mobilise people from different cultures while running aviation engineering and maintenance operations in Australia, Canada, Norway, Scotland and the United States.

**Role**

The Aviation Group is CASA's frontline in maintaining aviation safety. The group uses available aircraft incident and accident data to identify and proactively mitigate emerging safety issues, sets aviation standards through the development and implementation of regulations and supporting material, and performs entry control and surveillance of aviation organisations. Collaboration between branches in the Aviation Group, across CASA and with industry is essential to maintaining and improving Australia's aviation safety record.

## Stakeholder Engagement Division

### Rob Walker

Executive Manager  
Phone: 02 6217 1167  
Email: [rob.walker@casa.gov.au](mailto:rob.walker@casa.gov.au)



#### Profile

Mr Rob Walker has over 30 years experience in stakeholder engagement and public affairs. Mr Walker has led stakeholder engagement at CASA since April 2016.

Prior to joining CASA, Mr Walker worked at Airservices Australia in a similar senior management role.

Mr Walker is passionate about the aviation industry, is well known to many in the industry and has significant experience in strategic stakeholder engagement, issues management and corporate communications.

Mr Walker is a member of the CASA Board Audit Committee, Chair of the Executive Sub-committee for Risk and Investment and a member of the Executive Sub-committee for Aviation Safety. He is a Fellow of the Royal Aeronautical Society and a private pilot.

#### Role

The Stakeholder Engagement Division develops and delivers CASA's safety promotion and education campaigns for the Australian aviation industry and is responsible for all corporate communication. The division manages CASA's relationships with industry and other stakeholders, including by coordinating the Aviation Safety Advisory Panel and technical working groups; CASA's relationships with government agencies, including the Minister's office; and CASA's strategic international engagement in policy, programs and International Civil Aviation Organization matters. The division also provides a range of regulatory service approvals and permissions to the aviation community, in close partnership with other parts of CASA.

**Corporate Services Division**

**Tracey Frey**

Executive Manager  
Phone: 02 6217 1058  
Email: [tracey.frey@casa.gov.au](mailto:tracey.frey@casa.gov.au)



**Profile**

Ms Tracey Frey has a Master of Business Administration, a Bachelor of Science (Psychology), a Bachelor of Arts, and a Graduate Diploma of Management (Industrial Relations). She joined CASA in April 2016 as Sustainability Group Manager.

Prior to joining CASA, Ms Frey acquired over 25 years of experience working in government agencies, predominantly in human resources and corporate functions. In recent years, Ms Frey held senior human resources roles at the Australian Taxation Office and Department of Defence and was the Chief Operating Officer and Chief Financial Officer of the Office of the Commonwealth Ombudsman.

Ms Frey has a passion for driving a diverse and inclusive workplace culture, and her recent career successes have focused on driving transformational change agendas.

**Role**

The Corporate Services Division contributes to aviation safety by enhancing capability, capacity and service delivery across the organisation, through the development and continuous improvement of people, processes, technology and service offerings. The division includes people and culture; training; the Chief Information Officer; and governance and business transformation.

## Legal and Regulatory Affairs Division

### Jonathan Aleck

Executive Manager

Phone: 02 6217 1600

Email: jonathan.aleck@casa.gov.au



#### Profile

Dr Jonathan Aleck holds a Juris Doctor degree, a Bachelor of Arts degree in psychology, a Master of Arts degree in political science and a Doctor of Philosophy in law. He is a fellow of the Royal Aeronautical Society and the Australian Institute of Management. He is a member of the National Executive of the Australian Institute of Administrative Law, of which he previously served for two terms as president.

Dr Aleck has taught in the faculties of law, politics and public policy at universities in Australia, Canada, the United States and Papua New Guinea. He also worked as an independent consultant and specialist advisor in the United States. He continues to lecture regularly on contemporary international and regulatory issues relevant to the Australian aviation community at the Australian National University, the University of New South Wales and the Australian Defence Force Academy.

Between 1998 and 2003, Dr Aleck served as Australia's representative on the Council of the International Civil Aviation Organization (ICAO). He currently chairs ICAO's Safety Information Protection Implementation Group and is Vice-chair of the Flight Safety Foundation's Legal Advisory Committee. He has represented Australia at a number of international aviation meetings and conferences.

#### Role

The Legal and Regulatory Affairs Division is responsible for CASA's legal services functions, including providing advice on regulatory and corporate matters; representing CASA in the courts, tribunals and coronial proceedings; drafting legislative and legal instruments; administering important aspects of CASA's enforcement processes; conducting investigations of potential offences under the civil aviation legislation; and managing CASA's alcohol and other drugs testing program under Subpart 99.C of the Civil Aviation Safety Regulations. The regulatory affairs function includes developing and applying regulatory policy and practice, implementing CASA's regulatory philosophy, managing the policy of industry self-administration, facilitating the establishment of safety partnership arrangements for research and development, and overseeing other high-level strategic and policy-orientated matters.

## Finance Branch

### Simon Frawley

Chief Financial Officer  
Phone: 02 6217 1190  
Email: [simon.frawley@casa.gov.au](mailto:simon.frawley@casa.gov.au)



#### Profile

Mr Simon Frawley has a Bachelor of Arts in accounting and is a member of Chartered Accountants Australia New Zealand. Mr Frawley joined CASA in October 2010, as Manager Financial Services and Reporting, and was Acting Chief Financial Officer from April 2015 until his permanent appointment to the position on 1 July 2016.

Mr Frawley started his career as a graduate with the Australian National Audit Office. After almost 10 years with that organisation he moved to the United States, where he worked for a general insurance company as an internal auditor.

On returning to Australia, Mr Frawley worked as Business Analysis Manager for the Health Services Australia Group (HSA), a government business enterprise. When HSA was acquired by Medibank Private and became Medibank Health Solutions, Mr Frawley was appointed Finance Manager. In this executive role he had overall management responsibility for corporate finance functions.

#### Role

The Finance Branch is responsible for financial accounting and financial transactional services, including accounts payable, accounts receivable and travel; management accounting; internal and external budgets; cost recovery; and financial performance reporting within CASA. It is also responsible for the management of CASA's office accommodation portfolio and physical security as well as maintaining CASA's contracts and procurement policies and compliance.



## Risk management

CASA adopts an enterprise-wide approach to risk management that provides the framework to enable CASA to achieve its vision of *Safe skies for all*.

All aviation activity involves a degree of risk, and it is a key element of CASA's role to understand the nature and full dimensions of the risks it oversees. In undertaking its regulatory function, CASA faces a variety of potential risks, such as failure to detect breaches of safety and maintenance standards, incorrect or inconsistent application of regulatory standards, ineffective stakeholder engagement, and failure to properly carry out statutory responsibilities. The identification, analysis, treatment, monitoring and review of risk are embedded into all CASA functions and contribute directly to the effective and efficient achievement of CASA's corporate goals.

CASA reviews its risk management policy and practices annually, to ensure that they continue to align with current best practice and accord with the principles outlined in the Australian and New Zealand International Standards Organisation Risk Management – Principles and Guidelines (AS/NZS ISO31000:2009), the PGPA Act and the Commonwealth Risk Management Policy.

### Key achievements

In 2017–18, CASA undertook improvements to its risk leadership and culture and staff understanding and awareness of CASA's strategic risk profile. During a two-day senior leadership team meeting in November 2017 the leadership group considered the strategic risk environment, validated existing strategic risks and identified emerging risks.

The CASA Board and executive participated in a strategic risk workshop in February 2018 at their joint planning day. The workshop was an opportunity for the Board and executive to restate their risk appetite and identify 10 strategic risks for CASA.

In April 2018, the senior leadership team participated in a risk leadership workshop, which focused on the types of risk-positive leadership

behaviours expected of CASA senior management and provided an opportunity for them to discuss setting the right parameters for positively engaging with risk and empowering staff to do the same.

In 2017–18, CASA trialled different approaches to risk reporting through its governance committee structure. CASA will continue to incrementally improve reporting over the next 12 months and to refine the risk framework, policy and reporting architecture.

Following a review of CASA's business continuity arrangements and testing of the National Headquarters business continuity plan in June 2017, CASA conducted a desktop review of the people business continuity plan in early 2018. CASA is scheduling a rolling cycle of testing exercises for the CASA business continuity plan over the coming years.

CASA continues to participate in the annual Comcover Risk Management Benchmarking Program's survey as an independent measure of its risk management maturity and as a means of identifying areas for further continued improvement. In 2018, CASA achieved a maturity assessment rating of 'Advanced'. To supplement the benchmarking survey, CASA conducted a short internal stakeholder review to determine where further improvements can be made to better meet CASA's operating needs.

In 2017–18, 100 CASA staff participated in face-to-face risk management training.

### Looking ahead

In 2018–19, CASA will:

- » continue to improve its enterprise-wide approach to risk management
- » improve its approach to strategic and operational risk reporting
- » facilitate further business continuity plan scenario testing
- » investigate opportunities to systematise and automate risk management planning and reporting
- » review and improve its training approach.

## Internal audit arrangements

The Manager, Governance Branch holds the title and responsibilities of Chief Audit Executive and is accountable to the DAS for the efficient and effective operation of internal audit. CASA's internal audit operates through a co-sourced arrangement for the delivery of internal audit services, utilising the services of external audit providers to complement CASA's internal audit section.

CASA's risk-based Strategic Audit Plan and rolling three-year internal audit program provide a mix of performance, financial, IT and compliance audits delivered across the organisation. The program is designed to support CASA's corporate plan, operating model, strategic goals and risks.

Audit activities will also be conducted in accordance with relevant professional standards including, but not limited to:

- » the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors
- » standards relevant to internal audit issued by CPA Australia and the Institute of Chartered Accountants in Australia
- » the Information Systems Audit and Assurance Standards issued by ISACA
- » standards issued by Standards Australia and the International Organization for Standardization.

## Key achievements

A total of nine audits were completed in 2017–18. The audit program has been revised to a rolling three-year plan rather than an annual plan. This improvement will allow more flexibility and minimise the potential for delays impacting on the audit plan.

During 2017–18, significant effort went into improving stakeholder engagement during the planning and delivery of audits and other process improvements, including those suggested in the June 2017 Independent Quality Assessment of Internal Audits. This work will be completed in 2018–19.

## Looking ahead

Internal audit will continue to focus on improving and streamlining audit processes, driving quality improvements in audit reports and facilitating stronger engagement with managers to improve the scoping of audits and thus the usefulness of audit findings.

## Recognition of CASA reporting

*CASA's Annual Report 2016–17* was recognised with a prestigious Gold award in the 2018 Australasian Reporting Awards, making 2018 the sixth consecutive year in which CASA has received gold in recognition of the quality of its reporting.

## Governance committees

In 2017–18, CASA implemented the revised governance structure established in April 2017. The structure comprises the Executive Committee and three supporting committees: Aviation Safety Committee, Risk and Investment Committee, and People Committee.

Each of the committees successfully and incrementally matured during the year. The committee structure is working well to provide enhanced assurance and transparency to critical decision-making. A number of sub-committees and working groups have been established to oversee critical decision-making, project management and management of key strategic risks.

## Executive Committee

The Executive Committee assists the CEO/DAS and the executive leadership team to drive the implementation of strategies as decided by the Board and the CEO/DAS, and to manage the operations of CASA. The Executive Committee meets every eight weeks to discuss strategic issues and weekly to discuss operational matters.

## Aviation Safety Committee

The Aviation Safety Committee is an advisory and monitoring committee which supports the CEO/DAS and the Executive Committee on matters related to regulatory and safety compliance, safety strategies, safety performance, international safety developments and emerging aviation safety risks. The Aviation Safety Committee meets monthly.

## Risk and Investment Committee

The Risk and Investment Committee provides impartial advice and makes recommendations to the Executive Committee and the CEO/DAS on risk, finance (including budget), investment management, implementation of investments, and project and program performance issues.

The committee also provides assurance on the implementation of risk management in accordance with direction and guidance from the Board and Board Audit Committee, and complements Board and Board Audit Committee responsibilities by considering risk at the operational and tactical level. The Risk and Investment Committee meets monthly.

As an improvement measure in 2018–19, the Risk and Investment Committee will undertake a periodic review in relation to CASA's strategic risks.

## People Committee

The People Committee oversees all strategic workforce-related matters that require collaboration across CASA functions. Key responsibilities include providing oversight of leadership, performance, recruitment, retention and staff training, and monitoring organisational health levels through unscheduled absence and staff turnover metrics. The People Committee meets quarterly.

## Public interest disclosure policy

CASA's policy and procedures on public interest disclosure are consistent with the requirements of the *Public Interest Disclosure Act 2013*. They enable confidential disclosure of matters and protect disclosers from fear or threats of reprisal for making a disclosure. CASA provides an annual report of the number and types of disclosures to the Commonwealth Ombudsman.

## Code of Conduct

As a condition of employment, all employees must comply with CASA's Code of Conduct. The code is aligned with the Australian Public Service (APS) Code of Conduct and reflects the values and behaviours expected of all CASA employees in the course of conducting their duties or otherwise representing CASA.

CASA promotes the code to all new employees during their orientation. The presentation affirms CASA's expectations on CASA's policy, regulatory philosophy and values. Online training for all employees covers content such as working with respect and applying equity and diversity principles.

During 2017–18, there were nine allegations of potential misconduct. Of the nine allegations, three were referred for further investigation, two were managed through preliminary assessment, and four were undergoing preliminary assessment at 30 June 2018.

The three investigations that were finalised involved five employees. All employees involved were found to have breached the Code of Conduct. This resulted in two employees being terminated, one employee resigning in response to proposed termination, and two employees receiving employment-related sanctions. Two further allegations underwent a preliminary assessment which found that there was no breach of the Code of Conduct.

The People Committee monitors Code of Conduct outcomes and considers the time taken to deal with those matters. The average time taken to investigate allegations of a contravention of the Code of Conduct during 2017–18 was 20 days. This is a slight increase on the 17 days taken in 2016–17. Throughout 2017–18, CASA continued to focus on streamlining processes and making greater use of internal investigators.

Matters not reported here related to lower level workplace issues that were referred to managers, who developed and supported staff through the performance and communication scheme, increased staff awareness in relation to appropriate behaviour in the workplace, or accessed alternative dispute resolution methods.

Table 7 provides details of investigations over the past five years.

**Table 7 Code of Conduct investigations, 2013–14 to 2017–18**

Detail	2013–14	2014–15	2015–16	2016–17	2017–18
Investigations commenced	2	3	9	5	6
Investigations finalised	2	3	8	3	7
Investigations ongoing at 30 June	0	0	1	3	0
Employees who breached the Code of Conduct	2	2	3	0	6
Non-financial sanctions	2	1	3	0	1
Terminations	1	0	0	0	4
Financial sanctions	1	0	0	0	1

**Note:** One investigation was carried over from the 2015–16 reporting period into 2016–17 and one from the 2016–17 reporting period into 2017–18.

## Conflict of interest

### Board members

Section 58 of the Civil Aviation Act provides that a Board member must not engage in any paid employment that, in the opinion of the Minister, conflicts with the proper performance of their duties as a member of CASA's Board. Similarly, section 78 provides that the Director of Aviation Safety must not engage in any paid employment outside the duties of their office except with the Board's approval.

The PGPA Act and the Public Governance, Performance and Accountability Rule 2014 provide that a Board member who has a material personal interest in a matter that relates to the affairs of CASA must disclose details of the interest to each of the other Board members. The notice must include details of the nature and extent of the Board member's interest and how the interest relates to CASA's affairs. Disclosures must be made at a Board meeting, as soon as practicable after the Board member becomes aware of the interest or, if there is a change in the nature or extent of the interest, as soon as practicable after the Board member becomes aware of that change. The details of the notice given are recorded in the minutes of the next Board meeting.

Disclosures of airline lounge memberships are included in a Board Member's Standing Notice of Material Personal Interest, and the Board Secretary maintains a register of all information (records) concerning conflict of interest, hospitality and gifts.

### Employees

CASA's conflict of interest policy and procedures ensure that the knowledge and experience of the aviation industry brought to CASA by an employee do not improperly influence the employee's performance of their duties and responsibilities. All employees complete a brief online training package which reminds them of key elements of CASA's conflict of interest policy.

Every employee must complete conflict of interest declaration forms at various times during the course of their employment, including on commencement, and following a change of circumstance such as change of position. These declarations require disclosure of a range of matters that could potentially give rise to a conflict of interest. Disclosures are assessed in terms of actual, potential and perceived risk of conflict. A mitigation strategy is established for any conflicts identified, and reviewed and endorsed by the employee's manager.

All conflict of interest management plans and associated declarations are reviewed by the Legal and Regulatory Affairs Division to ensure that the proposed strategies adequately address the risks and CASA maintains a consistent approach to the management of conflicts of interest.

### Fraud control

All CASA employees have completed online training on fraud, and new employees must complete the training within three months of commencing their employment. CASA's Fraud Control Plan 2018–2020 was endorsed by the Board Audit Committee on an interim basis, pending extension of the plan to sharpen its focus on broader integrity-related considerations. In its current form, the plan is aligned with the Australian Government Fraud Control Framework.

CASA did not investigate any matters of alleged internal fraud in 2017–18. A small number of minor irregularities in the use of CASA corporate travel cards were identified and reviewed and staff members were reminded of their obligations in relation to the use of the cards they hold. No fraud-related matters were referred to the Commonwealth Director of Public Prosecutions.

## PEOPLE MANAGEMENT

CASA undertakes a wide range of activities to support and develop its workforce and workplace culture to assist CASA to achieve its corporate goals.

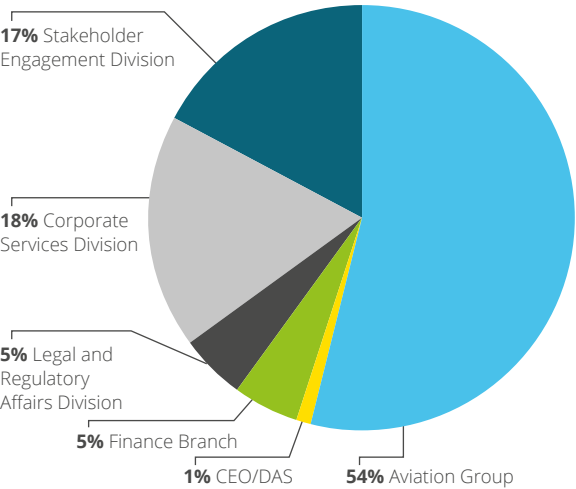
### Staffing

On 30 June 2018, CASA had 832 employees, including 63 temporary staff and 18 inoperative staff – that is, staff on long-term leave for maternity or paternity reasons or staff on unpaid leave.

Tables B.1 to B.4 on pages 172 to 174 show details of employee numbers by classification and location, gender and age group.

Figure 10 shows the breakdown of employees into CASA's main work areas.

**Figure 10** Proportion of employees across CASA's organisational structure at 30 June 2018



## Unplanned absences

In 2017–18, CASA employees used an average of 11.3 days of unscheduled leave per full-time employee. Most absences were taken as sick leave (74 per cent) or carers leave (20 per cent). This is on par with the APS average, as shown in Table 8.

CASA uses the Australian Public Service Commission definition to calculate unscheduled absences. This rate includes: sick leave, carers leave, compassionate leave and unplanned emergency leave. This method allows us to benchmark our performance against the wider APS.

**Table 8 Unplanned absence rates, 2013–14 to 2017–18 (days)**

Financial year	CASA <sup>a</sup>	Australian Public Service <sup>a</sup>
2013–14	9.7	11.2
2014–15	10.7	11.6
2015–16	11.4	11.5
2016–17	11.5	11.4
2017–18	11.3	Not available <sup>b</sup>

a Prior to 2016–17, CASA annual reports included personal leave – special circumstances and workers compensation leave in the calculation of unscheduled absences. In 2015, the Australian Public Service Commission updated the definition of unscheduled leave to exclude those types of leave. The figures in this report reflect the updated definition.

b The Australian Public Service average for 2017–18 will be published in late 2018.

## Staff turnover

In 2017–18, CASA's staff turnover rate was 10.5 per cent, as shown in Table 9. This is lower than the 2016–17 rate of 11.6 per cent and reflects an overall reduction in the number of permanent staff leaving CASA.

**Table 9 Staff turnover, 2013–14 to 2017–18 (%)**

Financial year	CASA	Australian Public Service
2013–14	8.8	8.5
2014–15	11.2	9.2
2015–16	13.8	9.6
2016–17	11.6	9.1
2017–18	10.5	Not available <sup>a</sup>

a The Australian Public Service average for 2017–18 will be published in late 2018.

## Workplace diversity and inclusion

CASA's Workplace Diversity Program encourages and celebrates diversity in the workplace and promotes a safe, supportive and inclusive working environment to meet the needs of a diverse workforce. The program is consistent with the principles of the National Disability Strategy 2010–2020 and was developed in consultation with employees.

Through the program, CASA sets out its objectives and actions to promote equal opportunity in employment, in accordance with the requirements of the *Equal Employment Opportunity (Commonwealth Authorities) Act 1987*. Planning is underway to develop a diversity and inclusion strategy.

## Achievements

CASA undertook a range of activities to support a diverse and inclusive workplace, including:

- » continued engagement of an executive diversity champion
- » a diversity data drive to encourage staff to self-identify on CASA's human resource information management system, resulting in increased numbers of employees identifying within diversity groups through the system
- » the establishment of the Indigenous Engagement Network by CASA's Aboriginal and Torres Strait Islander employees
- » the development of personal emergency evacuation plans for employees with disability.

## Key activities

CASA promotes diversity and inclusion in the workplace with a series of inspiring and motivational speakers and a calendar of events.

NAIDOC Week was celebrated across CASA offices on 5 July 2017, providing an opportunity for CASA employees to celebrate the history, culture and achievements of Aboriginal and Torres Strait Islander peoples. Community leader and tribal warrior Shane Phillips was invited to share his inspiring story of initiating and maintaining positive



change and sharing his passion of working to improve the quality of life for Indigenous Australians, through a video-conferenced morning tea across CASA's offices.

CASA celebrated International Day of People with Disability on 4 December 2017 with staff from all CASA locations treated to a motivational speech from Dave Jacka, who shared his experiences of overcoming the challenges of becoming a quadriplegic at the age of 19. Dave shared his inspirational story of being the first person with quadriplegia to fly solo around Australia.

CASA staff from across the regions attended the second in CASA's series of Women in Leadership Panel events, held annually as part of International Women's Day. The event was facilitated by the CEO/DAS, and the panel members included Samantha Freebairn, a squadron leader and pilot in the Royal Australian Air Force, and Yvette Lutze, a flying operations inspector and senior standards officer in CASA. Panel members discussed their personal experiences as women in aviation leadership roles and drew on those experiences to provide insightful tips and advice for those in attendance.

To reflect the diversity of sexuality and gender among CASA's workforce, the lesbian, gay, bisexual, transgender and intersex (LGBTI+) community celebrated IDAHOBIT on 17 May 2018 – the International Day Against Homophobia, Biphobia, Intersexism and Transphobia. CASA employees supported IDAHOBIT at a special event where a guest speaker from the Australian Taxation Office Making Inclusion Count (ATOMIC) network and a transgender advocate shared their personal and inspiring stories.

National Reconciliation Week was celebrated as a series of special activities and events between 27 May and 3 June 2018. The week culminated with employees from around Australia coming together to learn about reconciliation through the eyes of CASA's Aboriginal and Torres Strait Islander employees. The CEO/DAS reflected on CASA's 2017–2019 Innovate Reconciliation Action Plan achievements over the previous 12 months.

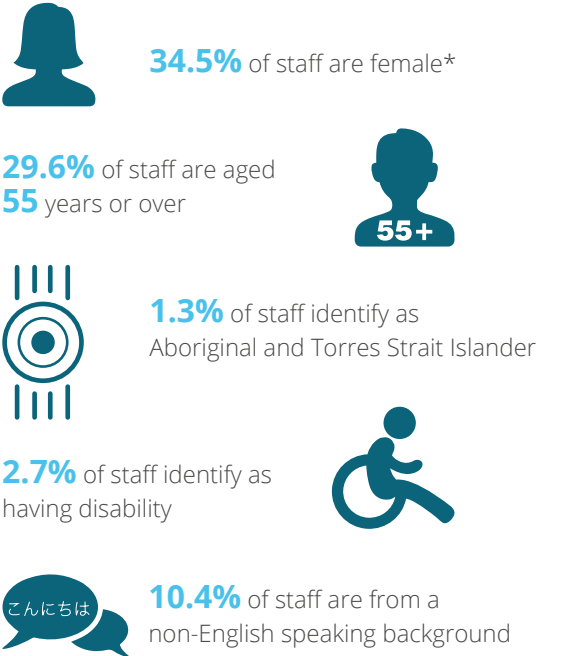
CASA also implemented a mentoring program for Aboriginal and Torres Strait Islander employees, led by the 2018 ACT Australian of the Year, Dion Devow, who praised CASA for its support of Aboriginal and Torres Strait Islander employees and its commitment to reconciliation.

### Diversity profile

Figure 11 provides an overview of diversity in CASA's workforce.

Diversity data on CASA employees, by classification, are provided in Table B.4 in Appendix B.

**Figure 11 Representation of diversity groups in CASA's permanent workforce at 30 June 2018**



# Staff training and development

The highlights of CASA staff training and development activities in 2017–18 included:

- » the amalgamation of the Regulatory and Technical Training and Professional Development Training sections into a unified Training Branch
- » the introduction of the Learning Advisory Panel, to allow greater organisational oversight and input into the strategic direction of the Training Branch
- » recognition of CASA's technical training pathways and related training programs during the 2017 ICAO coordinated validation mission
- » the introduction in February 2018 of an online learning resource comprising over 7,000 training programs designed to support individual professional development.

CASA continues to refine and improve programs within the Regulatory and Technical Training Framework as part of the continual improvement of course offerings. Leadership and professional development solutions are also being rolled out in support of CASA's Capability Framework.

## Content

CASA developed and reviewed significant training content during 2017–18 in support of the mandatory training programs for inspectors. Additionally, specialist courses were created to enhance expertise in areas such as aircraft certification, air display approvals and performance-based navigation.

Inspectorate capability was also enhanced through the procurement of externally provided courses covering aircraft weight and balance, B787 general familiarisation for engineers, aircraft composite materials training, and non-destructive inspection training for engineers.

CASA's Training Branch is working to assist CASA's regulatory reform program, by creating content to support the introduction of CASR Parts 149 (self-administering sports organisations) and 139 (aerodromes) and Civil Aviation Regulation 234 (fuel).

## Delivery

During 2017–18, CASA delivered four three-day orientation programs and four four-week foundation training programs, and completed two advanced training programs for each of the key inspectorate roles.

Classroom-based training in 2017–18 comprised:

- » 37 regulatory and technical training courses, attended by a total of 760 participants over a total of 66 individual sessions
- » 32 professional development courses, attended by a total of 1,068 participants.

CASA staff completed 3,312 training sessions through CASA e-learning, across 26 courses; and completed 122 courses and accessed 8,715 training videos online through Lynda.com.

CASA also provided external e-learning opportunities for industry. A total of 415 flight examiner sessions were completed, and 9,384 sessions were completed through the Aviation Works portal.

Table 10 shows staff training and professional development activities for CASA employees from 2013–14 to 2017–18.

**Table 10** Staff training and professional development per employee, 2013–14 to 2017–18

Financial year	Classroom-based courses				E-learning <sup>a</sup>	
	Regulatory and technical training		Professional development			
	Courses	Participants	Courses	Participants	Courses	Participants
2013–14	20	900	52	822	33	2,687
2014–15	45	2,085	17	358	40	2,278
2015–16	24	971	15	232	33	1,022
2016–17	23	1,108	10	290	56	1,928
2017–18	37	760	32	1,068	26	3,312

a E-learning does not include Lynda.com.

## Management

In 2017–18, CASA achieved a significant milestone with the recognition of its training as part of the ICAO coordinated validation mission in 2017. The documentation of processes and pathways, the centralisation of mandatory training budgets, and the integration of inspector training plans have enabled CASA to plan a coherent annual training calendar, and to develop the capabilities required by the organisation.

## Workplace agreements

CASA employees are employed under the powers vested in the Director of Aviation Safety by the Civil Aviation Act.

The terms and conditions of most CASA employees are provided under the CASA Enterprise Agreement 2016–19, which came into effect in November 2016. At 30 June 2018, 96.3 per cent of CASA employees were employed under the enterprise agreement and 3.7 per cent were employed under individual contracts.

CASA also had a number of service contractors and individuals temporarily engaged through contracted employment agencies. This included some short-term project employees.

## Recognition of high performance and commitment to service

CASA's recognition and reward framework supports managers and staff to provide authentic and timely recognition, at the local level, for valued contribution and staff achievement. The recognition and reward framework includes guidance and supporting material to promote and enhance everyday recognition.

The CASA Award Scheme was launched in 2017–18. The scheme recognises outstanding staff contribution and achievement through four award categories:

- » CEO/DAS Achievement Award
- » Diversity Champion's Award
- » Above and Beyond Award
- » Innovation and Continuous Improvement Award.

The CEO/DAS Achievement Award and the Diversity Champion's Award will be presented annually, while the Above and Beyond Award and the Innovation and Continuous Improvement Award will be awarded biannually.

Table 11 lists the inaugural recipients of the Above and Beyond Award and the Innovation and Continuous Improvement Award. The recipients were determined by the People Committee in 2017–18 and will receive their awards in 2018–19.



**Table 11** Recipients of CASA awards, 2017–18

Award	Recipient(s)	Group/Division
Above and Beyond Award	Chris Jameson, Tom Forrest, Joe Lim, Yvette Lutze and Niels Bunte	Regulatory Services and Surveillance, Aviation Group – Southern Region
Above and Beyond Award	Walid Wazir	Information Technology Branch, Corporate Services Division
Innovation and Continuous Improvement Award	John Flannery, Jaclyn Smith, Margie Theakston, Nick Strange and Christine Hill	Coordination and Safety Systems Branch, Business Transformation Branch, People and Culture Branch, and Governance Branch

CASA also recognises the achievements and commitment of employees who have served the organisation for five, 10, 15, 20, 25, 30, 35 or 40 year milestones. In 2017–18, nine employees achieved 20 years service or longer, as shown in Table 12.

**Dean Covell** | CASA inspectors Tom Forrest and Richard Williams at Darwin Airport.

**Table 12** Recipients of CASA milestone awards for service of 20 years or more, 2017–18

Length of service	Employees
20 years	Carlie Brewer, Branka Brkic, Johanna Punshon, Helen Savill, Adrian Tusek
25 years	Jonathan Aleck, Carmen Askew, Ian Ogilvie
35 years	Grant Olson

### Recognition for outstanding project management

Denise Morman, from CASA’s Regulation Implementation Branch, was named Queensland’s Project Manager of the year for 2017 by the Australian Institute of Project Management, in recognition of her management of the CASR Part 101 amendment to unmanned aircraft and rocket rules.

## First Australian pilots receive new aircraft type ratings



The first four Australian pilots to be type rated on the new Pilatus PC24 aircraft received their ratings from Flight Safety International in Dallas on 3 June 2018.

The four pilots were Pilatus Australia Chief Pilot Gary Williams from Adelaide, Capt. Albin Unger (Chief Pilot, Royal Flying Doctor Service), Capt. Matt Granger (PC24 project officer, Royal Flying Doctor Service Western Operations) and Mark Richardson (CASA flying operations inspector and PC24 introduction task manager, Western Region).

Pilot and engineer training on the PC24 was delivered in partnership with Flight Safety International and Pilatus.

The course was only the third PC24 type rating course conducted by the organisation and the first course for single pilot operators of this aircraft.

The PC24 is a medium-weight jet with a take-off weight of 8,000 kilograms and is capable of seating up to 10 passengers.

The aircraft is powered by two Williams International FJ44 engines and can cruise at up to 45,000 feet at 425 knots.

In aeromedical configuration, the aircraft can carry up to three stretcher patients and medical crew from Broome to Perth in around two and half hours.

CASA's Mark Richardson observed the aircraft's excellent take-off and landing performance, which includes very low approach speeds and very short landing and stopping distances.

**Aldo Wicki** | Pilatus Aircraft Ltd

He commented that, with take-off speeds around 93 knots and over 6,500 pounds of thrust, the aircraft can take off from quite short runways and climbs away very nicely.

Two PC24 aircraft for Royal Flying Doctor Service Western Operations are expected to arrive in Australia in October 2018 for crew familiarisation before they begin aeromedical flights based in Perth and Broome. Central Operations is expected to receive its aircraft later in 2018.

A number of other PC24 aircraft are expected to come onto the civil aircraft register in 2019 for private and business operations.

The implementation task for the PC24 is being managed by Mark Richardson and airworthiness inspector Clay Maurer, with support from Flight Crew Licensing Specialist Services, Airworthiness Engineering Branch and Flight Standards Branch.

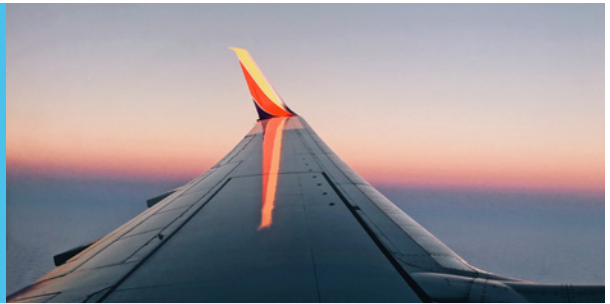
A video of the maiden flight of the Royal Flying Doctor Service Western Operations PC24 is available on YouTube at [www.youtube.com/watch?v=60XFFRtRZl](http://www.youtube.com/watch?v=60XFFRtRZl).



Capt. Unger and Capt. Granger from RFDS Western Operations in the PC24 cockpit.



## Australia moves up in world rankings



Safety oversight audits and follow-up coordinated validation missions are key parts of the role of the International Civil Aviation Organization (ICAO) in ensuring that its Member States are effectively carrying out their safety oversight responsibilities.

Results from the audits allow ICAO to assess the safety oversight capabilities of Member States, ensure the implementation of safety-related standards and recommended practices, and contribute to an ongoing analysis of aviation safety.

The audits also determine the status of Member States' implementation of all safety-relevant ICAO standards and recommended practices (found in 17 of the 19 ICAO annexes), and associated procedures, guidance material and best safety practices.

Coordinated validation missions are undertaken for ICAO to check what action has been taken or progress has been made to address safety deficiencies identified in previous audits.

From 9 to 13 October 2017, ICAO conducted its coordinated validation mission in Australia to evaluate the progress made by Australia in resolving findings and recommendations made by ICAO on the safety oversight audit conducted on Australia in February 2008.

**Landrywitt** | [unsplash.com](https://unsplash.com)

The mission evaluated 125 outstanding technical audit questions (termed 'protocol questions'). The status of 83 questions was rated satisfactory.

Following the mission, CASA received a final validated effective implementation rate of 94.98 per cent, putting Australia in the top 10 world rankings of ICAO Member States.

The result confirms the exceptional outcomes from the audit. Australia's effective implementation rate increased by almost 10 per cent, and its world standing moved from 44th to sixth, putting Australia ahead of countries such as the United States, the United Kingdom and New Zealand.

Shane Carmody, Chief Executive Officer and Director of Aviation Safety, made the audit an organisational priority and ensured that a whole-of-organisation approach was in place and supported by appropriate resourcing, technical expertise and staff training.

CASA's work with ICAO is ongoing. This work requires continuous focus to maintain Australia's standing among the Member States.

There are approximately 1,000 protocol questions in the eight audit areas of ICAO's safety oversight system. They cover all areas of the organisation and require assessment and responses to ICAO on an ongoing basis.



# WORK HEALTH AND SAFETY

Implementation of CASA's 2017–19 WHS Strategy generated a renewed focus on the identification of operational hazards and risks and resulted in significant progress in establishing a proactive safety culture and safety management system that encompasses the physical and the psychosocial aspects of work.

## National Health and Safety Committee

CASA's National Health and Safety Committee, chaired by the Branch Manager, People and Culture, comprises equal representation of management and employees.

The committee provides a forum for consultation on organisation-wide health and safety matters and operates within a structured framework for feedback and communication on matters referred to the committee by work groups.

The committee met in November 2017 and February, April and June 2018.

## WHS Strategy 2017–2019

The WHS Strategy forms the foundation for the ongoing development, review and implementation of key WHS objectives. The strategy aims to:

- » foster a positive and compliant WHS culture
- » encourage proactive prevention and active early intervention
- » actively promote a healthy, productive and supportive work environment.

As the implementation of the WHS Strategy progressed, five additional initiatives were identified and completed in 2017–18 to enhance and develop the work already undertaken. They involved the development of a national hazard profile and revised WHS risk register, a first aid needs assessment, a national WHS training program, work environment descriptions for CASA roles, and the promotion of topical health and safety information in response to identified hazards.

## National hazard profile and WHS risk register

The development of the national hazard profile and review of the WHS risk register were undertaken as a collaboration between Corporate Services Division and Aviation Group. To develop the national hazard profile, a survey was completed by 180 staff and 60 operational staff were interviewed or participated in a series of hazard and risk workshops. The national hazard profile and WHS risk register identified more than 40 risks across 21 hazard categories. This resulted in the identification and documentation of 84 additional control measures.

Implementation of the control measures has commenced, and progress is being monitored and reported through the National Health and Safety Committee and the Aviation Safety Committee. The ongoing collaboration between CASA's corporate and operational business areas has built a strong foundation for the continued improvement of the health and safety management system, to the benefit of CASA employees.

## First aid needs assessment

The first aid needs assessment identified that operational staff working in remote and rural locations or working away from the office need access to first aid equipment and training. Sixty-six first aid kits were provided for operational staff and first aid training was made available for all staff working outside the office environment. The training program will continue into 2018–19.

## WHS training and promotion of activities

A training needs analysis was conducted in 2017–18, involving approximately 200 staff. As a result, the following initiatives were delivered:

- » implementation of due diligence training for senior leaders and the Board
- » launch of beyondblue e-learning training for managers and supervisors
- » release of a revised WHS e-learning module for new starters
- » addition of 40 new safety videos to CASA's e-learning suite.

During 2017–18, the following WHS topics were actively promoted and included in news articles, posters, screen savers and training and awareness sessions:

- » working outdoors in the heat
- » mental health in the workplace
- » prevention of influenza
- » what to do in a medical emergency
- » first aid for burns.

### Work environment descriptions

Work environment descriptions detail the conditions experienced by employees in specific roles, including potential hazards. Descriptions have been developed for 28 CASA roles and are provided to potential candidates through the recruitment pack.

### Outcomes

The WHS Strategy outlines 40 actions represented by 84 success indicators. On 30 June 2018, 56 of the 84 success indicators (67 per cent) had been achieved or were in progress.

While it is too early to measure the impact of the WHS Strategy and the four new initiatives on injury rates of workers, the initiatives have improved the health and safety knowledge and participation of CASA employees, as noted in Table 13.

**Table 13 Outcomes of new initiatives under the WHS Strategy, 2017–18**

Initiative	Outcome
National hazard profile and revised WHS risk register	CASA has improved the visibility of the hazards and risks for operational employees and is able to focus its resources appropriately.  Operational employees have an increased awareness of hazards and risks, having participated in the hazard survey and risk workshops.
First aid needs assessment	Provision of first aid equipment and training to operational staff reduces the likelihood and impact of any workplace injuries in the field and improves compliance with the code of practice.  Withdrawal of oxygen cylinders from the workplace eliminated identified hazards and the risks associated with the administration of oxygen to patients.
Work health and safety training and promotion of activities	Work health and safety training has been tailored to the needs of specific roles and functions within CASA, resulting in employees better understanding their safety responsibilities.  Employees are better informed in relation to emerging risks and are provided with information to assist them in reducing risks.
Work environment descriptions	Potential candidates understand the environment in which the advertised position operates and can make an informed decision about their suitability to apply.

## Activities

The following activities contributed to CASA's WHS performance in 2017–18:

- » 57 new staff members completed the updated online training on WHS in CASA, which was implemented on 13 March 2018
- » 167 individual online inductions were provided to trade contractors across all states
- » 483 employees (58 per cent of total staff) participated in the seasonal influenza vaccination program
- » 84 employees (10 per cent of total staff) had an individual workstation assessment, and five employees participated in home-based assessments
- » 22 employees were provided with early intervention and case management support to stay at work or return to work safely while addressing significant personal or health issues
- » 34 incidents and 24 hazards were notified by employees
- » 55 employees and four family members accessed the employee assistance program
- » nine audiometric tests were completed.

## Corrective actions

Thirty-four of the 39 corrective actions identified in the 2016 Comcare audit were completed. Documentation of procedures is underway or has been implemented to complete the five remaining actions.

## Claims for workers compensation

Nine claims for workers compensation were lodged in 2017–18. This was an increase of two from the seven claims lodged in 2016–17.

Of the nine claims lodged, four related to physical injuries, four related to psychological injuries, and

one related to a workplace death (in an incident that occurred in May 2017). Of the claims lodged, six were accepted by Comcare: four physical injuries, one psychological injury and one workplace death. The three remaining claims were rejected by Comcare on the grounds of reasonable administrative action. Two of the nine claims were lodged by former CASA employees.

## Workers compensation premium

CASA's 2017–18 workers compensation premium rate was 0.60 per cent of the 2017–18 payroll. This is significantly lower than the average premium rate of 1.23 per cent for all agencies.

CASA continues to monitor early indicators of factors that potentially influence high-cost claims. This includes monitoring extended unplanned leave, reported health issues, and patterns of poor attendance, poor performance or conflict.

## Investigations conducted by Comcare

During 2017–18, there were no incidents notified to Comcare.

A fatal air crash involving a Cessna 441 Conquest aircraft, which occurred on 30 May 2017 at Renmark, South Australia, was investigated by Comcare. A CASA flying operations inspector, Stephen Guerin, was conducting a check captain approval at the time the aircraft crashed. Comcare's inspector reviewed documents and information provided by CASA and was satisfied CASA had relevant processes and procedures in place to ensure the safety of its inspectors while conducting observation and assessment activities on board aircraft not owned or operated by CASA. Comcare found that CASA had taken reasonably practicable actions to ensure the health and safety of staff.

## CASA's international collaboration



CASA's engagement with the global aviation community is an important part of our role and responsibilities under the *Civil Aviation Act 1988* to influence aviation safety standards, develop and maintain important regional relationships, and respond in a timely manner to emerging opportunities and trends.

CASA particularly focuses on Asia-Pacific matters and regional partnerships.

### 20th FAA Asia-Pacific Bilateral Partners Dialogue Meeting

In March 2018, CASA successfully hosted the milestone 20th FAA Asia-Pacific Bilateral Partners Dialogue Meeting in Canberra. The meeting was attended by more than 40 foreign government and industry delegations from the United States, New Zealand, Singapore, China, Japan, Korea and other countries in the region.

Plenary and sideline discussions focused on airworthiness and certification linkages in the context of emerging industry innovations, with the aim of enhancing and streamlining regulatory bilateral arrangements.

### Papua New Guinea 2018 Regulator Symposium

During the year, a CASA team travelled to Papua New Guinea (PNG) to attend the 2018 Regulator Symposium between CASA and PNG aviation officials to further strengthen relationships under the transport sector memorandum of understanding.

The visit provided an opportunity for the PNG aviation regulator's executive team to speak with CASA's representatives on consultation mechanisms, the establishment of manuals and procedures on operational matters, interactions with the international aviation community, qualifications for regulatory training, and the establishment of CEO instructions and legal guidance material.

**CASA |** (L-R) Riley Downing (FAA), Simon Denby (CASA), Andrew Ward (CASA), Earl Lawrence (FAA), Luke Gumley (CASA), Rick Domingo (FAA), Scott Duffy (CASA).

During the symposium, PNG officials outlined achievements in the previous 12 months and highlighted key decisions and aviation safety products that were based on advice and guidance material provided by CASA.

As the Civil Aviation Safety Authority of Papua New Guinea (CASA PNG) had recently participated in an International Civil Aviation Organization coordinated validation mission, it was a timely visit and gave CASA and CASA PNG an opportunity to discuss cooperation mechanisms to support the findings of the mission.

CASA's future capacity-building programs with PNG will focus on areas such as aviation medicine, regulatory training, and legal and inspector mentoring.

### International partnerships

In 2017–18, CASA also engaged with counterparts from:

- » Canada, on a new trilateral cooperation initiative between CASA, Transport Canada Civil Aviation and the Civil Aviation Authority of New Zealand
- » Indonesia, at the annual Transport Sector Forum held in Melbourne
- » the Pacific, at Pacific Aviation Safety Office (PASO) meetings, including by working towards more formalised arrangements between CASA and PASO to assist Pacific island countries with aviation safety and technical expertise
- » Thailand, through the Australian Trade and Investment Commission's aviation mission
- » New Zealand, on flight crew licensing and aviation medical policies, including streamlining processes and mutual recognition
- » European and Asia-Pacific countries, at the annual FAA–EASA International Aviation Safety Conference.

## Enforcement decisions published



CASA's decisions to suspend or cancel certain authorisations are now published on the CASA website, [www.casa.gov.au](http://www.casa.gov.au)

The publication of this information is in line with CASA's regulatory philosophy, under which CASA is committed to communicating fully and meaningfully with its stakeholders.

Enforcement-related decision-making to vary, suspend or cancel an authorisation is always safety based, with a view to protecting the public and other airspace users from conduct that creates unacceptable risks to air safety.

Therefore, there is a legitimate public interest in CASA's enforcement-related actions. Publishing information about those actions allows the travelling public and the wider Australian community to see that we act in a timely, fair and proportionate way to deal with industry participants who are unwilling or unable to comply with the safety rules.

The information published includes a summary of recent enforcement decisions, the authorisations affected by the decisions, and brief summaries of the reasons for the decisions.

Other published information includes whether a decision is subject to an automatic stay under the *Civil Aviation Act 1988*, whether the authorisation holder has sought a review of the decision in an external forum, such as the Administrative Appeals Tribunal, and the status of those proceedings.

Gecko Studio | [stock.adobe.com](https://stock.adobe.com)

In keeping with CASA's obligations under the *Privacy Act 1988*, personal information concerning individuals is not included.

Because all of CASA's enforcement-related actions are subject to review, those decisions may be varied, affirmed, set aside or returned to CASA for reconsideration.

Recent enforcement decisions are available on the enforcement action section of the website at [www.casa.gov.au/enforcement-action/standard-page/decisions-suspensions-and-cancellations](http://www.casa.gov.au/enforcement-action/standard-page/decisions-suspensions-and-cancellations)

Under the Civil Aviation Act, CASA is required to publish details of any enforceable voluntary undertakings (EVUs) entered into with CASA by authorisation holders.

EVUs may be used where there is evidence of a breach or potential breach of the aviation law that may justify administrative or other action, but remedial action by the authorisation holder is considered to be in the best interests of aviation safety.

Details of EVUs can be found on the website at [www.casa.gov.au/standard-page/enforceable-voluntary-undertakings](http://www.casa.gov.au/standard-page/enforceable-voluntary-undertakings)

# EXTERNAL ENGAGEMENT

Effectively consulting and communicating with the aviation industry and the wider aviation community, in Australia and overseas, is a key element of CASA's core goals and an obligation under the Civil Aviation Act.

## Community engagement

Under sections 9 and 16 of the Civil Aviation Act, CASA is expected to promote 'full and effective consultation and communication with all interested parties on aviation safety issues'. CASA achieves this through information provision and a range of forums and day-to-day dealings with people and organisations in the wider aviation community, including formal meetings, working groups and consultation committees.

## Online feedback and consultation

CASA engages with the community online through YouTube, Facebook, LinkedIn and Twitter. Facebook continues to be the dominant social media channel in terms of audience size and engagement.

During 2017–18, CASA's Facebook following increased by 4,469 followers to reach 38,858 followers on 30 June 2018. CASA has a further 9,748 followers on Twitter and 8,974 on LinkedIn and experienced a combined audience growth of 46.1 per cent over the reporting period. The top posts during 2017–18 related to the drone awareness and cabin safety campaigns.

In addition, CASA's website features a prominent link inviting people to send feedback on aviation safety issues.

CASA established a new web-based facility, the CASA Consultation Hub, in 2017–18. This mechanism assists CASA to engage effectively with industry while seeking views on specific matters, particularly new and revised regulations. This addition to CASA's capability is supported by a robust governance framework to ensure the consistency and effectiveness of consultation.

## E-newsletter

Each month, CASA produces an e-newsletter, *The CASA Briefing*, which is distributed to more than 10,000 subscribers. Most subscribers are people working in the aviation industry, while others have a general interest in aviation.

Subjects covered in 2017–18 included CASA's regulatory reform program, initiatives to work collaboratively with the aviation community, new regulations, airworthiness advice, information on drone regulation, and safety workshops and seminars.

We also communicated widely with the aviation community and general public through 338 targeted bulk emails over the year.

## Flight Safety Australia magazine

*Flight Safety Australia* continued to expand its online presence in 2017–18, leveraging the power of social media to broaden its reach. CASA's Facebook page continued to be highly effective in promoting the magazine's comprehensive, credible and informative aviation safety coverage. An improved app for tablets and smartphones was also released.

*Flight Safety Australia* lead feature stories covered wide-ranging 'big picture' safety topics:

- » 'Getting smart: artificial intelligence and aviation' looked at the challenges and opportunities that machine learning brings to aviation safety, particularly in the area of automation.
- » 'Watts happening: behind the buzz about electric aircraft' analysed recent developments in electric aircraft propulsion, sought expert opinion on the likelihood of electric aircraft, and examined the safety implications of this technology.
- » 'Skyhacked' evaluated the threat posed by the hacking of aviation computer systems, including the possibility of hacking aircraft systems.
- » 'All in your head' looked at virtual reality and the future of aviation, with an emphasis on training and simulation.
- » 'Inside knowledge' looked at neuroscience and aviation.



Other articles covered an eclectic mix of issues, including drone safety, cabin safety, sleep hygiene, wire strike, helicopter safety, an almost forgotten collision at Sydney's Kingsford Smith Airport in 1971, and the Japanese railway practice of 'point and call' as a means of cockpit error mitigation.

The aviation community had a wider choice of ways to read the magazine: the bi-monthly app for tablets, rich with multimedia (video, audio and interactive infographics); the [flightsafetyaustralia.com](http://flightsafetyaustralia.com) news site, featuring all the articles from the app magazine as well as daily aviation safety news updates; and a hardcopy collectors' edition. Following the success of the 2015 and 2016 publications, the *Flight Safety Australia 2017 Collectors' Edition*, a 168-page showcase of the year's best articles, was published in December 2017.

The audio versions of the popular stories about 'close calls' continued to grow in popularity as users discovered the benefit of audio in bringing the close calls to life.

## Industry engagement

CASA's ability to develop and enforce appropriate safety standards relies on effective engagement with the aviation industry. CASA participates in consultative forums and supports specialist expert panels to facilitate industry engagement.

All proposed regulatory changes and related consultation documents for 2017–18 are published on the CASA website and can be accessed at [www.casa.gov.au/newrules](http://www.casa.gov.au/newrules).

## Aviation Safety Advisory Panel

Following a review of CASA's engagement forums and consultation mechanisms in 2016–17, a new engagement framework was introduced on 1 July 2017 to replace the functions of the various consultative committees and advisory groups.

The changes streamline consultation and ensure that the aviation community is directly involved in the early setting of safety and regulatory objectives and policies.

The Aviation Safety Advisory Panel (ASAP) provides CASA with objective, high-level advice from the aviation community on issues with significant implications for aviation safety and the way CASA performs its functions.

The ASAP is the primary advisory body through which CASA will direct its engagement with industry and seek input on current and future regulatory and associated policy approaches. Its work is supported by technical advisory committees and technical working groups

Honorary Professor Patrick Murray, University of Southern Queensland, was appointed the inaugural independent Chair of the ASAP. Current membership comprises six industry representatives and two CASA executives. The panel met three times during 2017–18.

## Regional Airspace and Procedures Advisory Committees

Meetings of Regional Airspace and Procedures Advisory Committees are primarily state-based forums for the discussion of matters relating to airspace and related procedures in Australia.

Membership is open to all significant airspace users, either independently or through their major industry associations and organisations.

In 2017–18, 24 committee meetings were held in 12 locations around Australia: Adelaide, Brisbane, Broome, Cairns, Canberra, Darwin, Hobart, Kununurra, Melbourne, Perth, Rockhampton and Sydney.

## Sport Aviation Safety Forum

The Sport Aviation Safety Forum facilitates communication and consultation between CASA and the sport and recreational aviation sector. Usually held in June, the forum brings all the recreational aviation administration organisations (RAAOs) together as a group and provides a single communication point for a range of issues pertinent to the safety of sport aviation operations in Australia.

The annual forum meeting is an opportunity for RAOs to discuss ways to improve the oversight of sport and recreational aviation, share information and establish benchmarks. This two-day event is also a unique opportunity for CASA to significantly enhance key relationships with RAO stakeholders, participate in consultative discussions, and honestly and openly address any RAO concerns.

The 10th annual Sport Aviation Safety Forum was held in June 2018 in Melbourne. The 47 participants considered a wide range of topics, including the Civil Aviation Safety Regulations Part 149 transition, an ATSB presentation, and a number of presentations from the other participating organisations. Senior CASA representatives – the acting CEO/DAS, the Executive Manager, Stakeholder Engagement Division, the Manager General, Recreational and Sport Aviation Branch, and the Manager National Operations – participated in a question and answer session, providing a unique opportunity for RAOs at the forum to make contact with CASA specifically on sport and recreational aviation matters.

## **Australian Strategic Air Traffic Management Group**

The Australian Strategic Air Traffic Management Group (ASTRA) is a key industry advisory body on strategic airspace and air traffic management issues for Australia. As such, it is an important source of industry advice to government on air traffic management issues.

ASTRA brings together all the industry stakeholders, including aircraft operators, airports and service providers, to provide an industry-wide representative forum that:

- » develops the industry position on air traffic management matters, including communications, navigation and surveillance, as the basis for strategic advice to government
- » coordinates agreed integrated air traffic management planning, development and implementation efforts by all relevant stakeholders.

CASA has a standing invitation to attend meetings of the ASTRA Council, as a permanent observer, and was represented at three meetings in 2017–18.

## **Flying Training Panel**

Following the introduction of the ASAP in July 2017, CASA made the decision to close the Flying Training Panel in March 2018. The work previously undertaken by the panel has been diverted to an industry flight examiner group, which aims to focus on the continuous improvement of flight examiner safety related outcomes.

## **Intragovernmental engagement**

Cooperation between Australian Government agencies that have an interest in the aviation sector helps to reduce the duplication and fragmentation of government policies, regulations and services.

## **Aviation Policy Group**

The Aviation Policy Group is a high-level interagency group that consists of CASA's Director of Aviation Safety, the Chief Executive Officer of Airservices Australia, the Chief of Air Force and the Secretary of the Department of Infrastructure, Regional Development and Cities.

Although the group is not a decision-making body, it provides a forum for effective interagency policy coordination and for working through air traffic management and other aviation issues at a strategic level. The Aviation Policy Group met twice during 2017–18.

## **Aviation Implementation Group**

The Aviation Implementation Group is an interagency forum chaired by the Department of Infrastructure, Regional Development and Cities that involves representation from CASA, Airservices Australia and the Royal Australian Air Force.

It is an important forum for identifying cross-agency aviation issues and maintaining regular communication between the four agencies and supports the Aviation Policy Group in implementing cross-agency strategies. The Aviation Implementation Group met four times during 2017–18.

## Australian Transport Safety Bureau

The relationship between CASA and the ATSB is governed, in part, by a memorandum of understanding (MoU) that was first signed in February 2010. The MoU was subsequently updated and re-signed on 30 March 2015.

The agreement focuses on making the most effective and appropriate use of the findings of accident investigations and clarifying the different but complementary roles of CASA and the ATSB in maintaining and improving air safety. It also provides a framework for cooperation between CASA and the ATSB on aviation safety education, research and data analysis.

The agreement covers issues such as the roles of CASA and the ATSB in accident investigations, assistance during investigations, the State Safety Program and the exchange of safety information and safety education. CASA's Director of Aviation Safety and the ATSB's Chief Commissioner also participate in formal dialogue on a regular basis.

CASA's ATSB Liaison Office ensures that ATSB reports and requests for information are responded to effectively and efficiently. In particular, CASA formally responds to ATSB safety recommendations, and subsequent safety actions are tracked to implementation.

In accordance with the requirements of the MoU, CASA and the ATSB formally meet twice each calendar year to exchange views and liaise about safety issues of mutual interest. The two agencies met in December 2017 and June 2018. A further meeting is planned for December 2018.

The agencies also cooperate on important research projects that improve the understanding of and response to issues that affect flight safety in Australia.

## International engagement

CASA is a well-respected civil aviation safety regulator, regionally and globally. CASA's engagement with the global aviation community, including with foreign regulatory counterparts, is an

important part of CASA's role and responsibilities under the Civil Aviation Act to influence aviation safety standards, advocate for rules that benefit Australian travellers and Australian industry, and respond in a timely manner to emerging opportunities and trends.

Bilateral relationships and multilateral forums such as ICAO allow collaboration with aviation safety partners to be strengthened, as well as showcasing Australia's civil aviation safety capabilities.

CASA's international commitments are threefold:

- » engaging with ICAO through an Australian Government agency tripartite policy approach in partnership with Airservices Australia and the Department of Infrastructure, Regional Development and Cities
- » establishing, reviewing and improving on bilateral and multilateral arrangements with counterpart regulatory agencies and countries to streamline industry standards and requirements, and engaging in informal dialogue with counterpart regulators to discuss emerging issues
- » strengthening aviation safety in the Asia-Pacific region through targeted and effective assistance activities funded by Australian Aid.

## International Civil Aviation Organization

Australia is one of 192 signatory States to the 1944 Convention on International Civil Aviation (the Chicago Convention), which provides for the safe and orderly development of international civil aviation. The Chicago Convention established ICAO, which is a specialised agency of the United Nations with responsibility for creating standards and recommended practices through the ICAO Council, the Air Navigation Commission and various technical working groups and panels implemented by ICAO Member States.

Australian participation is shared among CASA, Airservices Australia and the Department of Infrastructure, Regional Development and Cities under an Australian Government tripartite arrangement to ensure a coordinated and consistent policy approach. The three agencies

also sponsor the Australian office in Montreal that is responsible for direct liaison and coordination of ICAO activities.

CASA actively participates in and makes a significant technical and leadership contribution to all major ICAO work. CASA is involved in more than a dozen ICAO forums on emerging global issues, such as fatigue risk management, remotely piloted aircraft systems, communication and navigation systems, and matters affecting the Asia-Pacific region. Australia is an elected Member State of chief importance in air transport and sits on the governing ICAO Council alongside the United States, the United Kingdom, China, France, Germany, Canada, Italy, Japan, Brazil and the Russian Federation.

CASA routinely facilitates and coordinates responses to ICAO State Letters, including supporting requests for ICAO coordinated action team (CAT) assistance to build regulatory capability in the Asia-Pacific region. In 2017–18, CASA participated in two CAT missions to Papua New Guinea (16 to 22 August 2017) and Fiji (11 to 15 December 2017).

## **Directors General of Civil Aviation Conference**

The Directors General of Civil Aviation (DGCA) Conference is an annual multilateral meeting that allows the heads of civil aviation regulatory agencies in the Asia-Pacific region to collaborate on improving aviation safety in a coordinated manner. The conference is supported by the ICAO Secretariat and is a valuable forum for workshopping policy proposals and gauging stakeholder support in the lead-up to other ICAO meetings.

The 54th DGCA Conference was held in Ulaanbaatar, Mongolia, from 7 to 11 August 2017, with the theme of 'The Challenge of Managing Outcome Focused and Risk Based Regulations for Asia Pacific States'. The 321 delegates from 38 countries and 12 international organisations deliberated on supporting the economic development of air transport; safety needs and capabilities analysis; developing and implementing performance-based regulations; and other key issues. CASA leads the Australian delegation to these conferences.

## **Regional Aviation Safety Group – Asia and Pacific Regions**

In 2017–18, the Regional Aviation Safety Group – Asia and Pacific Regions (RASG–APAC) met separately from the annual DGCA Conference for the first time since its inception. The meeting took place at the ICAO Asia and Pacific Office in Bangkok, Thailand, from 3 to 5 July 2017.

The RASG–APAC is tasked with developing and implementing a work program that supports a regional performance framework for the management of safety on the basis of ICAO's Global Aviation Safety Plan and Global Aviation Safety Roadmap. The reports of RASG–APAC meetings are reviewed regularly by the Air Navigation Commission and by the ICAO Council as necessary.

The Asia Pacific Regional Aviation Safety Team (APRAST) is a subgroup of the RASG–APAC. CASA delegates attended APRAST meetings in Bangkok, Thailand, from 20 to 24 November 2017 and from 28 May to 1 June 2018. The objective of APRAST is to recommend to the RASG–APAC interventions that will reduce aviation risks in the Asia-Pacific region. APRAST includes representatives of overseas regulatory agencies in the Asia-Pacific region, as well as industry and other organisations.

## **Cooperative arrangements and agreements**

Bilateral arrangements and agreements enable CASA and the wider Australian government to formalise regulatory relationships with foreign counterparts and streamline regulatory processes, resulting in outcomes that benefit the aviation industry by improving the consistency of safety considerations, lead to a coordinated regulatory approach and reduce regulatory costs.

In June 2018, CASA was a participant in more than 25 bilateral arrangements or agreements with a total of 13 countries and international organisations, on matters ranging from airworthiness and aeronautical product certification to information sharing and mutual recognition of operators. Such arrangements underpin and institutionalise working relationships between civil aviation safety agencies

and enable better regulatory oversight of operators and companies that conduct business in Australia and overseas.

In particular, the Australian Government's bilateral arrangements with Papua New Guinea (PNG) and Indonesia on aviation matters enabled CASA to implement 12 activities throughout the year through engagement with counterpart agencies to strengthen regulatory and organisational capacity, while also improving capacity in technical fields. Those technical fields included dangerous goods oversight, aviation medical standards, remotely piloted aircraft system operations, aviation law enhancements and aerodrome emergency planning.

CASA's activities with Indonesia and PNG under Australian Aid have been ongoing since 2007 and 2010, respectively. Both the Indonesian and the PNG governments have recognised the positive influence that these activities have had in improving their 2017–18 ICAO coordinated validation mission effective implementation scores. PNG's interim score for 2018 is 62.16 per cent, an improvement from 50.41 per cent in 2013, and Indonesia had an overall score of 80.34 per cent in 2017, an improvement from 50.61 per cent in 2016. Indonesia's improved score has been particularly rewarding, as all Indonesian airlines were removed from the European Commission's EU Air Safety List in June 2018.

Throughout 2017–18, CASA worked towards new arrangements and reciprocal policy approaches on:

- » mutual recognition of private pilot licences and Class 2 medical certificates with the Civil Aviation Authority of New Zealand (CAA NZ)
- » a technical arrangement with the Civil Aviation Authority of Singapore to enable recognition of flight simulation training devices and flight crew licensing outcomes
- » sharing of flight crew licensing material with the Civil Aviation Safety Authority of Papua New Guinea
- » a technical assistance arrangement to provide cost-recoverable expertise and inspection services to PASO, for the benefit of 10 Pacific island countries.

One key accomplishment was CASA's signing of the first trilateral arrangement with CAA NZ and Transport Canada on information sharing and regulatory cooperation, which took place in June 2018 at the margins of the FAA–EASA International Aviation Safety Conference in Washington DC. This sets a solid foundation for closer ties in the future.

Discussions with CASA stakeholders will continue in 2018–19 to implement and review new initiatives, including by enacting the necessary regulatory amendments. CASA also continues to review cooperative arrangements and consider new engagement opportunities with great benefit to aviation industry participants, leading to improved and more effective and efficient regulatory outcomes in Australia.

## 20th Asia-Pacific Bilateral Partners Dialogue Meeting

In March 2018, CASA hosted the 20th FAA Asia-Pacific Bilateral Partners Dialogue Meeting under the auspices of bilateral aviation safety agreements entered into with the United States. The meeting was themed 'Striking the Balance: Sustaining Aviation Safety while Embracing Innovation' and was attended by more than 40 foreign government and industry delegations.

Plenary and bilateral discussions focused on airworthiness and certification linkages, as well as opportunities to update current and establish new bilateral arrangements and coordinated processes in recognition of emerging technological challenges in the aviation industry. Delegates commended CASA staff on the quality of the presenters and discussions and the excellent facilitation and professionalism of the Australian hosts.

## Thai delegations

CASA hosted two delegations from the Civil Aviation Authority of Thailand (CAAT) and the Thai air navigation service provider, AEROTHAI, in November 2017 and June 2018.

Discussion during the November 2017 meeting centred on the regulatory system and the management of air navigation services, while the

focus of the June 2018 meeting was on Australia's legislative and regulatory structure, including the regulatory oversight of aeronautical information services and aeronautical information management; inspector qualifications; and the financial resourcing of regulatory activities. The CAAT had a particular interest in the development and workings of Part 172 (air traffic service providers) of the Civil Aviation Safety Regulations.

## EXTERNAL SCRUTINY

As a Commonwealth statutory authority, CASA is subject to scrutiny by the Australian Parliament. CASA's activities may be subject to investigation or consideration by administrative agencies or the courts. In addition, CASA receives informal feedback on its performance through media coverage and complaints from industry or members of the public.

CASA welcomes external scrutiny as a means to confirm what it is doing well, and to identify ways to better meet its obligations and achieve its vision of *Safe skies for all*.

### Parliamentary accountability

#### Parliamentary committees

On 27 October 2017, 26 February 2018 and 22 May 2018, CASA appeared at the Senate Rural and Regional Affairs and Transport Legislation Committee Budget Estimates hearings. Issues raised at the hearings included:

- » in October – CASA's investigation into the operation of a drone over Parliament House, pilot in command licence conditions following the Pel-Air accident in 2009, aviation rescue and firefighting services at Brisbane Airport, and aircraft maintenance training at TAFE South Australia
- » in February – CASA's audit of FalconAir
- » in May – CASA's investigation into the servicing of a tyre and maintenance practices at Townsville airport in 2017, and the suitability of a chief pilot involved in an assault on another pilot in 2012.

On 29 August 2017, CASA appeared before the Senate Rural and Regional Affairs and Transport References Committee for its Inquiry into Regulatory Requirements that Impact on the Safe Use of Remotely Piloted Aircraft Systems (RPAS), Unmanned Aerial Systems and Associated Systems. CASA updated the committee on RPAS developments in education, including the 'Can I Fly There?' app and cinema advertising targeting recreational drone operators, and on CASA's discussion paper on the review of RPAS operations.

On 7 December 2017, CASA provided evidence on the classification and regulation of charter and regular public transport operations at a public hearing for the Joint Standing Committee on Northern Australia's Inquiry into Opportunities and Methods for Stimulating the Tourism Industry in Northern Australia.

On 22 June 2018, CASA appeared before the Senate Rural and Regional Affairs and Transport Legislation Committee for its Inquiry into the Air Services Amendment Bill 2018 and provided evidence on implications of the Bill for Airservices Australia's safety-related functions, as those functions are overseen by CASA.

On 29 June 2018, CASA appeared before the House of Representatives Standing Committee on Tax and Revenue at a public hearing in connection with the committee's Inquiry into the 2016–17 Annual Report of the Australian Taxation Office (ATO) and Taxpayer Engagement, presenting on the origins and development of CASA's regulatory philosophy and its possible utility for the ATO.

#### Questions on notice

During the reporting period, CASA responded to 27 questions on notice and provided input on a number of questions on notice addressed to the portfolio.



# Aviation Safety Regulation Review

On 14 November 2013, the Australian Government announced the establishment of the independent Aviation Safety Regulation Review (ASRR) to examine Australia's aviation safety regulatory system.

The ASRR report was tabled in Parliament on 3 June 2014. It contained 37 recommendations, of which 32 related to the functions and performance of CASA.

After consideration of public and industry comments on the report and advice from the key aviation agencies, the Minister for Infrastructure and Regional Development tabled the Government's response to the recommendations and related issues on 3 December 2014.

The Minister provided a Statement of Expectations to the CASA Board on 21 March 2017 which included a specific requirement that CASA complete implementation of the remaining parts of the Government's response to the ASRR.

CASA has now considered and addressed all of the recommendations made to it in the ASRR. CASA has completed actions, incorporated solutions into ongoing activities or announced plans to take action on all its recommendations. There are two recommendations which will be actioned during 2018, those being the completion of drafting of the remaining Parts of the Civil Aviation Safety Regulations and review of penalties.

Table 14 summarises the status of the recommendations at 30 June 2018.

**Table 14** Implementation of Australian Government response to the Aviation Safety Regulation Review, as at 30 June 2018

Recommendation	Government response	Status of Government response
4. The Australian Transport Safety Bureau and the Civil Aviation Safety Authority utilise the provision in their bilateral Memorandum of Understanding to accredit CASA observers to ATSB investigations.	Agreed.  <b>The Government expects the ATSB and CASA to work together to address the following issues in ensuring that CASA staff are engaged in ATSB investigations where appropriate:</b>  » workplace health and safety; » costs; » human resource constraints; and » industry perceptions.	A revised Memorandum of Understanding agreed between CASA and the ATSB, which includes the participation of CASA officers in ATSB investigations, was published on each agency's website on 31 March 2015.
6. The Civil Aviation Safety Authority's Board exercises full governance control. The non-executive directors should possess a range of appropriate skills and backgrounds in aviation, safety, management, risk regulation, governance and government.	Agreed.  <b>Issue a new Statement of Expectations (SOE) to the CASA Board.</b>	The SOE's issued to the CASA Board in April 2015 and March 2017 clearly outline the Board's governance role.

Recommendation	Government response	Status of Government response
7. The next Director of Aviation Safety (DAS) has leadership and management experience and capabilities in cultural change of large organisations. Aviation or other safety industry experience is highly desirable.	Agreed in Principle.  <b>The CASA Board to appoint a new DAS.</b>	The DAS appointments since the ASRR report have included leadership, management and aviation safety experience.
8. The Civil Aviation Safety Authority: a. reinstates publication of Key Performance Indicators for service delivery functions	Agreed.  <b>Key performance indicators for service delivery published on CASA's website.</b>  <b>Continue to publish monthly Service Delivery Statistics on its website.</b>  <b>In accordance with <i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act 2013), CASA to publish an annual performance statement in its annual report.</b>	CASA's Key Performance Indicators (KPIs) for service delivery functions are published on CASA's website. CASA continues to refine its KPIs and publish monthly service delivery statistics on its website.  CASA will continue to publish an annual performance statement in its Annual Report.
b. conducts a stakeholder survey every two years to measure the health of its relationship with industry	Agreed.  <b>Stakeholder surveys to be conducted every two years and results to be provided to the Board and Director of Aviation Safety to assist in monitoring and making improvements in CASA's performance and relationship with industry.</b>	The first survey was conducted from 23 November to 18 December 2015 and CASA received over 1,200 responses. The results were provided to the Board and DAS. Results were also publicly released on CASA's website in August 2016.  The second survey was conducted from April to June 2018 with 1,168 responses received. A final analysis of these responses is underway.
c. accepts regulatory authority applications online unless there is a valid technical reason against it	Agreed.  <b>In accordance with the Government's digital business policy, CASA has commenced transitioning more of its business to be conducted online but this will require industry to ensure it has the appropriate infrastructure in place to use online systems.</b>	CASA is transitioning more of its business to the online environment through its Digital Services Strategy. However, it is acknowledged that full transition is expected to take up to five years.

Recommendation	Government response	Status of Government response
d. adopts the same Code of Conduct and Values that apply to the Australian Public Service under the <i>Public Service Act 1999</i> .	<p>Agreed in Principle.</p> <p><b>The Government's new Statement of Expectations to the CASA Board will reaffirm the requirement that CASA staff adhere to a Code of Conduct and set of values consistent with those that apply to the APS.</b></p>	<p>The latest update to the SOE issued to the CASA Board in March 2017 continues to require CASA to have a code of conduct and values consistent with those used by the Australian Public Service.</p> <p>CASA's Code of Conduct was amended in late 2014 and aligns with the APS Code of Conduct and Values, and with the requirements of the <i>Public Governance and Performance Accountability Act 2013</i>.</p>
9. The Civil Aviation Safety Authority develops a staff exchange program with industry.	<p>Agreed in Principle</p> <p><b>CASA to complete an updated Workforce Plan which will outline CASA's strategies to manage and develop its workforce over the next four years. This Plan will be reviewed and updated on an annual basis.</b></p> <p><b>Notwithstanding challenges with staff exchanges, CASA and industry should continue to work closely, for example, in the development of future regulatory proposals.</b></p>	<p>CASA's Workforce Plan was most recently updated in April 2017.</p> <p>CASA is working with industry on a number of staff exchange or secondment initiatives including:</p> <ul style="list-style-type: none"> <li>» an agreement with a major industry operator for secondment of a staff member;</li> <li>» a rotational exchange of Doctors between CASA and several major Australian airlines; and</li> <li>» advice on an offer of a regular staff placement in a self-administering organisation.</li> </ul> <p>CASA continues to work towards reaching a suitable exchange/secondment program.</p> <p>CASA has committed, and will continue, to work closely with industry on regulatory proposals.</p>
11. The Australian Transport Safety Bureau and the Civil Aviation Safety Authority amend the wording of their existing Memorandum of Understanding to make it more definitive about interaction, coordination, and cooperation.	<p>Agreed</p> <p><b>CASA and the ATSB are currently completing a review of the Memorandum of Understanding which would give effect to this recommendation.</b></p>	<p>A revised Memorandum of Understanding was signed on 30 March 2015 and is available on the ATSB and CASA websites.</p>

Recommendation	Government response	Status of Government response
14. The Civil Aviation Safety Authority changes its regulatory philosophy and, together with industry, builds an effective collaborative relationship on a foundation of mutual understanding and respect.	<p>Agreed</p> <p><b>The Government's new Statement of Expectations (SOE) for the CASA Board will require CASA to develop a clear statement of regulatory philosophy.</b></p> <p><b>As part of its quarterly reporting to the Minister on its performance against its Corporate Plan, CASA will report on its performance against the new SOE and the recommendations agreed to by the Government arising out of this Report, including implementation of its regulatory philosophy, and associated compliance and enforcement policies.</b></p> <p><b>The CASA Director of Aviation Safety will be expected to report regularly to the Board on compliance with the new regulatory policy.</b></p>	<p>The tasks required by the Government response, such as issuing of a new SOE, have been completed.</p> <p>CASA's Regulatory Philosophy was published on 15 September 2015.</p> <p>The SOE issued to the CASA Board in March 2017 requires that CASA implement its regulatory philosophy with the philosophy being reflected in relevant policies, procedures, manuals and where CASA personnel are carrying out their day-to-day operations.</p> <p>It is acknowledged that implementation of this response is ongoing across CASA.</p>
15. The Civil Aviation Safety Authority continues to provide appropriate indemnity to all industry personnel with delegations of authority.	<p>Agreed in Principle</p> <p><b>CASA expects to release a policy paper on future proposals for indemnity of delegates for public and industry comment, having regard to the Department of Finance's rules on the indemnity provisions under the PGPA Act 2013.</b></p>	<p>A Department of Infrastructure and Regional Development policy paper was released for public and industry comment in November 2017 and after consideration of submissions received, the Government agreed to new indemnity arrangements effective from 1 September 2018.</p>
<p>16. CASA finalises its Capability Framework and overhauls its training program to ensure identified areas of need are addressed, including:</p> <p>a. communication in a regulatory context:</p> <p>b. decision making and good regulatory practice; and</p> <p>c. auditing.</p>	<p>Agreed</p> <p><b>CASA is developing and reviewing its Capability Framework with a view to finalising a new framework which will address all elements raised by this recommendation.</b></p>	<p>CASA's Capability Framework was made available to staff on 7 December 2016 and will be used in recruitment, selection and performance discussions. It will also be used to inform CASA's training program requirements.</p>

Recommendation	Government response	Status of Government response
<p>17. The Civil Aviation Safety Authority publishes and demonstrates the philosophy of ‘just culture’ whereby individuals involved in a reportable event are not punished for actions, omissions or decisions taken by them that are commensurate with their experience and training. However, actions of gross negligence, wilful violations and destructive acts should not be tolerated.</p>	<p>Agreed</p> <p><b>The Government expects that CASA’s new regulatory philosophy policy, referred to in response to Recommendation 14, will specifically address this recommendation.</b></p> <p><b>Accordingly, the Government expects the CASA Board and Director of Aviation Safety will actively monitor staff compliance with this policy and take appropriate action where non-compliance is evident.</b></p>	<p>CASA’s regulatory philosophy was published on 15 September 2015.</p> <p>It is acknowledged that implementation of the regulatory philosophy throughout CASA is ongoing.</p>
<p>18. The Civil Aviation Safety Authority reintroduces a ‘use of discretion’ procedure that gives operators or individuals the opportunity to discuss and, if necessary, remedy a perceived breach prior to CASA taking any formal action. This procedure is to be followed in all cases, except where CASA identifies a Serious and Imminent Risk to Air Safety.</p>	<p>Agreed in Principle</p> <p><b>The Government expects the new Director of Aviation Safety to publish and adopt a ‘use of discretion’ procedure consistent with its new regulatory philosophy policy.</b></p> <p><b>CASA’s enforcement manual will also be updated.</b></p>	<p>The use of discretion principles have been incorporated into the CASA regulatory philosophy released on 15 September 2015 and appropriate amendments made to the Enforcement Manual published in February 2016.</p>
<p>19. The Australian Transport Safety Bureau transfers information from Mandatory Occurrence Reports to the Civil Aviation Safety Authority, without redaction or de-identification.</p>	<p>Agreed in Principle</p> <p><b>Include in the CASA Board and ATSB Commission Statement of Expectations (SOE) a clear requirement that both agencies comply fully with the current Safety Information Policy Statement based on an approach informed by ‘just culture’ principles.</b></p> <p><b>Industry concerns must be properly addressed before any implementation of this recommendation. CASA has confirmed it will be publishing a Question and Answer (Q and A) document to accompany the Policy Statement.</b></p>	<p>The CASA Board agreed in December 2015 that the current approach of transferring Mandatory Occurrence Reports with de-identified information was satisfactory.</p> <p>The DAS and the ATSB Chief Commissioner are committed to compliance with the Safety Information Policy Statement.</p> <p>A Q and A document to accompany the Safety Information Policy Statement was published on the CASA website in December 2016.</p> <p>The SOE’s issued to the CASA Board in March 2017 and the ATSB in May 2017 includes the appropriate sharing and use of safety information as a key aviation initiative informed by ‘just culture’ principles.</p>

Recommendation	Government response	Status of Government response
21. The Civil Aviation Safety Authority changes its organisational structure to a client-oriented output model.	<p>Noted</p> <p><b>The Government has requested the Board examine the Report's proposal for creating a specific unit in CASA dedicated to general aviation (GA) and aerial work operations as part of further advice on its future organisational structure in its next corporate plan.</b></p>	<p>In January 2018 CASA was restructured and included a GA work unit within the Aviation Group.</p>
22. The Civil Aviation Safety Authority establishes small offices at specific industry centres to improve monitoring, service quality, communications and collaborative relationships.	<p>Noted</p> <p><b>Primary responsibility for considering this recommendation rests with the new CASA Director of Aviation Safety and the CASA Board.</b></p> <p><b>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.</b></p>	<p>This proposal was considered as part of the review of CASA's structure (see Recommendation 21).</p> <p>CASA reviewed its small/satellite offices during 2016–17 to find a more effective model.</p> <p>CASA has decided to implement a 'fly-in-fly-out' model to ensure effective communication with aviation industry operators while managing a cost-effective approach.</p>
23. The Civil Aviation Safety Authority shares the risk assessment outputs of Sky Sentinel, its computerised risk assessment system, with the applicable authorisation holder.	<p>Agreed in Principle</p> <p><b>In relation to Sky Sentinel outputs, the Government expects that the next CASA corporate plan will set out how the authority can most effectively implement this recommendation.</b></p>	<p>CASA implemented procedures to share Authorisation Holder Performance Indicator information and safety risk profile information prior to audits from November 2017.</p>
24. The Civil Aviation Safety Authority provides full disclosure of audit findings at audit exit briefings in accordance with international best practice.	<p>Agreed</p> <p><b>The Government has asked CASA to review its audit policies and modify its procedures as appropriate to provide a brief, preliminary indication of findings in written form at all exit briefings with industry.</b></p>	<p>CASA has reviewed and modified its procedures to mandate an exit brief with an indication of findings with industry at every audit.</p> <p>This is in addition to CASA's current peer review process, which will ensure procedural fairness and consistency and transparent authorisation holder engagement.</p>



Recommendation	Government response	Status of Government response
25. The Civil Aviation Safety Authority introduces grading of Non-Compliance Notices on a scale of seriousness.	Agreed  <b>The Government has requested CASA, in consultation with industry, examine the development of appropriate gradings for Non-Compliance Notices that accurately reflect aviation safety risks, without reducing operators' remedial decision making responsibilities.</b>	CASA implemented a modified three-tier approach, graded by severity, from November 2017. CASA now uses Safety Alert, Safety Finding or Safety Observation.
26. The Civil Aviation Safety Authority assures consistency of audits across all regions, and delivers audit reports within an agreed timeframe.	Agreed  <b>The Government has asked the CASA Board, through the Director of Aviation Safety, to closely monitor exit and final audit performance by the organisation.</b>	In addition to the exit briefing and peer review process in Recommendation 24, CASA's executive meetings will monitor exit and final audit performance as a standing agenda item. Any instances of inconsistency or non-performance will be managed through those meetings.
27. The Civil Aviation Safety Authority implements a system of using third-party commercial audits as a supplementary tool to its surveillance system.	Agreed in Principle  <b>The Government has requested the CASA Board review this option by 30 June 2015 having particular regard to the likely availability of suitable commercial audit providers to perform this function, potential for conflicts of interest, consistency of audit issues and liability of parties.</b>	The Board reviewed the option of third-party commercial audits and confirmed that the capability already exists in current legislation. The use of this option will be at the discretion of the DAS. CASA signed a MOU with the International Air Transport Association (IATA) on 24 July 2017 for accessibility to IATA Operational Safety Audit reports. On 5 June 2018, CASA signed a working arrangement to include access to audit reports of Australian carriers. Letter sent to all AOC holders on 28 June inviting them to supply third party audit information where possible.
28. The Civil Aviation Safety Authority establishes a safety oversight risk management hierarchy based on a categorisation of operations. Rule making and surveillance priorities should be proportionate to the safety risk.	Agreed.  <b>The Government will set out in its new Statement of Expectation (SOE) to the CASA Board the importance of using appropriately developed safety cases to support the implementation of new regulations and standards that should be developed in consultation with industry.</b>	An updated SOE was issued to the CASA Board in March 2017 which includes regulatory reform being supported by appropriate safety cases.  CASA's new Regulatory Philosophy clearly articulates the use of risk based approaches and the highest safety priority being afforded to passenger transport operations.  New regulations and amendments to existing regulations will continue to be developed in close consultation with industry.

Recommendation	Government response	Status of Government response
<p>29. Recreational Aviation Administration Organisations, in coordination with the Civil Aviation Safety Authority, develop mechanisms to ensure all aircraft to be regulated under Civil Aviation Safety Regulation (CASR) Part 149 are registered.</p>	<p>Agreed</p> <p><b>CASA proposes to release a draft of CASR Part 149 for public and industry consultation in the first half of 2015.</b></p>	<p>CASA released a draft CASR Part 149 for public and industry consultation in August 2016.</p> <p>CASR Part 149 was made July 2018.</p> <p>CASA continues to work closely with Recreational Aviation Australia to ensure aircraft are registered.</p> <p>Recreational Aviation Administration Organisations that register aircraft, operate under a Civil Aviation Order and a Deed of Agreement which requires the registration/identification of members' aircraft greater than 70kg empty weight.</p>
<p>30. The Civil Aviation Safety Authority changes the current two-tier regulatory framework (act and regulations) to a three-tier structure (act, regulations and standards), with:</p> <p>a. regulations drafted in a high-level, succinct style, containing provisions for enabling standards and necessary legislative provisions, including offences; and</p> <p>b. the third-tier standards drafted in plain, easy to understand language.</p>	<p>Agreed in Principle</p> <p><b>The Government supports the use of easy to understand language in aviation regulations and standards and expects CASA and the Office of Parliamentary Counsel (OPC) to commit to the principles set out in Recommendations 30 and 31. CASA and OPC will continue to ensure new regulations and instruments adhere to Commonwealth legal drafting practices and avoid any inconsistencies with other pieces of relevant legislation and regulation.</b></p>	<p>CASA will continue to focus on new regulations and instruments adhering to Commonwealth legal drafting practices and avoiding inconsistencies with other pieces of relevant legislation.</p> <p>Rules will continue to be prepared in accordance with a three-tier regulatory structure and using easy to understand language.</p> <p>CASA is committed to the remaining reform program regulations drafted for public and industry consultation by the end of 2018.</p>
<p>31. The Civil Aviation Safety Authority structures all regulations not yet made with the three-tier approach, and subsequently reviews all other Civil Aviation Safety Regulation Parts (in consultation with industry) to determine if they should be remade using the three-tier structure.</p>	<p>Agreed in Principle</p> <p><b>The Government will support appropriate regulatory reforms in the future noting that there needs to be sufficient time for CASA and industry to transition to the changes, recognising this can often take several years.</b></p>	<p>Rules will continue to be prepared in accordance with a three-tier regulatory structure.</p> <p>Subsequent reviews of other CASR Parts will determine if they need to be remade, noting that CASA, working with industry, has set out the immediate priorities for regulatory reform.</p> <p>Implementation is ongoing as drafting of the remaining parts of the regulatory reform program are progressed.</p>

Recommendation	Government response	Status of Government response
32. The Civil Aviation Safety Authority reassesses the penalties in the Civil Aviation Safety Regulations.	Agreed  <b>CASA, in consultation with the Department and industry, will conduct a review of the penalties for offences in the <i>Civil Aviation Act 1988</i> and CASR.</b>	The review of penalties was deferred given higher immediate regulatory drafting priorities. Penalties in future regulations will take account of the new regulatory philosophy.  An overall review of penalties will be undertaken after the remaining elements of the regulatory reform package are drafted in 2018 and the review will include public and industry consultation.
33. The Civil Aviation Safety Authority applies a project management approach to the completion of all Civil Aviation Safety Regulation Parts not yet in force, with drafting to be completed within one year and consultation completed one year later, with:  a. a Steering Committee and a Project Team with both CASA and industry representatives; and  b. implementation dates established through formal industry consultation.	Agreed  <b>The Government expects CASA and OPC to complete the drafting of all remaining parts of the current safety regulatory reform programme during 2015.</b>  <b>The Government has also requested the Board consider the establishment of a small, joint CASA/industry regulatory steering committee to inform future regulatory reform priorities once the current reform program is completed.</b>  <b>Accordingly, the joint CASA/industry regulatory steering committee should also continue to establish specific project teams to examine individual Civil Aviation Regulations 1988 and CASR Parts and standards and orders.</b>	CASA deferred completion of some parts of the current safety regulatory program during 2016 in response to industry concerns to focus on remediation of CASR Parts 61, 64, 141 and 142.  CASA expects all remaining parts of the regulatory reform program to be drafted by the end of 2018, noting that transition periods and final rule application may extend beyond the date of regulations being made.  CASA has established a new Aviation Safety Advisory Panel from 1 July 2017 to provide objective, high level advice on current, emerging and potential issues.  CASA will continue to use joint CASA/industry committees to examine individual regulations, standards and orders.
34. The Civil Aviation Safety Authority's Director of Aviation Safety meet with industry sector leaders to jointly develop a plan for renewing a collaborative and effective Standards Consultative Committee.	Agreed  <b>The Government supports CASA establishing a new, small overarching CASA/industry regulatory steering committee</b>  <b>The Government has also established an Aviation Industry Consultative Council, chaired by the Minister, to discuss matters of broader concern to the aviation industry and ensure that industry has a forum for discussing their views.</b>	CASA has established a new Aviation Safety Advisory Panel from 1 July 2017 to provide objective, high level advice on current, emerging and potential issues.

Recommendation	Government response	Status of Government response
<p>35. The Civil Aviation Safety Authority devolve to Designated Aviation Medical Examiners the ability to renew aviation medical certificates (for Classes 1, 2, and 3) where the applicant meets the required standard at the time of the medical examination.</p>	<p>Agreed in Principle</p> <p><b>CASA will conduct a post implementation review of the Class 2 process in consultation with stakeholders in the second half of 2015.</b></p> <p><b>Moreover the Government has asked that CASA undertake a review of its aviation medical unit to establish whether a more effective and efficient system might be put in place without adversely impacting on safety.</b></p>	<p>CASA released a Medical Certification Standards Discussion Paper in December 2016. The public comment period closed on 30 March 2017 and CASA received 160 submissions.</p> <p>Three reforms were announced in November 2017:</p> <ul style="list-style-type: none"> <li>» allowing non-passenger carrying commercial operations under a full Class 2 medical certificate from 1 March 2018;</li> <li>» increasing the delegation of medical decision making to medical professionals from 4 April 2018; and</li> <li>» implementing a new category of private pilot medical certificate (Basic Class 2) from July 2018.</li> </ul> <p>CASA completed an internal review of the Aviation Medicine Unit in late 2015 and any outstanding recommendations have been incorporated into CASA's business plans.</p>
<p>37. CASA amends the current Terms of reference of the Industry Complaints Commissioner (ICC) so that:</p> <p>a. The ICC reports directly to the CASA Board;</p> <p>b. No CASA staff are excluded from the ICC's jurisdiction;</p> <p>c. The ICC will receive complaints that relate to both the merits and the process of matters;</p> <p>d. On merits matters, including aviation medical matters, the ICC is empowered to convene an appropriately constituted review panel, chaired by a CASA non-executive director, to review the decision; and</p> <p>e. While all ICC findings are non-binding recommendations, the original decision-maker is required to give reasons to the CASA Board if a recommendation is not followed.</p>	<p>Agreed in Principle</p> <p><b>The Government supports recommendations part (a) and (b) and has asked the Board for advice on appropriate future governance arrangements for the Industry Complaints Commissioner (ICC).</b></p> <p><b>In order to improve transparency and accountability, the Government has also asked CASA to provide an annual report of the activities and findings of the ICC as an appendix to its annual report.</b></p>	<p>The CASA Board agreed to (a), (b), (c) and (e) of Recommendation 37. The Board examined appropriate future governance arrangements for the ICC, however did not support the establishment of review panels (d).</p> <p>The terms of reference for the ICC were updated in May 2015, including that the ICC is to report to the Board.</p> <p>A report on the ICC's activities is now included in CASA's annual reports.</p>

# Judicial decisions

CASA was a party to one matter before the Federal Court of Australia (FCA) in 2017–18. On 28 July 2017, Justice Tracey handed down judgement in the matter of *Civil Aviation Safety Authority v Michael Bellamy* [2017] FCA 829. This matter involved an appeal by CASA from a decision of the Administrative Appeals Tribunal (AAT) in which the AAT had set aside CASA’s decision to cancel Mr Bellamy’s private pilot licence – aeroplane category (PPL). In reaching its decision, the AAT had concluded that Mr Bellamy was a fit and proper person to be the holder of a PPL.

In setting aside the AAT’s decision and remitting the matter to the AAT for re-hearing, Justice Tracey found that, in reaching its conclusion that Mr Bellamy was a fit and proper person, the AAT had committed a number of errors of law, including by:

- (a) misconstruing regulation 229 of the Civil Aviation Regulations 1998 as applying only to the conduct of commercial air operations
- (b) failing to properly take into account Mr Bellamy’s conviction for presenting a knowingly false document to a CASA investigator
- (c) finding that conduct of Mr Bellamy in relation to the operation of a gyroplane was not relevant to his fitness to hold a fixed-wing PPL.

CASA’s legal costs for 2017–18 are outlined in Table B.14 on page 179.

# Coronial inquiries

Coroners investigate deaths, identify other injuries and make recommendations that may prevent deaths and non-fatal injuries. Coroners’ findings vary from brief descriptions about the place of death, the identity of the deceased and the cause of death through to detailed descriptions of the circumstances leading to the death and detailed recommendations about what might be done to prevent similar deaths and injuries in the future. Recommendations of this kind may deal with CASA’s regulatory administration of aviation safety.

CASA participated in one coronial inquest in 2017–18. The coronial inquest involved deaths resulting from an aircraft accident during recreational aviation activities. CASA was also the subject of recommendations made by a coroner in a separate inquest to which CASA was not a party.

Table 15 provides details of CASA’s response to the coronial recommendations made about CASA in the inquest to which it was not a party.

**Table 15** CASA’s responses to coronial recommendations, 2017–18

<b>Inquest</b>	Haydn Jonathan Redfern and Wayne Patrick Schofield – Crash of Eurocopter AS350 helicopter in charter operations
<b>State</b>	Queensland
<b>Date of findings</b>	8 December 2017
<b>Recommendations for CASA</b>	2. Regulators need to consider whether any manufacturer issued Safety Recommendation, or CASA issued Airworthiness Bulletins should, in appropriate circumstances, require timely replacement of parts or components when improved parts or components are recommended. The depleting or running down of existing non-conforming, or not recommended parts, is not a best practice. There should also be consideration of whether any Safety Recommendation should be the subject of a minimum compliance period, e.g. ‘within 90 days there must be compliance’. This will of course depend upon the issue that is the subject of the Safety Recommendation and the availability of a ‘fix’.
<b>CASA response</b>	<p>The process recommended by the coroner is already a part of CASA’s core business. It becomes appropriate for the safety regulator to intervene to require timely replacement of parts or components only where a safety risk has been identified, requiring that replacement to occur. In such cases, CASA generally issues an Airworthiness Directive under Part 39 of the Civil Aviation Safety Regulations 1998 requiring the replacement to occur and specifying the applicable period of time within which it must take place.</p> <p>It is not open to CASA to direct or require operators to replace a part or component simply because it has been superseded by an improved part or component. In that instance, so long as the relevant manufacturer still approves the use of the superseded part and its use does not produce a safety issue, there are no grounds for CASA to act.</p>

Table B.8 in Appendix B shows the number of coronial inquiries that involved CASA in each year from 2013–14 to 2017–18.

## Administrative scrutiny

### Reports by the Auditor-General

In 2017–18, the Auditor-General tabled in parliament one report relating to CASA’s operations: Report no. 24: *Audits of the financial statements of Australian Government entities for the period ended 30 June 2017*.

Details of the report can be found on the Australian National Audit Office website.

### Reports by the Australian Information Commissioner

No decisions made by the Australian Information Commissioner during the reporting period had a significant effect on CASA’s operations.

### Investigations by the Commonwealth Ombudsman

One investigation involving CASA was initiated by the Commonwealth Ombudsman in 2017–18. It involved CASA’s review of a ‘low flying’ complaint made by a member of the public. In October 2017, the Ombudsman’s Office advised that further investigation was not warranted and that it had closed the complaint file.



In November 2017, the Ombudsman's Office notified CASA that it was discontinuing its investigation of two matters that had been referred to the Ombudsman by CASA in 2016, after CASA had initiated its own investigation into the matters under the *Public Interest Disclosure Act 2013* (PID Act). The Ombudsman's Office advised that it was terminating its investigation, having found six of the eight allegations not to have been substantiated and the other two not to have involved serious disclosable conduct under the PID Act.

## Reviews of regulatory decisions

Certain types of regulatory decisions made by CASA are subject to merits review by the AAT. Merits review involves the reconsideration of an administrative decision. On the facts before it, the tribunal decides whether the correct decision (or, where an exercise of discretion was involved, the preferable decision) has been made in accordance with the applicable law.

A person who is the subject of a CASA decision may apply directly to the Federal Court for a review of the decision under the *Administrative Decisions (Judicial Review) Act 1977*. In some cases, a decision of the AAT may be reviewed in the Federal Court.

Tables B.5 to B.7 in Appendix B provide details of AAT merits reviews of CASA regulatory decisions, the categories of CASA decisions appealed in the AAT, and applications to the Federal Court for judicial review of regulatory decisions.

## Complaints

### Complaints-handling mechanisms

The Office of the Industry Complaints Commissioner (ICC) was created to offer an accessible and transparent mechanism for complaints about the actions, decisions and services provided by CASA staff, delegates and authorised persons.

Reporting to CASA's Board, the ICC reviews complaints to establish whether CASA's actions, decisions or services were wrong, unjust, unlawful, discriminatory or unfair. Governance arrangements support the ICC complaints-handling process and set out how identified deficiencies in CASA's processes and procedures are identified and resolved. In 2018, enhanced internal reporting of ICC recommendations was implemented to ensure that CASA continued to give appropriate consideration to identified procedural or systemic issues.

### Complaints in 2017–18

In 2017–18, the ICC resolved 91 complaints (including cases on hand at 1 July 2017), 80 of which were classified as either 'standard' or 'complex'. Of those cases, 27 (just under a third) were classified as 'complex'.

Figure 11 shows the business group within CASA about which complaints classified as standard or complex were made; Figure 12 shows total complaints that the ICC received from 2013–14 to 2017–18 and the categories into which those complaints fell.

Figure 11 Complaints, by business group, 2013–14 to 2017–18

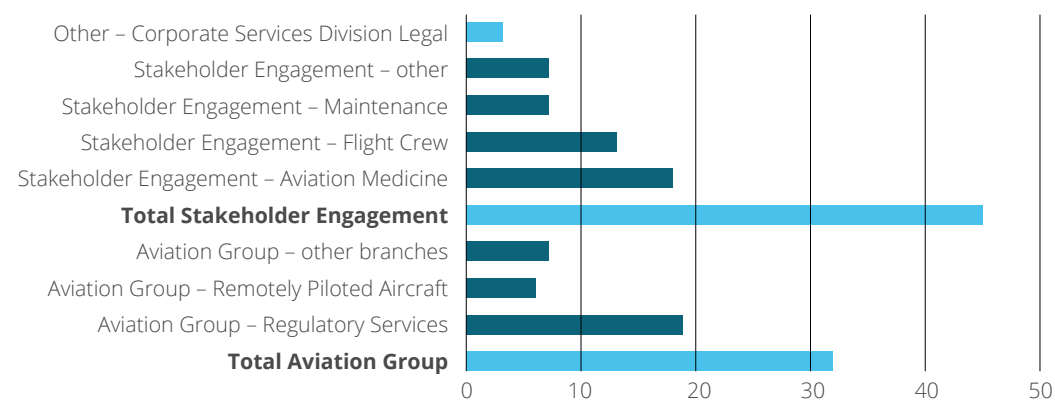
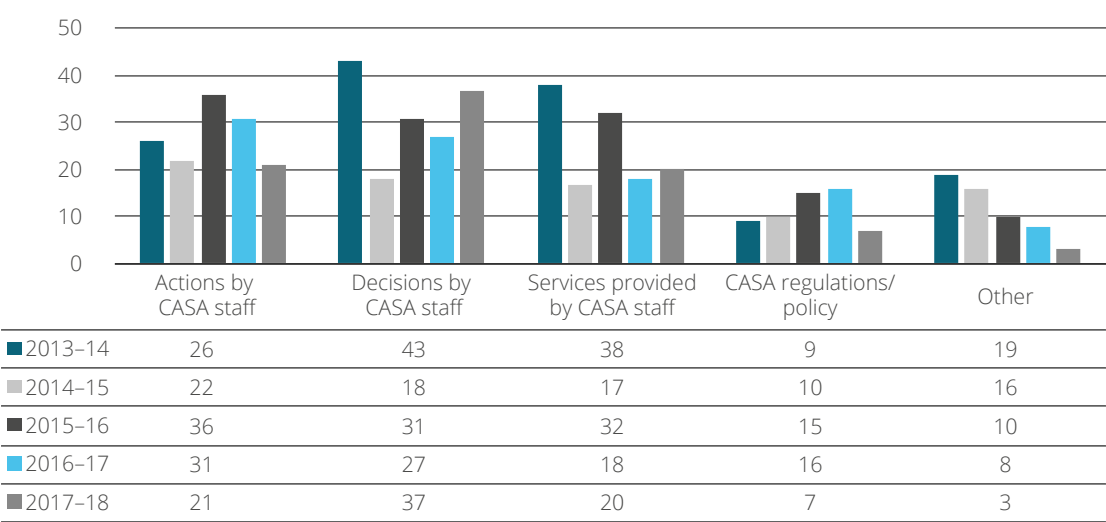


Figure 12 Complaints, by category, 2013–14 to 2017–18



Processing of complaints

The ICC aims to finalise simple complaints that are clearly outside the ICC’s jurisdiction or not related to CASA within five business days. For standard cases, which represent the majority of cases received, the ICC aims to finalise complaints within 30 business days. For complex cases, which require expert advice, relate to novel issues or involve a wide scope of issues, the ICC aims to finalise complaints within 90 business days.

In 2017–18, the ICC resolved:

- » 100 per cent of the 11 simple cases within five days (average 1.2 days)

- » 74 per cent of the 53 standard cases within 30 days (average 18.4 days)
- » 74 per cent of the 27 complex cases within 90 days (average 66.2 days).

Complaint prevention strategies

In 2017–18, the ICC made a total of 23 recommendations to other business areas of CASA with the aim of reducing future complaints and ensuring best practice. The recommendations included changes to the content of CASA forms, changes in operator oversight and fee refunds, and for CASA to consider exempting individuals or a class of individuals from specific regulations. All ICC recommendations were accepted in principle.

## New Aviation Safety Advisory Panel



CASA's Aviation Safety Advisory Panel (ASAP) held its inaugural meeting in Sydney on 4 September 2017, marking an important milestone in CASA's new consultation and engagement approach.

The panel is independently chaired by Honorary Professor Patrick Murray, from the University of Southern Queensland. The other members are six senior leaders from the aviation industry and two CASA executive managers.

The ASAP replaces most previous CASA consultative committees and forums and gives the aviation industry a much stronger independent framework for reviewing proposed policies and regulations and providing advice to the Director of Aviation Safety.

At the first meeting, the panel ratified its terms of reference, which provide for the establishment of short-term technical working groups to review specific issues and proposals at the panel's request.

**CASA |** (L-R) John Gissing, Jim Davis, Shane Carmody, Michael Monck, Patrick Murray, Rob Sharp, Jim Wolfe, Graeme Crawford, Rob Walker, Greg Russell.

A call for expressions of interest drew more than 500 responses from individuals across the industry, volunteering to be involved in technical working groups. During the year, the panel convened four technical working groups.

Unlike previous consultative arrangements, the new approach gives industry far greater autonomy to ensure that proposed new policies or regulations are considered by the right experts from a whole-of-industry perspective and that consensus is sought on advice provided to CASA.

The framework also seeks to ensure that policy decisions are debated and settled ahead of any detailed work on either regulatory or non-regulatory approaches to safety issues.

More information about the ASAP and its technical working groups can be found on the CASA website. Minutes are made available after each meeting.

## New medical certification rules



Monika Wisniewska | iStockPhoto

In April 2018, CASA introduced changes to the assessment and issuing of Class 2 aviation medical certificates, giving designated aviation medical examiners (DAMEs) the power to issue on-the-spot medical certificates.

The changes allow DAMEs to take a greater role in decision-making and provide them with greater access to CASA's medical record system.

An e-learning module developed to help DAMEs understand the changes includes topics such as conducting an aeromedical risk assessment, criteria for meeting the regulatory standard, complex case management guidelines, and appeal options.

Successful completion of the module will give DAMEs the option to issue a Class 2 medical certificate without referring it to CASA.

DAMEs are still able to refer an application to CASA if they determine that CASA should assess the application, but giving medical examiners the ability to appropriately assess applications and issue a Class 2 medical certificate as well as to conduct the examinations streamlines the process for both doctors and applicants.

Once a DAME has completed the e-learning, their access to CASA's medical records system will be adjusted accordingly to enable the issue of certificates on the spot.

The new Basic Class 2 medical certificate, which can be issued from 12 July 2018, allows private pilots flying piston engine powered aircraft, carrying up to five non-fare-paying passengers, to be issued with the certificate by CASA after being examined by a general practitioner at a reduced cost. The certificate will be based on the Austroads commercial vehicle standards.

Operations in this new category will be limited to the visual flight rules and will be permitted in all classes of airspace except Class A.



## PART 4:

### OTHER ACCOUNTABILITY REPORTING

As a corporate Commonwealth entity, CASA is accountable to the Minister, the Australian Parliament and the Australian people. This part of the report provides information to satisfy the reporting requirements of a range of Commonwealth legislation and Australian Government policies that relate to CASA's performance.

#### In this part:

» Compliance with finance law	124
» Significant activities and changes	124
» Freedom of information	124
» Enforcement actions	124
» Environmental sustainability performance	125
» Purchasing	127
» Advertising	127
» Sponsorships and grants	128
» Consultancy services	128
» Related entity transactions	128
» Insurance and indemnities	128

## COMPLIANCE WITH FINANCE LAW

Section 17BE(h) of the Public Governance, Performance and Accountability Rule 2014 requires corporate Commonwealth entities to report on any instances of significant noncompliance with finance law during the financial year.

CASA had no significant issues to report to the Minister in relation to noncompliance with finance law in 2017–18.

## SIGNIFICANT ACTIVITIES AND CHANGES

Section 17BE(p) of the Public Governance, Performance and Accountability Rule 2014 requires corporate Commonwealth entities to report on significant activities and changes that affected their operations or structure during the financial year.

Reportable events include significant changes to the operational and financial results of the authority; the authority's state of affairs or principal activities; or the authority's enabling legislation or any other directly relevant legislation.

In 2017–18, CASA's organisational structure was refreshed and the Service Delivery Transformation program was introduced, to meet evolving regulatory demands and improve the delivery of CASA outcomes and government priorities. CASA had no other significant events to report.

## FREEDOM OF INFORMATION

The *Freedom of Information Act 1982* requires CASA to publish information as part of the Information Publication Scheme.

An agency plan showing what information is published in accordance with the Information Publication Scheme requirements is accessible from our website.

## ENFORCEMENT ACTIONS

The coordinated enforcement process provides CASA's decision-makers with the benefit of legal, regulatory and technical and/or operational input when considering action that might be taken as a result of a breach of the civil aviation legislation.

Results of this process may include compliance-related action, enforcement action, or both. This may involve administrative action, which could result in a suspension, variation or cancellation of a civil aviation authorisation. It may also include a suspension under section 30DC of the *Civil Aviation Act 1988* where there is a serious and imminent risk to safety. Alternatively, or in combination with such action, we may issue aviation infringement notices attracting a small pecuniary fine or refer matters to the Commonwealth Director of Public Prosecutions.

We may also accept enforceable voluntary undertakings from individuals and companies, or may counsel them, depending on the circumstances of the breach and the appropriateness of doing so. In many cases, however, the coordinated enforcement process may result in a recommendation that no enforcement action be taken.

Table 16 shows compliance-related actions over the past five financial years.



**Table 16** Compliance-related actions, 2013–14 to 2017–18

Action	2013–14	2014–15	2015–16	2016–17	2017–18
Enforceable voluntary undertakings	0	0	1	0	1
Counselling	56	17	39	68	106

Tables B.9 to B.12 in Appendix B show details of medical certificate actions; licence and certificate actions; serious and imminent risk suspensions; and infringement notices and matters referred for prosecution.

# ENVIRONMENTAL SUSTAINABILITY PERFORMANCE

The *Environment Protection and Biodiversity Conservation Act 1999* requires CASA to report on how its outcome and activities accord with the principles of ecologically sustainable development.

## Environmental management system

CASA's environmental management system is designed to improve our environmental performance and reduce the environmental impact of our operations.

Our environmental sustainability policy is a key element of the environmental management system. The policy formalises CASA's commitment to environmental protection and provides a framework for achieving continuous improvement in environmental performance.

## Measures taken to minimise the impact of activities on the environment

Strategies are in place to reduce the environmental impact of our operations. Objectives, targets and action plans are set out clearly, and responsibilities and time frames have been established.

Environmental initiatives undertaken during the year included:

- » waste audits at CASA's Brisbane and Canberra offices, where there have been noticeable improvements in rates of diversion from landfill, especially at our Aviation House site in Canberra
- » the continued accreditation of the Canberra office in the ACT Government's business waste recycling program
- » the promotion of recycling opportunities through forums such as the CASA staff newsletter, where the results of waste audits are advised to staff
- » the continued promotion of the use of video conferencing as an alternative to air travel, including consideration of arrangements for increasing video conferencing facilities through a built workplace review
- » the achievement of 4.5 star or better National Australian Built Environment Rating System (NABERS) building ratings over the past 12 months for the leased office accommodation that we occupy in Brisbane, Canberra and Sydney.

We achieved a number of improvements in environmental performance in a range of indicators during 2017–18 (see Table 17).

CASA was not involved in any actions likely to have a significant impact on matters of national environmental significance on Commonwealth land.

**Table 17 Environmental performance summary, 2016–17 to 2017–18**

Indicator	2016–17	2017–18
<b>Office energy usage</b>		
Total tenant light and power energy consumption, including Aviation House server room (kWh)	1,943,854	1,966,978
Total tenant light and power energy consumption, excluding Aviation House server room (MJ)	5,384,066	5,108,978
Aviation House server room, Canberra (MJ) <sup>a</sup>	1,613,808	1,972,206
Total tenant energy consumption per full-time equivalent, excluding Aviation House server room (MJ/head) <sup>b</sup>	5,936	5,773
Total tenant energy consumption per square metre, excluding Aviation House server room (MJ/m <sup>2</sup> ) <sup>c</sup>	277	267
Total greenhouse gas emissions attributed to tenant energy consumption, including Aviation House server room (tonnes CO <sub>2</sub> -e)	1,538	1,544
Green power purchased (kWh)	52,838	55,444
<b>Vehicle fleet</b>		
Total number of fleet vehicles	36	35
Number of vehicles under 1,800 cc or hybrid	13	11
Total fuel used (litres)	31,909	28,861
Total distance travelled (km)	400,768	380,134
Average fuel consumption of fleet vehicles per 100 kilometres (litres)	8.0	7.6
Total greenhouse gas emissions attributed to motor vehicle fleet usage (tonnes CO <sub>2</sub> -e)	77.0	74.5
<b>Air travel</b>		
Total number of flights	8,082	10,691
Total number of kilometres flown	17,564,863	15,675,996
Kilometres flown per head count	19,365	17,713
Total greenhouse gas emissions attributed to air travel (CO <sub>2</sub> -e kg)	2,246,103	1,505,311
<b>Resource efficiency and waste</b>		
Total office paper purchased (reams A4 per head)	7.2	6.0
As above, but percentage using more than 50% recycled content	85% <sup>d</sup>	98%
Office paper recycled (tonnes)	46.0	37.4
Total waste produced (tonnes)	66.0	63.3
Total waste produced (kilograms per head)	73.0	71.6
Percentage of waste diverted from landfill (tonnes)	80%	79%
	(53 tonnes)	(50 tonnes)

CO<sub>2</sub>-e = carbon dioxide equivalent, kWh = kilowatt hour, MJ = megajoule.

a Increased energy usage in server room is attributable to extra servers being run during data migration.

b Head count includes full-time equivalent staff (832) and contractors (53), making a total of 885.

c Total office space = 19,149 m<sup>2</sup>.

d In Table 16 of the 2016–17 annual report, this result was shown as 7.2 due to a transcription error.

## Office energy use

CASA has in place an energy management plan aimed at minimising its use of energy in office buildings. When choosing and fitting out new office accommodation, we attempt to minimise our environmental footprint by including energy-efficient features.

## Motor vehicle fleet

CASA has a policy of selecting motor vehicles that are fit for purpose and, where operationally practical, leases small, fuel-efficient vehicles. During 2017–18, we operated a vehicle fleet consisting of 35 vehicles, of which 32 per cent had engine capacities under 1,800 cubic centimetres or were hybrid vehicles. Since 2010, the CASA fleet has reduced in size by 15 vehicles.

## Waste management and resource efficiency

CASA's main offices provide a range of recycling opportunities. Through improved recycling signage and recycling awareness campaigns, CASA is diverting as much waste as possible from landfill to recycling. Stationery recycling stores operate in Brisbane and Canberra, allowing staff to place surplus stationery in a central location for use by other teams. In Canberra, CASA remains accredited under the ACT Government recycling program. Of paper used by CASA, 98 per cent has a recycled content of more than 50 per cent.

# PURCHASING

CASA's procurement framework is consistent with the Commonwealth Procurement Rules and reflects value for money – the core principle governing Australian Government procurement. CASA applies the rules to its activities through a policy notice by the CEO/DAS and supporting operational procedures.

The organisation's procurement policies help to ensure that it undertakes competitive, non-discriminatory procurement processes; uses its resources efficiently, effectively and ethically; and makes decisions in an accountable and transparent manner.

CASA has standard tendering and contracting documentation to ensure that consistent procurement practices are employed across the organisation. As part of those arrangements, CASA includes standard access clauses in its tender documents and contracts to provide it and the Auditor-General with access to contractors' premises.

# ADVERTISING

Section 311A of the *Commonwealth Electoral Act 1918* requires Australian Government departments and agencies to set out in their annual reports details of amounts greater than \$13,200 (inclusive of GST) paid by or on behalf of them during the year to advertising agencies, market research organisations, polling organisations, direct mail organisations and media advertising organisations.

During 2017–18, a cinema advertising campaign on drones was undertaken by CASA.

The amounts that CASA paid to media, advertising and direct mail organisations in 2017–18 are detailed in Table B.13 in Appendix B.

# SPONSORSHIPS AND GRANTS

CASA provides sponsorship support to aviation-related organisations and events to help improve and promote aviation safety.

Clear sponsorship guidelines, along with our current safety promotion priorities, are available on our website.

Table 18 shows the value of CASA's sponsorships and grants and the numbers of organisations or events assisted in recent years.

**Table 18** Sponsorships and grants, 2013–14 to 2017–18

Financial year	Total funds	No. of organisations/ events
2013–14	\$236,459	23
2014–15	\$205,349	18
2015–16	\$194,584	34
2016–17	\$205,546	31
2017–18	\$117,652	21

# CONSULTANCY SERVICES

Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the CASA website.

The total cost of consultancies to CASA in 2017–18 was \$2,167,392.

# RELATED ENTITY TRANSACTIONS

In 2017–18, there were no transactions for goods and services or provisions of grants to any entity in which a director of CASA was also a director.

# INSURANCE AND INDEMNITIES

The Commonwealth indemnified CASA in relation to liabilities associated with acts or omissions that occurred before the expiry of two deeds of indemnity in July and August 1998. Since then, CASA has arranged its own insurance for these risks through a Comcover policy.

In 2017–18, we held aviation and general liability, professional indemnity, directors' and officers' liability, and a range of other corporate insurance.

## Aviation and general liability

Aviation and general liability insurance provides coverage for injuries caused to third parties or to the property of third parties as a result of negligence arising out of the performance of CASA's functions under the Civil Aviation Act, the *Civil Aviation (Carriers' Liability) Act 1959* and other applicable legislation.

## Professional indemnity

CASA's Comcover insurance policy covers liability arising from breaches of duty or negligence by a CASA officer. Further, the aviation liability component of the policy covers liability in respect of the indemnity given to industry delegates and authorised persons. The policy is subject to exclusions.

## Directors' and officers' liability

In 2017–18, CASA held insurance protecting directors and officers from liability for the consequences of wrongful acts, as defined in CASA's Comcover policy.



## PART 5: FINANCIAL STATEMENTS

This part of the report provides the entirety of CASA's financial statements, audit opinion and explanatory notes for 2017–18. The Australian National Audit Office has performed an independent audit of, and expressed an unqualified opinion on, the financial statements.

### In this part:

- » Independent auditor's report **130**
- » Statement by the Chair of the Board, Chief Executive Officer and Director of Aviation Safety and Chief Financial Officer **132**
- » Statement of comprehensive income **133**
- » Statement of financial position **134**
- » Statement of changes in equity **135**
- » Cash flow statement **136**
- » Notes to and forming part of the financial statements **137**



## INDEPENDENT AUDITOR'S REPORT

To the Minister for Infrastructure and Transport

### Opinion

In my opinion, the financial statements of the Civil Aviation Safety Authority for the year ended 30 June 2018:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Civil Aviation Safety Authority as at 30 June 2018 and its financial performance and cash flows for the year then ended.

The financial statements of the Civil Aviation Safety Authority, which I have audited, comprise the following statements as at 30 June 2018 and for the year then ended:

- Statement by the Chair of the Board, Chief Executive Officer and Director of Aviation Safety and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to and forming part of the financial statements.

### Basis for Opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Civil Aviation Safety Authority in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Accountable Authority's Responsibility for the Financial Statements

As the Accountable Authority of the Civil Aviation Safety Authority the Chair of the Board is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under that Act. The Chair of the Board is also responsible for such internal control as the Chair of the Board determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chair of the Board is responsible for assessing the Civil Aviation Safety Authority's ability to continue as a going concern, taking into account whether the entity's operations will cease as a result of an administrative restructure or for any other reason. The Chair of the Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

GPO Box 707 CANBERRA ACT 2601  
19 National Circuit BARTON ACT  
Phone (02) 6203 7300 Fax (02) 6203 7777



### Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Rahul Tejani  
Acting Executive Director  
Delegate of the Auditor-General  
Canberra

24 August 2018

**STATEMENT BY THE CHAIR OF THE BOARD, CHIEF EXECUTIVE OFFICER AND  
DIRECTOR OF AVIATION SAFETY AND CHIEF FINANCIAL OFFICER**

In our opinion, the attached financial statements for the year ended 30 June 2018 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Civil Aviation Safety Authority will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the directors.



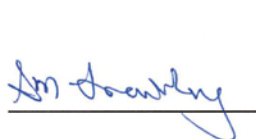
Anthony Mathews  
*Chair of the Board*

24 August 2018



Shane Carmody  
*Chief Executive Officer and  
Director of Aviation Safety*

24 August 2018



Simon Frawley  
*Chief Financial Officer*

24 August 2018

# CIVIL AVIATION SAFETY AUTHORITY

## STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 June 2018

	Notes	2018 \$'000	2017 \$'000	2018 Original Budget \$'000
<b>NET COST OF SERVICES</b>				
<b>EXPENSES</b>				
Employee benefits	1.1A	121,333	112,698	122,344
Suppliers	1.1B	47,040	48,848	48,901
Depreciation and amortisation	2.2A	11,421	11,812	12,252
Finance costs		7	11	-
Write-down and impairment of assets	2.2A	35	75	-
Losses from asset sales		24	5	-
<b>TOTAL EXPENSES</b>		<b>179,860</b>	<b>173,449</b>	<b>183,497</b>
<b>LESS:</b>				
<b>OWN-SOURCE INCOME</b>				
<b>Own-source revenue</b>				
Fees	1.2A	13,866	13,993	16,500
Interest	1.2B	1,747	1,635	1,600
Other revenue	1.2C	818	1,049	1,000
<b>Total own-source revenue</b>		<b>16,431</b>	<b>16,677</b>	<b>19,100</b>
<b>Gains</b>				
Other gains		509	102	-
<b>Total gains</b>		<b>509</b>	<b>102</b>	<b>-</b>
<b>TOTAL OWN-SOURCE INCOME</b>		<b>16,940</b>	<b>16,779</b>	<b>19,100</b>
<b>NET COST OF SERVICES</b>		<b>(162,920)</b>	<b>(156,670)</b>	<b>(164,397)</b>
Revenue from government	1.3A	41,535	42,212	41,313
Aviation fuel excise	1.3A	121,895	121,355	123,100
<b>SURPLUS ON CONTINUING OPERATIONS</b>		<b>510</b>	<b>6,897</b>	<b>16</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
Items not subject to subsequent reclassification to net cost of services				
Asset revaluation increment / (decrement)		(562)	301	-
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>(562)</b>	<b>301</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME / (LOSS)</b>		<b>(52)</b>	<b>7,198</b>	<b>16</b>

The above statement should be read in conjunction with the accompanying notes, including explanation of major variances from budget at note 7

Other gains consists of the reversal of make-good provisions and lease incentives for lease agreements that expired during the year

Original budget figures are those published in CASA's 2017-18 Portfolio Budget Statements

# CIVIL AVIATION SAFETY AUTHORITY

## STATEMENT OF FINANCIAL POSITION

as at 30 June 2018

		2018	2017	2018
	Notes	\$'000	\$'000	Original Budget \$'000
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash, cash equivalents and investments	2.1A,B	69,185	69,335	66,479
Trade and other receivables	2.1C	1,045	1,425	1,106
Accrued revenue	2.1D	2,629	2,154	1,884
<b>Total financial assets</b>		<b>72,859</b>	<b>72,914</b>	<b>69,469</b>
<b>Non-financial assets</b>				
Property, plant and equipment	2.2A	15,387	16,458	14,984
Intangibles	2.2A	16,589	19,871	22,188
Prepayments	2.2B	2,967	2,519	1,809
<b>Total non-financial assets</b>		<b>34,943</b>	<b>38,848</b>	<b>38,981</b>
<b>TOTAL ASSETS</b>		<b>107,802</b>	<b>111,762</b>	<b>108,450</b>
<b>LIABILITIES</b>				
<b>Payables</b>				
Suppliers	2.3A	3,257	6,870	3,814
Other payables	2.3B	6,668	8,629	11,796
<b>Total payables</b>		<b>9,925</b>	<b>15,499</b>	<b>15,610</b>
<b>Provisions</b>				
Employee provisions	2.4A	30,338	28,384	29,442
Other provisions	2.4B	1,076	1,364	1,569
<b>Total provisions</b>		<b>31,414</b>	<b>29,748</b>	<b>31,011</b>
<b>TOTAL LIABILITIES</b>		<b>41,339</b>	<b>45,247</b>	<b>46,621</b>
<b>NET ASSETS</b>		<b>66,463</b>	<b>66,515</b>	<b>61,829</b>
<b>EQUITY</b>				
Contributed equity		3,295	3,295	3,295
Asset revaluation surplus		8,532	9,094	8,793
Retained surplus		54,636	54,126	49,741
<b>TOTAL EQUITY</b>		<b>66,463</b>	<b>66,515</b>	<b>61,829</b>

The above statement should be read in conjunction with the accompanying notes, including explanation of major variances from budget at note 7

The original budget balances have been adjusted so as to be consistent with the financial statement classifications

Original budget figures are those published in CASA's 2017–18 Portfolio Budget Statements

# CIVIL AVIATION SAFETY AUTHORITY

## STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2018

	Retained earnings		Asset revaluation surplus		Contributed equity / capital		Total equity	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Opening balance</b>	<b>54,126</b>	47,229	<b>9,094</b>	8,793	<b>3,295</b>	3,295	<b>66,515</b>	59,317
<b>Comprehensive income</b>								
Other comprehensive income	-	-	(562)	301	-	-	(562)	301
Surplus for the period	510	6,897	-	-	-	-	510	6,897
<b>Total comprehensive income</b>	<b>510</b>	6,897	<b>(562)</b>	301	-	-	<b>(52)</b>	7,198
<b>Closing balance as at 30 June 2018</b>	<b>54,636</b>	<b>54,126</b>	<b>8,532</b>	<b>9,094</b>	<b>3,295</b>	<b>3,295</b>	<b>66,463</b>	<b>66,515</b>
<b>Original budget</b>	<b>49,741</b>		<b>8,793</b>		<b>3,295</b>		<b>61,829</b>	

The above statement should be read in conjunction with the accompanying notes, including explanation of major variances from budget at note 7

Original budget figures are those published in CASA's 2017-18 Portfolio Budget Statements

# CIVIL AVIATION SAFETY AUTHORITY

## CASH FLOW STATEMENT

For the period ended 30 June 2018

	Notes	2018 \$'000	2017 \$'000	2018 Original Budget \$'000
<b>OPERATING ACTIVITIES</b>				
<b>Cash received</b>				
Receipts from government		41,535	42,350	41,313
Aviation fuel excise		121,513	120,994	123,084
Sale of goods and rendering of services		15,123	14,298	16,500
Interest		1,626	1,608	1,600
Net GST received		5,059	4,879	1,253
<b>Total cash received</b>		<b>184,856</b>	<b>184,129</b>	<b>183,750</b>
<b>Cash used</b>				
Employees		(119,438)	(118,089)	(122,793)
Suppliers		(57,667)	(53,067)	(48,895)
Returns to government		-	(458)	-
<b>Total cash used</b>		<b>(177,105)</b>	<b>(171,614)</b>	<b>(171,688)</b>
<b>Net cash from operating activities</b>	6	<b>7,751</b>	<b>12,515</b>	<b>12,062</b>
<b>INVESTING ACTIVITIES</b>				
<b>Cash received</b>				
Proceeds from sale of property, plant and equipment		2	1	-
<b>Total cash received</b>		<b>2</b>	<b>1</b>	<b>-</b>
<b>Cash used</b>				
Purchase of property, plant and equipment and intangibles		(7,903)	(6,889)	(11,414)
<b>Total cash used</b>		<b>(7,903)</b>	<b>(6,889)</b>	<b>(11,414)</b>
<b>Net cash used by investing activities</b>		<b>(7,901)</b>	<b>(6,888)</b>	<b>(11,414)</b>
<b>Net increase / (decrease) in cash held</b>		<b>(150)</b>	<b>5,627</b>	<b>648</b>
Cash and cash equivalents at the beginning of the reporting period		69,335	63,708	65,831
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>69,185</b>	<b>69,335</b>	<b>66,479</b>

The above statement should be read in conjunction with the accompanying notes, including explanation of major variances from budget at note 7

Original budget figures are those published in CASA's 2017-18 Portfolio Budget Statements



CIVIL AVIATION SAFETY AUTHORITY

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For the period ended 30 June 2018

---

**Overview**

<b>Note 1:</b>	Financial performance
<b>Note 2:</b>	Financial position
<b>Note 3:</b>	People and relationships
<b>Note 4:</b>	Managing uncertainties
<b>Note 5:</b>	Regulatory charging summary
<b>Note 6:</b>	Cash flow reconciliation
<b>Note 7:</b>	Departmental major budget variances for 2018

# CIVIL AVIATION SAFETY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

---

### Overview

#### Objective of the Civil Aviation Safety Authority (CASA)

The Civil Aviation Safety Authority (CASA) is an Australian government controlled, not-for-profit entity. The objective of CASA is to establish a regulatory framework for maintaining, enhancing and promoting the safety of civil aviation, with particular emphasis on preventing aviation accidents and incidents.

CASA is structured to meet a sole outcome, 'Maximise aviation safety through a regulatory regime, detailed technical material on safety standards, comprehensive aviation industry oversight, risk analysis, industry consultation, education and training'.

The continued existence of CASA, in its present form and with its present programs, is dependent on government policy and on continuing appropriations by Parliament for CASA's administration and programs.

#### Basis of preparation of the financial statements

The financial statements are required by section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and are general purpose financial statements.

The financial statements have been prepared in accordance with:

- » Financial Reporting Rule 2015 (FRR) for reporting periods ending on or after 1 July 2017; and
- » Australian Accounting Standards and Interpretations - Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with historical cost convention, except for certain assets at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements have been presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless an alternative treatment is specifically required by an accounting standard or the FRR, assets and liabilities are recognised in the statement of financial position when and only when it is probable that future economic benefits will flow to the entity or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under executory contracts are not recognised unless required by an accounting standard. Liabilities and assets that are unrecognised are reported in the schedule of commitments or the contingencies note.

# CIVIL AVIATION SAFETY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

---

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the statement of comprehensive income when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

### New accounting standards

All new/revised/amended standards and/or interpretations that were issued prior to the sign-off date and are applicable to the current reporting period did not have a material effect on the entity's financial statements.

### Significant accounting judgements and estimates

In the process of applying the accounting policies listed in this note, CASA has made the following judgements that have the most significant impact on the amounts recorded in the financial statements:

- » the value of the long service leave component of the leave provision is an estimate based on expert actuarial assumptions on the likely tenure of existing staff, patterns of leave claims and payouts, future salary movements and discount rates (ten year government bond rate).

No other accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

### Taxation

CASA is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST, except:

- » where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- » for receivables and payables.

### Insurance

CASA has insured for risks through the Australian Government's insurable risk managed fund, called 'Comcover'. Workers' compensation is insured through Comcare.

### Events after the reporting period

There was no subsequent event that had the potential to significantly affect the ongoing structure and financial activities of CASA.

CIVIL AVIATION SAFETY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

Note 1: Financial performance

	2018	2017
	\$'000	\$'000
<b>Note 1.1: Expenses</b>		
<b>Note 1.1A: Employee benefits</b>		
Wages and salaries	92,459	86,196
Superannuation:		
Defined contribution plans	10,143	8,755
Defined benefit plans	6,952	5,930
Leave and other entitlements	9,738	10,226
Separation and redundancies	1,019	443
Other employee benefits	1,022	1,148
<b>Total employee benefits</b>	<b>121,333</b>	<b>112,698</b>

Accounting policy

Superannuation

The Public Sector Superannuation Accumulation Plan (PSSap) is the CASA nominated employee default fund for persons employed under the *Civil Aviation Act 1988*. Some CASA staff remain eligible to be members of closed Commonwealth defined benefits schemes. The schemes are the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) and the AvSuper defined benefits scheme.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme. AvSuper provides for both defined benefits and defined contributions.

The liability for the CSS, PSS and AvSuper defined benefits portion is recognised in the financial statements of the Australian Government and are settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

CASA makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the government. CASA accounts for the contributions as if they were contributions to defined contribution plans.

Leave and other entitlements

Accounting policies for leave and other entitlements is contained at Note 2.4 - Provisions.

# CIVIL AVIATION SAFETY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

	2018 \$'000	2017 \$'000
<b>Note 1.1B: Suppliers</b>		
<b>Goods and services</b>		
Consultancies and service contracts	9,933	11,333
Information technology and telephone charges	7,937	7,632
Insurance	801	1,328
Media, publications and subscriptions	875	624
Office supplies, photocopying and printing	579	690
Postage, freight and storage	452	509
Property operating costs	1,615	1,501
Recruitment	273	371
Travel and transport	8,818	8,726
Training costs	3,641	3,074
Other goods and services	1,916	2,318
<b>Total goods and services</b>	<b>36,840</b>	<b>38,106</b>
<b>Other suppliers</b>		
Operating lease rentals	9,799	9,601
Workers compensation expenses	401	1,141
<b>Total other suppliers</b>	<b>10,200</b>	<b>10,742</b>
<b>Total Suppliers</b>	<b>47,040</b>	<b>48,848</b>

### Accounting policy

Operating lease payments are expensed on a straight line basis which is representative of the pattern of benefits derived from the leased assets.

Some expenses have been reclassified, including comparatives, to more accurately reflect the categories listed.

### Leasing commitments

CASA, in its capacity as lessee, has leasing agreements for accommodation and motor vehicles. No contingent rent is payable, the agreements are effectively non-cancellable and some have options for extension but no options for purchase.

#### Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Within 1 year	9,451	9,715
Between 1 to 5 years	23,377	29,222
More than 5 years	1,973	651
<b>Total operating lease commitments</b>	<b>34,801</b>	<b>39,588</b>

Amounts for leasing commitments are GST inclusive.

CIVIL AVIATION SAFETY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

	2018	2017
	\$'000	\$'000

Note 1.2: Own-source income

Own-source revenue

Note 1.2A: Fees

Civil Aviation (Fees) Regulations Act 1995	13,866	13,993
<b>Total fees</b>	<b>13,866</b>	<b>13,993</b>

Note 1.2B: Interest

Cash at bank and deposits at call	129	185
Held to maturity investments - term deposits	1,618	1,450
<b>Total interest</b>	<b>1,747</b>	<b>1,635</b>

Note 1.2C: Other revenue

Sales of forms and documents	185	232
Administrative fines	108	127
Property rent	7	8
Resources received free of charge	-	77
Other sundry revenue	518	605
<b>Total other revenue</b>	<b>818</b>	<b>1,049</b>

Items in 'Other sundry revenue' include travel reimbursements, remuneration of property services and minor revenue from conference fees and courses held by CASA.

Accounting policy

Revenue from the sale of goods and rendering of services

Revenue from the sale of goods is recognised when:

- the risks and rewards of ownership have been transferred to the buyer;
- CASA retains no managerial involvement or effective control over the goods;
- the revenue and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to CASA.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date.

The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- the probable economic benefits associated with the transaction will flow to CASA.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Resources received free of charge

Resources received free of charge are recorded as either revenue or gains depending on their nature.



CIVIL AVIATION SAFETY AUTHORITY

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For the period ended 30 June 2018

	2018	2017
	\$'000	\$'000

**Note 1.3: Revenue from government**

**Note 1.3A: Revenue from government**

Department of Infrastructure, Regional Development and Cities:		
PGPA Act body payment item	41,313	41,892
Indonesia Transport Safety Assistance Package	222	320
Aviation Fuel Revenues (Special Appropriation) Act 1988	121,895	121,355
<b>Total revenue from government</b>	<b>163,430</b>	<b>163,567</b>

**Accounting policy**

**Revenue from government**

Funding received or receivable from the Department of Infrastructure, Regional Development and Cities, including aviation fuel excise, (appropriated to the Department of Infrastructure, Regional Development and Cities as a PGPA Act body payment item for payment to CASA) is recognised as revenue from government unless the funding is in the nature of an equity injection or a loan.

Indonesia Transport Safety Assistance Package is funded by the Australian Government to assist Indonesia to regulate and promote transport safety in accordance with applicable international standards and contemporary safety management practices.

CIVIL AVIATION SAFETY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

Note 2: Financial position

	2018	2017
	\$'000	\$'000
<b>Note 2.1: Financial assets</b>		
<b>Note 2.1A: Cash and cash equivalents</b>		
Cash at bank and deposits at call	4,185	6,335
<b>Total cash and cash equivalents</b>	<b>4,185</b>	<b>6,335</b>
<b>Note 2.1B: Investments held to maturity</b>		
Held to maturity investments	65,000	63,000
<b>Total held to maturity investments</b>	<b>65,000</b>	<b>63,000</b>
<b>Total cash and investments</b>	<b>69,185</b>	<b>69,335</b>

Accounting policy

Cash

Cash is recognised at nominal amounts. Cash and cash equivalents includes cash at bank and at-demand bank deposits. Temporary surplus funds, mainly from draw downs of appropriation and weekly aviation fuel excise claims, are placed on deposit at call with CASA's banker. Interest is earned on the daily balance at the prevailing rate for money on call and is paid at the beginning of the following month.

Investments

Investments are recognised at nominal amounts. Investments include deposits with original maturity of 6 months or more. Interest is credited to revenue as it accrues. Interest is earned on the daily balance at the prevailing rate for investments and is paid at maturity.

# CIVIL AVIATION SAFETY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

	2018 \$'000	2017 \$'000
<b>Note 2.1C: Trade and other receivables</b>		
<b>Goods and services receivables:</b>		
Goods and services receivables	341	840
<b>Total goods and services receivables</b>	<b>341</b>	<b>840</b>
<b>Other receivables:</b>		
Net GST receivable	704	585
<b>Total other receivables</b>	<b>704</b>	<b>585</b>
<b>Total trade and other receivables</b>	<b>1,045</b>	<b>1,425</b>

All receivables are expected to be recovered in no more than 12 months

### Accounting policy

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is continually reviewed. Allowances are made when collectability of the debt is no longer probable.

Trade receivables and other receivables are recorded at face value less any impairment.

Trade receivables are recognised where CASA becomes party to a contract and has a legal right to receive cash. Loans and receivables are assessed for impairment at the end of each reporting period. Allowances are made when collectability of the debt is no longer probable. Trade receivables are derecognised on payment.

The fair values of CASA's financial assets and liabilities approximate their carrying amounts.

CASA has policies and procedures that guide employees' debt recovery. CASA does not require collateral in respect of trade and other receivables. No impairment has been recognised (2017: nil).

CASA has sufficient available financial assets to meet all financial liabilities at 30 June 2018.

### Note 2.1D: Accrued revenue

Accrued aviation fuel excise revenue	1,992	1,610
Accrued interest	486	366
Other income	151	178
<b>Total accrued revenue</b>	<b>2,629</b>	<b>2,154</b>

# CIVIL AVIATION SAFETY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

### Note 2.2: Non-financial assets

#### Note 2.2A: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

	Property, plant and equipment	
	In use \$'000	Work in progress \$'000
<b>As at 1 July 2017</b>		
Gross book value	13,768	3,290
Accumulated depreciation/amortisation	(600)	-
Accumulated impairment	-	-
<b>Total as at 1 July 2017</b>	<b>13,168</b>	<b>3,290</b>
<b>Total of class including work in progress as at 1 July 2017</b>	<b>16,458</b>	
<b>Additions:</b>		
By purchase	107	-
Internally developed	-	4,412
Reclassification	-	396
Transfers	7,021	(7,021)
<b>Revaluations and impairments recognised in other comprehensive income:</b>		
Gross value	(3,897)	-
Accumulated depreciation	3,340	-
<b>Impairments recognised in net cost of services:</b>		
Impairment losses	-	-
<b>Disposals:</b>		
Gross value of disposals	(357)	-
Accumulated depreciation on disposals	256	-
<b>Other movements:</b>		
Gross Value	-	(175)
Depreciation expense	(5,153)	-
<b>Total as at 30 June 2018</b>	<b>14,485</b>	<b>902</b>
<b>Total as at 30 June 2018 represented by:</b>		
Gross book value	16,642	902
Accumulated impairment	-	-
Accumulated depreciation/amortisation	(2,157)	-
<b>Total as at 30 June 2018</b>	<b>14,485</b>	<b>902</b>
<b>Total of class including work in progress as at 30 June 2018</b>	<b>15,387</b>	

No indicators of impairment were found for property, plant and equipment, or for intangibles.

No intangibles are expected to be sold or disposed of within the next 12 months.

**CIVIL AVIATION SAFETY AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
For the period ended 30 June 2018

Computer software					
Internally developed in use \$'000	Purchased in use \$'000	Internally developed work in progress \$'000	Purchased work in progress \$'000		Total \$'000
30,969	12,528	2,332	114		63,001
(15,594)	(10,478)	-	-		(26,672)
-	-	-	-		-
<b>15,375</b>	<b>2,050</b>	<b>2,332</b>	<b>114</b>		<b>36,329</b>
<b>19,871</b>					<b>36,329</b>
-	10	-	418		535
-	-	3,004	-		7,416
-	-	(581)	185		-
1,803	197	(1,803)	(197)		-
-	-	-	-		(3,897)
-	-	-	-		3,340
-	(20)	(15)	-		(35)
(1,775)	(543)	-	-		(2,675)
1,760	543	-	-		2,559
-	-	-	-		(175)
(5,377)	(891)	-	-		(11,421)
<b>11,786</b>	<b>1,346</b>	<b>2,937</b>	<b>520</b>		<b>31,976</b>
30,997	12,192	2,937	520		64,190
-	(20)	-	-		(20)
(19,211)	(10,826)	-	-		(32,194)
<b>11,786</b>	<b>1,346</b>	<b>2,937</b>	<b>520</b>		<b>31,976</b>
<b>16,589</b>					<b>31,976</b>

**Revaluations of non-financial assets**

All revaluations are conducted in accordance with the revaluation policy stated later in this note and were conducted by independent valuers as at 30 June 2018.

Revaluation increment of \$118,930 for office fitout (2017: increment of \$157,433), a revaluation increment of \$16,257 for office furniture and equipment (2017: increment of \$155,445), and a revaluation decrement of \$691,593 for technical equipment (2017: decrement of \$11,949) were credited to the asset revaluation reserve by asset class. These movements in reserves were also included in the equity section of the statement of financial position.

CIVIL AVIATION SAFETY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

Accounting policy

Acquisition of assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

Property, plant and equipment

Asset recognition threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$5,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to makegood provisions in property leases taken up by CASA where there exists an obligation to restore the property to its original condition. These costs are included in the value of CASA's leasehold improvements with a corresponding provision for the makegood recognised.

Revaluations

Fair values for each class of asset of the property, plant and equipment category are determined as shown below:

Asset Class	Fair value measured at:
Office fitout	Depreciated replacement cost
Technical equipment	Market selling price or depreciated replacement cost
Office furniture and equipment	Market selling price or depreciated replacement cost

Following initial recognition at cost, property, plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment loss. The fair value of property, plant and equipment is reviewed annually and external valuations performed with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

CIVIL AVIATION SAFETY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to CASA, using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset of the property, plant and equipment category are based on the following useful lives:

Asset class	2018	2017
Office fitout	Lower of lease term or useful life up to 16 years	Lower of lease term or useful life up to 16 years
Technical equipment	1 to 10 years	1 to 10 years
Office furniture and equipment	1 to 16 years	1 to 16 years

Impairment

All assets were assessed for impairment as at 30 June 2018. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment is made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if CASA were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Intangibles

CASA's intangibles comprise internally developed software and externally acquired software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of CASA's software are 3 to 10 years (2016-17: 3 to 10 years).

All software assets were assessed for indications of impairment as at 30 June 2018.



# CIVIL AVIATION SAFETY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

	2018	2017
	\$'000	\$'000

### Contractual commitments for the acquisition of plant, equipment and intangible assets

#### Commitments are payable as follows:

Within 1 year	272	342
<b>Total contractual commitments for the acquisition of plant, equipment and intangible assets</b>	<b>272</b>	<b>342</b>

The nature of capital commitments is primarily for the acquisition of intangible assets  
Amounts for capital commitments are GST inclusive

### Note 2.2B: Prepayments

Prepayments	2,967	2,519
<b>Total other non-financial assets</b>	<b>2,967</b>	<b>2,519</b>

### Note 2.3: Liabilities

#### Note 2.3A: Suppliers

Trade creditors and accruals	3,257	6,870
<b>Total suppliers</b>	<b>3,257</b>	<b>6,870</b>

#### Accounting policy

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced). Supplier and other payables are derecognised on payment. Supplier payables are settled within 30 days.

### Note 2.3B: Other payables

Wages and salaries	710	777
Superannuation	129	122
Prepayments received / unearned income	1,010	1,098
Lease incentives	4,808	6,556
Other payables	11	76
<b>Total other payables</b>	<b>6,668</b>	<b>8,629</b>

#### Accounting policy

##### Lease incentives

CASA has received lease incentives in the forms of rent-free periods and up-front cash payments. The minimum lease payments are calculated including the lease incentives and allocated over the entire lease term using a straight-line method. The difference between minimum lease payments and actual cash payments are recognised as lease incentive liabilities.

##### Superannuation

The liability for superannuation recognised as at 30 June 2018 represents outstanding contributions for the final pay days remaining in 2017-18.

CIVIL AVIATION SAFETY AUTHORITY

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For the period ended 30 June 2018

	2018	2017
	\$'000	\$'000
<b>Note 2.4: Provisions</b>		
<b>Note 2.4A: Employee provisions</b>		
Separations and redundancies	366	158
Leave	26,400	24,855
Ancillary costs on leave provisions	3,572	3,371
<b>Total employee provisions</b>	<b>30,338</b>	<b>28,384</b>
 <b>Note 2.4B: Other provisions</b>		
Provision for makegood	1,076	1,363
Other	-	1
<b>Total other provisions</b>	<b>1,076</b>	<b>1,364</b>

CIVIL AVIATION SAFETY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

	Provision for makegood \$'000	Other \$'000	Total \$'000
<b>As at 1 July 2017</b>	1,363	1	1,364
Additional provisions made	47	-	47
Amounts used	(18)	(1)	(19)
Amounts reversed	(329)	-	(329)
Revaluations	6	-	6
Unwinding of discounted amount	7	-	7
<b>Total as at 30 June 2018</b>	<b>1,076</b>	<b>-</b>	<b>1,076</b>

CASA currently has five (2017: seven) agreements for the leasing of premises which have provisions requiring CASA to restore the premises to their original condition at the conclusion of the lease. CASA has made a provision to reflect the present value of these obligations.

### Accounting policy

#### Other provisions

CASA recognises a provision where there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

#### Employee benefits

Liabilities for ‘short-term employee benefits’ (as defined in AASB 119 *Employee Benefits*) and termination benefits expected within twelve months of the end of the reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

#### Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of CASA is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees’ remuneration at the estimated salary rates that will be applied at the time the leave is taken, including CASA’s employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination. An ancillary on-cost liability, based on actuarial assessment, has been recognised in the statement of financial position for employer superannuation contributions payable on accrued annual leave and long service leave as at the end of the financial year.

The liability for long service leave as at 30 June 2018 has been determined by reference to the work of an actuary. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

#### Separation and redundancy

Provision is made for separation and redundancy benefit payments. CASA recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

# CIVIL AVIATION SAFETY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

### Note 3: People and relationships

#### Note 3.1: Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of CASA, directly or indirectly, including Board Directors. CASA has determined the key management personnel to be the Portfolio Minister, the Board Directors, the Director of Aviation Safety and his/her direct reports. Key management personnel remuneration is reported in the table below:

	2018 \$'000	2017 \$'000
<b>Short-term employee benefits:</b>		
Salary	2,533	2,520
Allowances	29	46
<b>Total short-term employee benefits</b>	<b>2,562</b>	<b>2,566</b>
<b>Post-employment benefits:</b>		
Superannuation	461	396
<b>Total post-employment benefits</b>	<b>461</b>	<b>396</b>
<b>Other long-term employee benefits:</b>		
Annual leave	168	166
Long-service leave	55	52
<b>Total other long-term employee benefits</b>	<b>223</b>	<b>218</b>
<b>Total key management personnel remuneration</b>	<b>3,246</b>	<b>3,180</b>

The total number of key management personnel that are included in the above table are 15 individuals (2017: 14).

The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by CASA.

#### Note 3.2: Related party disclosures

##### Related party relationships

CASA is an Australian government controlled entity. Related parties to CASA are Key Management Personnel including the Portfolio Minister, the CASA Board Directors, the Director of Aviation Safety and his/her direct reports, as well as other Australian government entities.

##### Transactions with related parties

Given the breadth of government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. These transactions have not been separately disclosed in this note.

Significant transactions with related parties can include:

- » CASA transacts with other Australian government controlled entities consistent with normal day-to-day business operations provided under normal terms and conditions, including the payment of workers compensation, insurance premiums, and some services charges. There are no other significant transactions with related parties that require disclosure.
- » CASA makes employer contributions to Australian government superannuation plans and schemes as disclosed in note 1.1A Employee Benefits.

For the period ended 30 June 2018

### Note 4.1: Contingent Assets and Liabilities

	Claims for damages or costs	
	2018	2017
	\$'000	\$'000
<b>Contingent assets</b>		
Balance from previous period	2,541	1,300
New contingent assets recognised	803	1,241
<b>Total contingent assets</b>	<b>3,344</b>	<b>2,541</b>
<b>Contingent liabilities</b>		
Balance from previous period	2,601	1,418
New contingent liabilities recognised	869	1,325
Liabilities realised	(60)	(94)
Obligations expired	(26)	(48)
<b>Total contingent liabilities</b>	<b>3,384</b>	<b>2,601</b>
<b>Net contingent liabilities</b>	<b>(40)</b>	<b>(60)</b>

CASA has four legal claims against it for damages relating to personal injury and destruction of property resulting from accidents involving a helicopter, other aircraft and pilot training costs of \$3,343,953 (2017: \$2,541,000). CASA is defending all four claims, however, if unsuccessful, CASA reasonably expects the full amount would be covered by CASA's insurance provider.

As at 30 June 2018, CASA had two legal claims against it for damages relating to personal injury resulting from loss of life (2017: 3). It is deemed not possible to estimate the amount of any eventual payment that may be required in relation to these claims. CASA has denied liability and is defending the claims, however, if unsuccessful, CASA reasonably expects the full amount would be covered by CASA's insurance provider.

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

# CIVIL AVIATION SAFETY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

	2018 \$'000	2017 \$'000
<b>Note 4.2: Fair value measurements</b>		
<b>ASSETS</b>		
<b>Assets at fair value</b>		
<b>Non-financial assets</b>		
Property, plant and equipment	15,387	16,458
<b>Total non-financial assets at fair value</b>	<b>15,387</b>	<b>16,458</b>
<b>Total assets at fair value</b>	<b>15,387</b>	<b>16,458</b>
<b>Assets where carrying amount approximates fair value</b>		
<b>Financial assets</b>		
Cash, cash equivalents and investments	69,185	69,335
Trade and other receivables	1,045	1,425
Accrued revenue	2,629	2,154
<b>Total financial assets where carrying value approximates fair value</b>	<b>72,859</b>	<b>72,914</b>
<b>Non-financial assets</b>		
Intangibles	16,589	19,871
Prepayments	2,967	2,519
<b>Total non-financial assets carried at cost</b>	<b>19,556</b>	<b>22,390</b>
<b>Total assets in the statement of financial position</b>	<b>107,802</b>	<b>111,762</b>
<b>LIABILITIES</b>		
<b>Liabilities where carrying value approximates fair value</b>		
<b>Payables</b>		
Suppliers	3,257	6,870
Other payables	6,668	8,629
<b>Total payables</b>	<b>9,925</b>	<b>15,499</b>
<b>Provisions</b>		
Employee provisions	30,338	28,384
Other provisions	1,076	1,364
<b>Total provisions</b>	<b>31,414</b>	<b>29,748</b>
<b>Total liabilities where carrying value approximates fair value</b>	<b>41,339</b>	<b>45,247</b>
<b>Total liabilities in the statement of financial position</b>	<b>41,339</b>	<b>45,247</b>

CIVIL AVIATION SAFETY AUTHORITY

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For the period ended 30 June 2018

	2018	2017
	\$'000	\$'000
<b>Note 4.3: Financial instruments</b>		
<b>Note 4.3A: Categories of financial instruments</b>		
<b>Financial assets</b>		
<b>Loans and receivables</b>		
Cash at bank and deposits at call	4,185	6,335
Trade and other receivables	341	840
Accrued interest	486	366
<b>Total loans and receivables</b>	<b>5,012</b>	<b>7,541</b>
<b>Held to maturity investments</b>		
Held to maturity investments	65,000	63,000
<b>Total held to maturity investments</b>	<b>65,000</b>	<b>63,000</b>
<b>Total financial assets</b>	<b>70,012</b>	<b>70,541</b>
CASA's only financial liabilities are supplier payables.		
<b>Note 4.3B: Net gains or losses on financial assets</b>		
<b>Receivables</b>		
Interest revenue	129	185
	<b>129</b>	<b>185</b>
<b>Investments held-to-maturity</b>		
Interest revenue	1,618	1,450
	<b>1,618</b>	<b>1,450</b>
<b>Net gains on financial assets</b>	<b>1,747</b>	<b>1,635</b>



# CIVIL AVIATION SAFETY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

### Accounting policy

#### Financial assets

CASA classifies its financial assets into the following categories:

- held-to-maturity investments; and
- loans and receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets are recognised and derecognised upon trade date.

#### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis except for financial assets that are recognised at fair value through profit or loss.

#### Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates that CASA has the positive intent and ability to hold to maturity are classified as held-to-maturity investments.

Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

#### Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Receivables primarily comprise of receivables for goods and services and accrued revenue. Receivables are initially recognised at fair value and are subsequently measured at amortised cost. Receivables are non-interest bearing and their fair values approximate their carrying values.

#### Impairment of financial assets

Financial assets held at amortised cost are assessed for impairment at each balance date. If there is objective evidence that an impairment loss has been incurred for loans and receivables or held-to-maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the Statement of Comprehensive Income.

#### Financial liabilities

CASA classifies its financial liabilities as 'other financial liabilities' and does not recognise any financial liabilities at 'fair value through the Statement of Comprehensive Income', that are subsequently measured at fair value.

Financial liabilities are recognised and derecognised upon 'trade date'.

#### Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

Supplier and other payables represent trade creditors and accruals and are recognised at the amounts at which they expect to be settled. Supplier and other payables are non-interest bearing and their fair values approximate their carrying values.

CIVIL AVIATION SAFETY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

Note 5: Regulatory charging summary

	2018	2017
	\$'000	\$'000
Expenses		
Departmental	179,860	173,449
<b>Total expenses</b>	<b>179,860</b>	<b>173,449</b>
Revenue		
Departmental	16,940	16,779
<b>Total revenue</b>	<b>16,940</b>	<b>16,779</b>

**Cost recovered activities:**  
Charging for regulatory services as per the *Civil Aviation (Fees) Regulations Act 1995*.  
Cost recovery implementation statement for the above activity is available at  
[http://www.casa.gov.au/wcmswr/\\_assets/main/corporat/fees/cris.pdf](http://www.casa.gov.au/wcmswr/_assets/main/corporat/fees/cris.pdf)

# CIVIL AVIATION SAFETY AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

### Note 6: Cash flow reconciliation

	2018 \$'000	2017 \$'000
<b>Reconciliation of cash and cash equivalents as per the statement of financial position to the cash flow statement</b>		
<b>Reconciliation of net cost of services to net cash from operating activities:</b>		
Net cost of services	(162,920)	(156,670)
Add: Revenue from government	41,535	42,212
Add: Aviation fuel excise	121,895	121,355
<i>Adjustments for non-cash items:</i>		
Depreciation and amortisation	11,421	11,812
Non-cash supplier and other expenses	203	(81)
Finance costs	7	-
Net write down of non-financial assets	35	75
(Gains) / losses on disposal of assets	24	5
<i>Changes in assets / liabilities</i>		
(Increase) / Decrease in net receivables	380	(286)
(Increase) / Decrease in accrued revenue	(475)	(384)
(Increase) / Decrease in prepayments	(448)	(420)
Increase / (Decrease) in employee provisions	1,954	(3,442)
Increase / (Decrease) in supplier payables	(3,611)	2,237
Increase / (Decrease) in other provisions	(288)	(105)
Increase / (Decrease) in other payables	(1,961)	(3,793)
<b>Net cash from operating activities</b>	<b>7,751</b>	<b>12,515</b>

CIVIL AVIATION SAFETY AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

Note 7: Departmental major budget variances for 2018

Explanations of major variances	Variance to budget (\$'000)	Affected statements and line items
The original budget for aviation fuel excise is generated by forecasts from the Department of Treasury. Actual sales of aviation fuel during the year lead to a lower figure than budgeted	1,205	Statement of comprehensive income: <ul style="list-style-type: none"> <li>Aviation fuel excise</li> </ul> Statement of cash flow - Operating activities: <ul style="list-style-type: none"> <li>Cash received - Aviation fuel excise</li> </ul>
Revenue generated from fees was lower due to less than anticipated demand for regulatory services	2,634	Statement of comprehensive income: <ul style="list-style-type: none"> <li>Own-source income - Fees</li> </ul> Statement of cash flow - Operating activities: <ul style="list-style-type: none"> <li>Cash received - Sale of goods and services</li> </ul>
Other gains consist of the reversal of makegood provisions and lease incentives for rental agreements that expired during the year, and which were not anticipated as part of the budget process	(509)	Statement of comprehensive income: <ul style="list-style-type: none"> <li>Own-source income - Other gains</li> </ul>
Lower than anticipated spend against several major projects resulted in reduced capital expenditure for the year	(3,511)	Statement of cash flow - Investing activities: <ul style="list-style-type: none"> <li>Cash used - Purchase of property, plant and equipment and intangibles</li> </ul>
Lower actual capital expenditure in the current and prior years has led to a lower balance for intangible non-financial assets	5,599	Statement of financial position: <ul style="list-style-type: none"> <li>Non-financial assets - Intangibles</li> </ul>
Additional ICT support, maintenance and licence costs in 2017–18 resulted in a higher than anticipated prepayments closing balance	(1,158)	Statement of financial position: <ul style="list-style-type: none"> <li>Non-financial assets - Prepayments</li> </ul>
Other payables are lower due to reducing balances for liabilities associated with lease incentives and lower employee numbers at year end	5,128	Statement of financial position: <ul style="list-style-type: none"> <li>Payables - Other payables</li> </ul>
Different cash flow methodologies for the treatment of GST (net or gross) between budget and financial statements has resulted in variances against some line items	(3,806)	Cash flow statement: <ul style="list-style-type: none"> <li>Cash received - Net GST received</li> </ul> Statement of cash flow - Operating activities: <ul style="list-style-type: none"> <li>Cash used - Suppliers</li> </ul>



## PART 6: APPENDICES AND REFERENCES

This section contains appendices that provide details of CASA's operations and address particular reporting requirements under the *Public Governance, Performance and Accountability Act 2013* and other legislation.

The appendices are followed by reference tools to help the reader to find and use information in the annual report.

### In this part:

- » Appendix A: Operating statistics **162**
- » Appendix B: Management and accountability data **172**
- » Abbreviations list **180**
- » Compliance index **182**
- » Alphabetical index **183**

# APPENDIX A: OPERATING STATISTICS

## Flight operations

**Table A.1** Air operator certificates, 2013–14 to 2017–18

Type of application	2013–14	2014–15	2015–16	2016–17	2017–18
Initial issue	34	39	41	44	55
Subsequent issue	185	355	267	198	276
Variation	286	274	237	212	214
<b>Total</b>	<b>505</b>	<b>668</b>	<b>545</b>	<b>454</b>	<b>545</b>
Current certificates at 30 June	845	824	908 <sup>a</sup>	864 <sup>a, b</sup>	793

**Note:** Includes operators involved in one or more of aerial work, charter, charter (cargo), flying training, foreign aircraft (passengers and cargo), foreign aircraft (cargo), scheduled cargo services, and scheduled passenger services.

a From 2015–16, current certificates at 30 June include foreign certificates, in addition to Australian and discrete certificates. The data for applications are for Australian and discrete certificates only.

b From 2016–17, cancelled and suspended certificates are not included in current certificates.

**Table A.2** Remotely piloted aircraft operator certificates, 2002–13 to 2017–18

Type of application	2002–13	2014–15	2015–16	2016–17	2017–18
Initial issue	51	154	419	474 <sup>a</sup>	332 <sup>a</sup>
Subsequent issue	n/a	n/a	136	392	444
Variation	n/a	n/a	62	74	62
<b>Total</b>	<b>n/a</b>	<b>n/a</b>	<b>617</b>	<b>940</b>	<b>838</b>
Current certificates at 30 June	51	256	688	1,070 <sup>a</sup>	1,357 <sup>a</sup>

n/a = not available

**Note:** Prior to 2016–17, these certificates were known as unmanned aerial vehicle operator certificates. The name was changed in September 2016, when changes to Civil Aviation Safety Regulations Part 101 were implemented, in line with International Civil Aviation Organization terminology.

During the 11 years before the centralisation of the Remotely Piloted Aircraft Branch in April 2013, 31 unmanned aerial vehicle operator certificates were managed through CASA's regional offices. Between April and June 2013, an additional 20 certificates were issued, bringing the total for 2002–13 to 51. The recent rapid increase in current certificates issued is due to the increased commercial use of unmanned aerial vehicles.

a Includes certificates issued by external delegates.

# Flight personnel

**Table A.3** Flight crew licences, 2013–14 to 2017–18

Licence type		2013–14		2014–15		2015–16		2016–17		2017–18	
		Issued	Current	Issued	Current	Issued	Current	Issued	Current	Issued	Current
<b>Pilots</b>											
Aeroplane	Air transport	527	7,573	245	7,278	162	7,203	190	7,240	240	7,304
	Commercial	1,032	4,307	980	4,539	1,048	4,780	967	4,943	883	5,091
	Commercial (CASA EX25/18) <sup>a</sup>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	4,303
	Private	1,212	13,414	1,101	14,258	1,071	13,704	1,093	13,728	1,057	9,004
	Recreational <sup>b</sup>	–	–	841	2,443	1,220	2,539	1,252	2,802	1,190	3,000
	Student (GFPT) <sup>c</sup>	1,106	2,812	169	–	n/a	n/a	n/a	n/a	n/a	n/a
	<b>Total aeroplane pilots</b>	<b>3,877</b>	<b>28,106</b>	<b>3,336</b>	<b>28,518</b>	<b>3,501</b>	<b>28,226</b>	<b>3,502</b>	<b>28,713</b>	<b>3,370</b>	<b>28,702</b>
Helicopter	Air transport	124	845	44	818	23	811	23	811	20	782
	Commercial	234	1,892	201	1,884	185	1,915	201	2,033	202	2,030
	Commercial (CASA EX25/18) <sup>a</sup>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	741
	Private	130	840	115	1,585	99	1,561	115	1,510	103	806
	Recreational <sup>b</sup>	–	–	7	16	7	16	7	21	10	28
	Student (GFPT) <sup>c</sup>	10	40	–	–	n/a	n/a	n/a	n/a	n/a	n/a
	<b>Total helicopter pilots</b>	<b>498</b>	<b>3,617</b>	<b>367</b>	<b>4,303</b>	<b>314</b>	<b>4,303</b>	<b>346</b>	<b>4,375</b>	<b>335</b>	<b>4,387</b>
Other	Commercial – Other <sup>c</sup>	2	104	7	102	2	100	7	106	7	105
	Commercial (CASA EX25/18) <sup>a</sup>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	3
	Private – gyroplane	–	2	–	4	1	3	–	3	–	1
	Recreational <sup>b</sup>	–	–	–	–	–	–	–	–	1	2
	Student (GFPT) – Other <sup>c</sup>	1	3	–	–	n/a	n/a	n/a	n/a	n/a	n/a
	Student (no GFPT) <sup>c</sup>	2,534	5,455	352	–	n/a	n/a	n/a	n/a	n/a	n/a
	<b>Total other pilots</b>	<b>2,537</b>	<b>5,564</b>	<b>359</b>	<b>106</b>	<b>3</b>	<b>103</b>	<b>7</b>	<b>109</b>	<b>8</b>	<b>111</b>
Glider pilot <sup>a</sup>		–	–	22	22	18	38	11	43	7	48
<b>Total initial issues and current pilots<sup>d</sup></b>		<b>6,912</b>	<b>36,086</b>	<b>4,085</b>	<b>30,830</b>	<b>3,836</b>	<b>30,562</b>	<b>3,866</b>	<b>31,111</b>	<b>3,720</b>	<b>31,145</b>
<b>Flight engineers</b>											
All	Flight engineer	–	97	1	88	1	82	–	75	–	70
	Restricted flight engineer	–	584	–	–	–	–	–	–	–	–
	Student flight engineer	–	9	–	–	–	–	–	–	–	–
<b>Total initial issues and current flight engineers</b>		<b>–</b>	<b>690</b>	<b>1</b>	<b>88</b>	<b>1</b>	<b>82</b>	<b>–</b>	<b>75</b>	<b>–</b>	<b>70</b>

n/a = not applicable

**Note:** Civil Aviation Safety Regulations (CASR) Part 61 was implemented on 1 September 2014, replacing Civil Aviation Regulation (CAR) 5 regulations. The calculation rules have changed for annual reports since the implementation of CASR Part 61 in 2014, to ensure consistency of figures across all years and to better reflect the numbers of each type of licence.

For current pilots, pilots are counted only once in each licence category (aeroplane, helicopter and other), against the highest licence level of privileges their medical certificate permits them to use.

As a result of changes to the medical records system in 2016–17, CASA has improved the accuracy of reporting on current pilots' licence levels. A pilot is only counted as an air transport pilot if their Class 1 medical permits them to utilise the privileges of the air transport pilot licence; otherwise they will be counted as a commercial pilot. Pilots who hold an air transport or commercial licence but only have a Class 2 medical or a recreational aviation medical practitioner's certificate will be counted as a private or recreational pilot. This new method of calculation has been applied retrospectively to results from 2014–15 and 2015–16, making them different from the results published for those years in previous annual reports.

The 'Total initial issues and current pilots' row includes all pilots who held a minimum of a Class 2 medical each financial year. This reflects the number of pilots who were active, but not necessarily exercising the full privileges of their licence. In this row a pilot is counted only once regardless of the number of categories of licences held; therefore, the total does not equal the sum of the licence categories above it.

a CASA EX25/18 is effective 1 March 2018 to 29 February 2020 It enables a pilot holding a licence at the commercial pilot licence (CPL) level or air transport pilots licence level and a current class 2 medical to exercise reduced CPL privileges.

b Recreational and glider pilot licences did not exist under the CAR 5 regulations.

c These licences ceased to be valid when CASR Part 61 was implemented. Pilots holding a general flying progress test (GFPT) licence were transitioned to a recreational pilot licence on 1 September 2014.

d Includes balloons and airships.

e Totals do not equal the sums of the numbers above – see the general note to the table.



**Table A.4** Flight crew licensing examinations, 2013–14 to 2017–18

	2013–14		2014–15		2015–16		2016–17		2017–18	
	Exams sat	% passed	Exams sat	% passed	Exams sat	% passed	Exams sat	% passed	Exams sat	% passed
Air transport pilot licence	5,470	73.8	3,539	70.2	3,781	71.7	3,956	70.6	5,016	73.1
Commercial pilot licence	10,810	75.6	10,893	73.7	10,985	73.6	12,775	74.2	13,113	70.5
Private pilot licence	1,834	70.2	1,937	62.0	1,543	68.1	1,784	66	1,793	65.0
Recreational pilot licence <sup>a</sup>	n/a	n/a	17	47.1	279	49.8	324	59	376	58.5
<b>Total</b>	<b>18,114</b>		<b>16,386</b>	<b>71.5</b>	<b>16,588</b>	<b>72.3</b>	<b>18,839</b>	<b>72.4</b>	<b>20,298</b>	<b>70.4</b>

n/a = not applicable

a Recreational pilot licence exams were introduced under Civil Aviation Safety Regulations Part 61, which replaced Civil Aviation Regulation 5 regulations on 1 September 2014. Three exams for recreational pilot licences were introduced, for aeroplanes, helicopters and navigation, in March 2015.

**Table A.5** Medical certificates, 2013–14 to 2017–18

Certificate	2013–14			2014–15			2015–16		
	Initial	Renewal	Refusal	Initial	Renewal	Refusal	Initial	Renewal	Refusal
Class 1	1,904	15,502	56	1,646	15,317	44	1,768	14,055	34
Class 2	3,653	21,274	101	3,445	20,777	78	3,640	19,183	29
Class 3	105	667	7	134	732	3	92	631	3
<b>Total</b>	<b>4,225</b>	<b>22,001</b>	<b>164</b>	<b>4,029</b>	<b>21,535</b>	<b>125</b>	<b>4,229</b>	<b>19,901</b>	<b>66</b>

Certificate	2016–17			2017–18		
	Initial	Renewal	Refusal	Initial	Renewal	Refusal
Class 1	2,083	17,191	32	2,137	15,992	26
Class 2	4,252	23,216	50	3,727	21,253	24
Class 3	106	804	2	70	684	2
<b>Total</b>	<b>4,718</b>	<b>23,928</b>	<b>84</b>	<b>4,146</b>	<b>21,835</b>	<b>52</b>

**Note:** The certificate classes are 1 Professional pilots and flight engineers, 2 Student and private pilots, and 3 Air traffic control and flight service providers. A certificate issued may have more than one class of medical: for example, all Class 1 medicals are automatically issued a class 2 medical. The total shown is the total number of certificates issued, not the sum of the three licence classes for initial issues or renewals.

## Maintenance organisations

**Table A.6** Certificates of approval, 2013–14 to 2017–18

Type of application	2013–14	2014–15	2015–16	2016–17	2017–18
Initial issue	22	19	17	13	12
Subsequent issue	79	32	21	18	13
Variation	29	86	95	75	63
<b>Total</b>	<b>130</b>	<b>137</b>	<b>133</b>	<b>106</b>	<b>88</b>
Current certificates at 30 June	654	665	653	619 <sup>a</sup>	629

**Note:** Includes operators involved in one or more of aircraft and component maintenance, design (aircraft, components and materials), distribution (components and materials), aircraft maintenance engineer training and examinations.

a In 2016–17, the cancelled and suspended certificates were subtracted from the total for current certificates.

**Table A.7** Civil Aviation Safety Regulations Part 145 approval certificates, 2013–14 to 2017–18

Type of application	2013–14	2014–15	2015–16	2016–17	2017–18
Initial issue	30	16	10	13	3
Subsequent issue	14	17	29	21	49
Variation	107	119	157	125	30
<b>Total</b>	<b>151</b>	<b>152</b>	<b>196</b>	<b>159</b>	<b>82</b>
Current certificates at 30 June	139	159	158	117	154

**Note:** Civil Aviation Safety Regulations (CASR) Part 145 came into effect on 27 June 2012. The total number of certificates as at 30 June includes certificates transitioned from Civil Aviation Regulations Part 30 to CASR Part 145 approvals. These are not included in the figures for initial issue in the table.

## Maintenance personnel

**Table A.8** Aircraft maintenance engineer examinations, 2013–14 to 2017–18

	2013–14	2014–15	2015–16	2016–17	2017–18
Scheduled examination sittings <sup>a</sup>	3,863	3,569	842	908	905
Special examination sittings <sup>b</sup>	400	157	n/a	n/a	n/a
Category technical competency examinations <sup>c</sup>	29	53	n/a	n/a	n/a
Weight control authority examinations	48	93	27	18	30
<b>Total</b>	<b>4,340</b>	<b>3,872</b>	<b>869</b>	<b>926</b>	<b>935</b>

n/a = not applicable

a Scheduled examination sittings (including weight control authority examination sittings) are conducted by a CASA-approved examination provider.

b Before 2016–17, individuals who had a particular reason to seek an aircraft maintenance engineer licence but were unable to attend scheduled examination sittings could seek a special sitting. Training organisations were also able to seek special sittings, to coincide with completion of their courses. Special examination sittings were conducted by CASA until 1 July 2015 and by a CASA-approved examination provider in 2015–16. Special sittings ceased in 2016–17.

c These examinations are for Australian Defence Force and overseas licence holders only. CASA stopped carrying out category technical competency examinations in July 2015; they are now managed by CASA-approved Civil Aviation Safety Regulations Part 147 maintenance training organisations.

**Table A.9 Aircraft maintenance engineer licences, 2013–14 to 2017–18**

	2013–14	2014–15	2015–16 <sup>a</sup>	2016–17	2017–18
<b>Licence assessments</b>					
Category Technical Competency Assessment and Licence Technical Assessment (combined)					
Australian military	112	114	8	0	1
Foreign civil	114	72	2	14	23
<b>Total</b>	<b>226</b>	<b>186</b>	<b>10</b>	<b>14</b>	<b>24</b>
<i>Trans-Tasman Mutual Recognition Act 1997 assessments</i>					
<b>Total</b>	<b>46</b>	<b>51</b>	<b>34</b>	<b>12</b>	<b>8</b>
<b>Licences</b>					
Issued	341	417	236	90 <sup>b</sup>	135
<b>Total current<sup>c</sup></b>	<b>8,041</b>	<b>8,458</b>	<b>8,695</b>	<b>8,784</b>	<b>8,913</b>
Average age of licence holder	48.7	49.1	49.7	50.5	51.2

a In 2015–16, CASA ceased conducting Australian military and foreign civil licensing assessments; they are now conducted by the CASA-approved Civil Aviation Safety Regulations (CASR) Part 147 maintenance training organisations.

b Figures for 2016–17 were reviewed and have changed.

c CASR Part 66 licences.

**Table A.10 Airworthiness authorities, 2013–14 to 2017–18**

	2013–14	2014–15	2015–16	2016–17	2017–18
Maintenance authorities	41	35	28	18	10
Non-destructive testing authorities	34	6	9	5	8
Weight control authorities	3	15	9	5	4
Welding authorities	5	2	7	5	6

# Airworthiness

**Table A.11** Airworthiness certificates, authorisations and approvals issued, 2013–14 to 2017–18

	2013–14	2014–15	2015–16	2016–17	2017–18
<b>Type certificate (includes amendments)<sup>a</sup></b>					
Aeroplanes	2	0	4	3	5
Lighter than air	1	0	1	1	2
Rotorcraft	1	0	0	1	0
Engine	0	0	0	0	0
Propeller	2	0	0	0	0
<b>Total</b>	<b>6</b>	<b>0</b>	<b>5</b>	<b>5</b>	<b>7</b>
<b>Type acceptance certificate (includes amendments)<sup>a</sup></b>					
Aeroplanes	15	15	12	33	13
Lighter than air	0	2	0	1	2
Rotorcraft	4	17	7	7	3
<b>Total</b>	<b>19</b>	<b>34</b>	<b>19</b>	<b>41</b>	<b>18</b>
<b>Other authorisations, certificates and approvals</b>					
Supplemental type certificate <sup>a</sup>	9	24	24	13	15
Certificate of airworthiness	512	443	162	343	491
Special flight authorisation	13	25	17	14	16
Special flight permit <sup>b</sup>	371	288	314	429	443
Experimental certificate <sup>c</sup>	144 <sup>d</sup>	157	24	133	159
Simulator certification (flight simulator training devices)	41	48	48 <sup>c</sup>	57 <sup>c,d</sup>	54
Design advice	63	66	82	80	74
Flight manual supplement	0	5	3	2	3

a Includes amendments to supplemental data including type certificate data sheets and type certificate holder details.

b Figures include all permits issued by CASA and industry delegates.

c Includes certificates issued for devices located overseas.

d Includes approval of the first two Australia-based helicopter simulators.

**Table A.12** Aircraft registrations, 2013–14 to 2017–18

	2013–14	2014–15	2015–16	2016–17	2017–18
Initial registrations	418	349	343	352	422
Changes of registration holder	1,354	1,213	1,526	1,491	1,313
Cancellations of registration	240	321	283	286	306
Changes of registration marks	54	56	50	56	51
Reservations of registration marks	1,143	964	774	870 <sup>b</sup>	913 <sup>c</sup>
Reissues of certificates of registration <sup>a</sup>	123	81	39	52 <sup>b</sup>	64 <sup>c</sup>
Aircraft registered as at 30 June	15,259	15,287	15,347	15,413	15,529
Marks reserved as at 30 June	666	685	510	559	577 <sup>d</sup>

a Due to changes of address or loss, for example.

b These totals are at 2 July 2017, not 30 June 2017, due to the way data are extracted from the data processing system. Given that only weekend dates occurred between 30 June and 2 July, it is assumed that the number of reservations on 2 July was close or identical to the number on 30 June.

c Reservations of registration marks and reissues of certificates of registration figures are derived from European Aviation Processing (EAP) workflow data.

d This total is at 1 July 2018 and not 30 June 2018. This is due to difficulties in backdating mark reservations in EAP. It is assumed that the number of reservations as at 1 July 2018 is close or identical to the number on 30 June (given that only one weekend day occurs between the dates).

**Table A.13 Average age of the Australian fleet of civil aircraft at 30 June 2018**

Aircraft group by airframe and propulsion characteristics					> 56 years	56-47 years	46-37 years	36-27 years	26-17 years	16-7 years	6-2 years	< 2 years	Total by group	% of total fleet	
Gliders					65	164	442	154	84	63	21	3	996	6.41	
Powered gliders					–	18	35	50	63	63	48	5	282	1.82	
Balloons					–	–	13	53	92	139	91	35	423	2.72	
Airships					–	–	–	–	1	–	–	–	1	0.01	
RPAS					–	–	–	–	–	–	–	1	1	0.01	
Amateur-built aircraft	Aeroplane	Single-engine		Diesel	–	–	–	–	–	1	–	–	1	0.01	
				Piston	–	12	78	126	365	531	225	49	1,386	8.93	
				Turboprop	–	–	–	–	2	2	–	–	4	0.03	
				Jet	–	–	1	–	–	1	–	–	2	0.01	
				Rotary	–	–	–	–	–	1	–	–	1	0.01	
	Multi-engine		Piston	–	–	–	2	3	3	2	–	10	0.06		
			Jet	–	–	–	–	–	1	–	–	1	0.01		
		Helicopter		Diesel	–	–	–	–	–	1	–	–	1	0.01	
				Piston	2	–	–	1	33	41	12	3	92	0.59	
				Turboshaft	–	–	–	–	–	6	5	3	14	0.09	
Production aircraft	Helicopter		Single-engine		Piston	8	59	44	146	174	663	147	58	1,299	8.36
				Turboshaft	3	51	186	126	64	99	49	4	582	3.75	
		Multi-engine	Up to 5,700 Kg MTOW	Turboshaft	–	–	26	51	45	44	11	4	181	1.17	
			Over 5,700 Kg MTOW	Turboshaft	–	–	–	8	–	27	56	7	98	0.63	
	Aeroplane	Single-engine	Up to 5,700 Kg MTOW		Diesel	–	–	–	–	–	6	–	–	6	0.04
					Piston	1,214	1,459	2,869	433	422	694	125	70	7,286	46.92
					Turboprop	1	2	25	58	124	108	49	12	379	2.44
			Over 5,700 Kg MTOW		Jet	10	11	14	14	–	–	–	–	49	0.32
					Piston	4	–	–	–	–	–	–	–	4	0.03
					Turboprop	–	–	–	1	24	34	18	6	83	0.53
		Multi-engine	Up to 5,700 Kg MTOW		Jet	5	–	–	–	–	–	–	–	5	0.03
					Diesel	–	–	–	–	–	4	1	–	5	0.03
					Piston	48	225	756	59	24	45	18	13	1,188	7.65
			5,701 to 20,000 Kg MTOW		Turboprop	–	7	78	49	25	34	7	1	201	1.29
					Jet	–	6	7	–	7	16	3	–	39	0.25
					Piston	23	3	–	–	–	–	–	–	26	0.17
			20,001 to 50,000 Kg MTOW		Turboprop	3	–	2	61	110	38	12	–	226	1.46
					Jet	1	–	25	19	28	26	2	1	102	0.66
					Piston	6	–	–	–	–	–	–	–	6	0.04
			50,001 to 100,000 Kg MTOW		Turboprop	2	–	1	5	4	31	14	–	57	0.37
					Jet	1	1	–	39	62	25	5	2	135	0.87
					Piston	1	–	–	–	–	–	–	–	1	0.01
			Over 100,000 Kg MTOW		Turboprop	–	–	1	–	–	–	–	–	1	0.01
					Jet	–	1	–	5	28	173	62	6	275	1.77
	Total by age bracket					1,398	2,019	4,603	1,461	1,789	2,970	1,001	288	15,529	
% of total fleet					9.00	13.00	29.64	9.41	11.52	19.13	6.45	1.85	100.00		

**Note:** MTOW = maximum take-off weight, RPAS = remotely piloted aircraft systems

**Table A.14** Appointments of airworthiness delegates and authorised persons, 2013–14 to 2017–18

	2013–14	2014–15	2015–16	2016–17	2017–18
<b>Appointments excluding Civil Aviation Safety Regulations (CASR) subpart 21.M</b>					
Initial issue	21	10	9	23	21
Subsequent issue	37	39	46	37	52
Variation	15	8	6	8	9
Appointments (active) at 30 June	113	111	97	162	133
<b>Appointments under Civil Aviation Safety Regulations (CASR) subpart 21.M</b>					
Initial issue and variation	33	34	26	25	18
CASR 21M appointments (active) at 30 June	39	42	39	36	35
<b>Total appointments active at 30 June</b>	<b>152</b>	<b>153</b>	<b>136</b>	<b>198</b>	<b>168</b>

**Table A.15** Production authorisations, 2013–14 to 2017–18

	2013–14	2014–15	2015–16	2016–17	2017–18
<b>Production certificates</b>					
Initial issue	–	–	–	–	–
Variation	–	–	1	2	3
Under voluntary suspension at 30 June	3	3	3	4	4
Active at 30 June	9	9	5	7	7
<b>One-off production certificates</b>					
Initial issue	3	5	5	4	2
Variation	2	2	8	8	–
Under voluntary suspension at 30 June	2	2	3	4	3
Active at 30 June	24	29	33	33	35
<b>Australian parts manufacturing approval</b>					
Initial issue	1	1	1	2	1
Variation	3	7	8	8	9
Under voluntary suspension at 30 June	10	11	11	11	12
Active at 30 June	40	38	39	35	35
<b>Australian Technical Standard Order authorisation</b>					
Initial issue or variation	3	4	2	–	0
Under voluntary suspension at 30 June	2	3	3	4	3
Active at 30 June	9	10	11	9	9
<b>Parts approval under Civil Aviation Safety Regulations Regulation 21.305A</b>					
Initial issue or variation	4	1	–	1	1
Under voluntary suspension at 30 June	3	3	3	3	3
Active at 30 June	9	9	9	9	9
<b>Total production authorisation holders at 30 June</b>	<b>111</b>	<b>117</b>	<b>120</b>	<b>119</b>	<b>120</b>

**Table A.16** Airworthiness directives and bulletins, 2013–14 to 2017–18

	2013–14	2014–15	2015–16	2016–17	2017–18
<b>Australian Airworthiness Directive</b>					
Issued	2	6	3	1	30
Cancelled	86	60	45	33	41
Amended	72	21	17	34	33
Current <sup>a</sup>	n/a	8,191	8,014	7,996	7,962
State of design airworthiness directive	565	649	618	641	635
Exclusion from airworthiness directive	101	67	35	40	72
Review of airworthiness directive	9	6	6	–	8
<b>Airworthiness Bulletin</b>					
Issued or amended	41	67	33	14	22
Current <sup>a</sup>	n/a	349	374	384	376

n/a = not applicable

<sup>a</sup> Measure introduced in 2014–15 to enhance reporting.

**Table A.17** Aircraft defect reports, 2013–14 to 2017–18

	2013–14	2014–15	2015–16	2016–17	2017–18
Received during the year	3,091	2,829	1,984	2,182	1,734
Closed during the year	2,170	2,092	2,950	2,084	875
Open as at 30 June	935	1,646	680	693	1,495

a A significant portion of this figure consists of aircraft above 5,700kg awaiting follow-up reports, such as investigation reports or laboratory reports, including some from overseas manufacturers.

## Aerodromes

**Table A.18** Aerodromes at 30 June, 2013–14 to 2017–18

	2013–14	2014–15	2015–16	2016–17	2017–18
Certified	191	192	189	188	194
Registered	136	135	133	133	130
<b>Total</b>	<b>327</b>	<b>327</b>	<b>322</b>	<b>321</b>	<b>324</b>



# Training

**Table A.19** Civil Aviation Safety Regulations Part 141 flight training certificates, 2015–16 to 2017–18

Type of application	2015–16	2016–17	2017–18
Initial issue <sup>a</sup>	2	16	17
Subsequent issue	4	4	16
Variation	27	47	53
<b>Total</b>	<b>33</b>	<b>67</b>	<b>86</b>

a The figures for initial issue do not include interim certificates and transitions.

**Table A.20** Civil Aviation Safety Regulations Part 142 flight training certificates, 2015–16 to 2017–18

Type of application	2015–16	2016–17	2017–18
Initial issue <sup>a</sup>	3	8	–
Subsequent issue	2	3	3
Variation	3	13	5
<b>Total</b>	<b>8</b>	<b>24</b>	<b>8</b>

a The figures for initial issue do not include interim certificates and transitions.

**Table A.21** Civil Aviation Safety Regulations Part 147 maintenance training organisation certificates, 2013–14 to 2017–18

	2013–14	2014–15	2015–16	2016–17	2017–18
Initial issue <sup>a</sup>	4	2	1	2	1
Variation	26	34	40	42	40
<b>Total</b>	<b>30</b>	<b>36</b>	<b>41</b>	<b>44</b>	<b>41</b>
Suspended certificates	–	–	2	2	–
Surrendered certificates	–	1	2	2	1

a The figures for initial issue do not include interim certificates and transitions.

# APPENDIX B: MANAGEMENT AND ACCOUNTABILITY DATA

## Staffing

**Table B.1** Employees by classification and location at 30 June 2018

Classification	Adelaide	Brisbane	Cairns	Canberra	Darwin	Melbourne	Perth	Sydney	Tamworth	Total
Aviation Safety Regulator – Safety Systems Inspector	1	4	1	–	–	4	3	3	–	<b>16</b>
Aviation Safety Regulator – Aviation Safety Adviser	1	1	–	1	1	2	1	–	–	<b>7</b>
Aviation Safety Regulator – Airworthiness Inspector	4	12	6	–	4	13	7	15	2	<b>63</b>
Aviation Safety Regulator – Aerodrome Inspector	1	4	–	–	–	1	2	2	–	<b>10</b>
Aviation Safety Regulator – Other	2	40	1	50	1	12	3	9	–	<b>118</b>
Certificate Management Team Leader	2	8	2	9	1	7	4	4	–	<b>37</b>
Flight Training Examiner	1	4	–	–	–	3	–	3	1	<b>12</b>
Flying Operations Inspector	5	18	7	7	1	16	8	14	3	<b>79</b>
Professional Services	1	2	–	8	–	–	1	–	–	<b>12</b>
National Office Manager	–	2	–	17	–	1	–	–	–	<b>20</b>
Senior Management	–	4	2	26	–	2	–	1	–	<b>35</b>
Other classifications	4	72	4	304	2	17	5	14	1	<b>423</b>
<b>Total</b>	<b>22</b>	<b>171</b>	<b>23</b>	<b>422</b>	<b>10</b>	<b>78</b>	<b>34</b>	<b>65</b>	<b>7</b>	<b>832</b>

**Table B.2** Permanent and temporary employees by classification and gender at 30 June 2018

Classification	Female			Male			Total
	Casual	Permanent	Temporary	Casual	Permanent	Temporary	
Aviation Safety Regulator – Safety Systems Inspector	–	4	–	–	12	–	<b>16</b>
Aviation Safety Regulator – Aviation Safety Adviser	–	1	–	–	6	–	<b>7</b>
Aviation Safety Regulator – Airworthiness Inspector	–	–	–	–	63	–	<b>63</b>
Aviation Safety Regulator – Aerodrome Inspector	–	2	–	–	8	–	<b>10</b>
Aviation Safety Regulator – Other	–	13	1	1	98	5	<b>118</b>
Certificate Management Team Leader	–	4	–	–	33	–	<b>37</b>
Flight Training Examiner	–	1	–	–	11	–	<b>12</b>
Flying Operations Inspector	–	2	–	–	77	–	<b>79</b>
Professional Services	2	–	–	–	10	–	<b>12</b>
National Officer Manager	–	3	–	–	17	–	<b>20</b>
Senior Management	–	4	2	–	27	2	<b>35</b>
Other classifications	9	217	22	4	156	15	<b>423</b>
<b>Total</b>	<b>11</b>	<b>251</b>	<b>25</b>	<b>5</b>	<b>518</b>	<b>22</b>	<b>832</b>

**Table B.3 Employees by classification and age grouping at 30 June 2018**

Classification	Age grouping						Total
	< 25	25–34	35–44	45–54	55–64	> 64	
Aviation Safety Regulator – Safety Systems Inspector	–	–	5	5	6	–	<b>16</b>
Aviation Safety Regulator – Aviation Safety Adviser	–	–	–	6	1	–	<b>7</b>
Aviation Safety Regulator – Airworthiness Inspector	–	–	3	27	27	6	<b>63</b>
Aviation Safety Regulator – Aerodrome Inspector	–	–	–	7	3	–	<b>10</b>
Aviation Safety Regulator – Other	–	7	28	38	34	11	<b>118</b>
Certificate Management Team Leader	–	–	4	16	16	1	<b>37</b>
Flight Training Examiner	–	–	–	5	5	2	<b>12</b>
Flying Operations Inspector	–	3	10	15	37	14	<b>79</b>
Professional Services	–	–	1	5	4	2	<b>12</b>
National Office Manager	–	–	4	9	7	–	<b>20</b>
Senior Management	–	–	10	16	8	1	<b>35</b>
Other classifications	10	85	136	131	55	6	<b>423</b>
<b>Total</b>	<b>10</b>	<b>95</b>	<b>201</b>	<b>280</b>	<b>203</b>	<b>43</b>	<b>832</b>

**Table B.4 Workplace diversity data for employees by classification at 30 June 2018<sup>a</sup>**

Classification	NESB <sup>b</sup>	Indigenous	Disability
Aviation Safety Regulator – Safety Systems Inspector	–	–	–
Aviation Safety Regulator – Aviation Safety Adviser	–	–	1
Aviation Safety Regulator – Airworthiness Inspector	3	–	2
Aviation Safety Regulator – Aerodrome Inspector	1	1	–
Aviation Safety Regulator – Other	8	2	4
Certificate Management Team Leader	3	1	2
Flight Training Examiner	1	–	–
Flying Operations Inspector	7	–	2
Professional Services	1	–	3
National Officer Manager	–	–	–
Senior Management	2	–	1
Other classifications	66	6	11
<b>Total</b>	<b>92</b>	<b>10</b>	<b>26</b>

<sup>a</sup> Includes permanent and temporary workforce.

<sup>b</sup> NESB describes employees who, in addition to coming from a culturally diverse background, do not speak English as a first language. This matches the definition of NESB used by the Australian Public Service Commission.

## Reviews of regulatory decisions

**Table B.5** Administrative Appeals Tribunal merits reviews of CASA regulatory decisions, 2013–14 to 2017–18

	2013–14	2014–15	2015–16	2016–17	2017–18
Applications on hand from the previous year	15	19	12	15	14
Applications lodged during the year	40	30	19	14	20
<b>Total</b>	<b>55</b>	<b>49</b>	<b>31</b>	<b>29</b>	<b>34</b>
<b>Matters dealt with</b>					
Decisions affirmed	6	5	8	5	3
Decisions varied	8	7	1	2	2
Decisions set aside	4	3	8	1	0
Matters dismissed	5	3	1	1	3
<b>Total</b>	<b>23</b>	<b>18</b>	<b>18</b>	<b>9</b>	<b>8</b>
<b>Other matters</b>					
Applications withdrawn by the applicant	14	23	8	8	11
Applications remaining on hand at 30 June	18	13	15	15	15
<b>Total</b>	<b>32</b>	<b>36</b>	<b>23</b>	<b>23</b>	<b>26</b>

**Note:** A single application to the Administrative Appeals Tribunal often involves more than one reviewable decision. In such cases, a decision by the tribunal on a particular application may be composed of multiple decisions to affirm, set aside or vary decisions made by CASA. For that reason, some of the figures shown for matters dealt with reflect multiple outcomes arising out of a single application, and the figures shown for total applications dealt with do not reflect the total numbers of decisions affirmed, varied or set aside or matters dismissed.

**Table B.6** Categories of CASA decisions appealed to the Administrative Appeals Tribunal, 2017–18

Subject of decision	Refusal to issue	Issue subject to conditions not sought by applicant for the authorisation	Cancellation/suspension	Variation/imposition of conditions not sought by holder	Total
Flight crew licence (including ratings and endorsements)	–	–	4	–	4
Aviation maintenance licence or authority (including ratings)	–	1	1	–	2
Medical certificate	5	3	2	–	10
Air operator certificate	–	–	–	1	1
Certificate of approval	–	–	–	–	–
Certificate of registration or airworthiness	–	–	–	–	–
Chief pilot approval	–	–	1	–	1
Maintenance controller approval	–	–	–	–	–
Exemption	–	–	–	–	–
Freedom of information	–	–	–	–	–
Other matters	–	–	–	–	–
<b>Total</b>	<b>5</b>	<b>4</b>	<b>8</b>	<b>1</b>	<b>18</b>

**Table B.7** Applications to Federal Court for judicial review of CASA regulatory decisions, 2013–14 to 2017–18

	2013–14		2014–15		2015–16		2016–17		2017–18	
	Filed by subject person	Filed by CASA	Filed by subject person	Filed by CASA	Filed by subject person	Filed by CASA	Filed by subject person	Filed by CASA	Filed by subject person	Filed by CASA
<b>Matters with the court</b>										
Applications on hand from the previous year	–	–	3	–	–	–	–	–	–	1
Applications filed during the year	5	1	1	1	1	–	1	3	–	–
<b>Total</b>	<b>5</b>	<b>1</b>	<b>4</b>	<b>1</b>	<b>1</b>	<b>–</b>	<b>1</b>	<b>3</b>	<b>–</b>	<b>1</b>
<b>Matters dealt with</b>										
Applications granted	–	–	2	1	–	–	–	1	–	1
Matters dismissed	2	–	1	–	–	–	–	–	–	–
<b>Total</b>	<b>2</b>	<b>–</b>	<b>3</b>	<b>1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1</b>	<b>–</b>	<b>1</b>
<b>Other matters</b>										
Proceedings discontinued	1	–	1	–	1	–	1	1	–	–
Applications on hand at 30 June	2	1	–	–	–	–	–	1	–	–
<b>Total</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>–</b>	<b>1</b>	<b>–</b>	<b>1</b>	<b>2</b>	<b>–</b>	<b>–</b>
<b>Decisions arising from Administrative Appeals Tribunal decision</b>										
	<b>3</b>	<b>1</b>	<b>4</b>	<b>1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1</b>	<b>–</b>	<b>1</b>

## External scrutiny

**Table B.8** Coronial inquiries, 2013–14 to 2017–18

	2013–14	2014–15	2015–16	2016–17	2017–18
Inquiries on hand from previous year	3	2	1	2	1
New inquiries	2	–	1	3	1
<b>Total</b>	<b>5</b>	<b>2</b>	<b>2</b>	<b>5</b>	<b>2</b>
Conclusions handed down	2	1	–	3	1
Inquiries remaining in progress at 30 June	2	1	2	2	1

## Enforcement

**Table B.9** Medical certificate cancellations and suspensions, 2013–14 to 2017–18

Certificate	2013–14		2014–15		2015–16		2016–17		2017–18	
	C	S	C	S	C	S	C	S	C	S
Class 1	13	28	–	1	15	33	12	41	37	33
Class 2	19	49	12	45	9	21	23	60	42	28
Class 3	1	4	2	10	2	3	5	7	3	4

C = cancelled, S = suspended

**Note:** The certificate classes are 1 Professional pilots and flight engineers, 2 Student and private pilots, and 3 Air traffic control and flight service providers.

**Table B.10** Licence and certificate actions, 2013–14 to 2017–18

Action	2013–14	2014–15	2015–16	2016–17	2017–18
Show cause notices issued	30	19	27	35	42
Variations	6	2	4	5	1
Suspensions <sup>a</sup>	9	10	9	10	16
Cancellations	20	6	7	8	9

**Note:** These figures do not include action taken in relation to Civil Aviation Safety Regulations Part 99 offences in relation to medical certificates (see Table B.9) or variations processed by the CASA Service Centre.

<sup>a</sup> These include suspensions under regulations 265 and 269 of the Civil Aviation Regulations 1988.

**Table B.11** Serious and imminent risk suspensions under section 30DC of the *Civil Aviation Act 1988*, 2013–14 to 2017–18

Action	2013–14	2014–15	2015–16	2016–17	2017–18
Suspensions	–	1	1	2	–



**Table B.12** Infringement notices and prosecutions, 2013–14 to 2017–18

Action	2013–14	2014–15	2015–16	2016–17	2017–18
Infringement notices issued	181 <sup>a</sup>	155	132	135	149
Matters referred to the Director of Public Prosecutions	7	12	7	10	5
Prosecutions finalised	4	9 <sup>b</sup>	10	6	6
Acquittals	0	0	1	0	0
Convictions	4	8	8	6	6

a Five infringement notices were reissued.

b One matter was withdrawn.

## Media, advertising and direct mail costs

**Table B.13** Payments to media, advertising and direct mail organisations, 2017–18

Vendor	Amount (\$)
<b>Media organisations</b>	
Adrian Park	13,854
Australia–Pacific Aviation Services Pty Ltd	23,940
Australian Associated Press	15,449
iSentia Pty Ltd	53,761
Montage Productions Pty Ltd	17,860
Song Zu Sydney	13,401
<i>Subtotal</i>	<i>138,265</i>
<b>Advertising agencies</b>	
Convenience Advertising	13,983
TorchMedia Pty Ltd	16,258
Yaffa Publishing Group Pty Ltd	32,768
Val Morgan & Co (Aus) Pty Ltd	49,920
<i>Subtotal</i>	<i>112,929</i>
<b>Direct mail organisations</b>	
Decipha Pty Ltd	16,935
Toll Transport	79,590
Australia Post	152,796
<i>Subtotal</i>	<i>249,321</i>
<b>Total</b>	<b>500,515</b>

**Note:** In accordance with indexation as prescribed in the *Commonwealth Electoral Act 1918*, only payments over \$13,200 (inclusive of GST) are reported. Amounts exclude GST and are rounded to whole dollars.

# Legal costs

Table B.14 Legal costs, 2017–18

Vendor	Amount (\$)
Australian Government Solicitor	18,843
James Emmett	24,523
Ian Harvey	12,197
Maddocks	73,264
Peter Ward	24,509
<b>Total</b>	<b>153,336</b>

**Note:** Relates to amounts over \$13,200. Amounts exclude GST and are rounded to whole dollars.



georgerudy | stock.adobe.com

# ABBREVIATIONS LIST

<b>AAT</b>	Administrative Appeals Tribunal
<b>ADS-B</b>	Automatic Dependent Surveillance Broadcast
<b>Airservices</b>	Airservices Australia
<b>AOC</b>	air operator certificate
<b>APRAST</b>	Asia Pacific Regional Aviation Safety Team
<b>APS</b>	Australian Public Service
<b>ASAP</b>	Aviation Safety Advisory Panel
<b>ASRR</b>	Aviation Safety Regulation Review
<b>ASTRA</b>	Australian Strategic Air Traffic Management Group
<b>ATSB</b>	Australian Transport Safety Bureau
<b>BITRE</b>	Bureau of Infrastructure, Transport and Regional Economics
<b>CAA NZ</b>	Civil Aviation Authority of New Zealand
<b>CAAS</b>	Civil Aviation Authority of Singapore
<b>CAAT</b>	Civil Aviation Authority of Thailand
<b>CASA</b>	Civil Aviation Safety Authority
<b>CASA PNG</b>	Civil Aviation Safety Authority of Papua New Guinea
<b>CASR</b>	Civil Aviation Safety Regulations
<b>CEO/DAS</b>	Chief Executive Officer and Director of Aviation Safety
<b>Chicago Convention</b>	1944 Convention on International Civil Aviation
<b>Civil Aviation Act</b>	<i>Civil Aviation Act 1988</i>
<b>DAME</b>	designated aviation medical examiner
<b>Defence</b>	Department of Defence
<b>DFAT</b>	Department of Foreign Affairs and Trade
<b>DGCA</b>	Directors General of Civil Aviation

<b>EAP</b>	European Aviation Processing
<b>EASA</b>	European Aviation Safety Agency
<b>FAA</b>	Federal Aviation Administration (United States)
<b>GST</b>	goods and services tax
<b>ICAO</b>	International Civil Aviation Organization
<b>ICC</b>	Industry Complaints Commissioner
<b>ICVM</b>	ICAO coordinated validation mission
<b>KPI</b>	key performance indicator
<b>LGBTI+</b>	lesbian, gay, bisexual, transgender and intersex
<b>MoU</b>	memorandum of understanding
<b>OAR</b>	Office of Airspace Regulation
<b>PASO</b>	Pacific Aviation Safety Office
<b>PGPA Act</b>	<i>Public Governance, Performance and Accountability Act 2013</i>
<b>PNG</b>	Papua New Guinea
<b>RAAA</b>	Regional Aviation Association of Australia
<b>RAAOs</b>	recreational aviation administration organisations
<b>RASG-APAC</b>	Regional Aviation Safety Group – Asia and Pacific Regions
<b>RPAS</b>	remotely piloted aircraft systems
<b>SARPs</b>	standards and recommended practices (ICAO)
<b>SOE</b>	Statement of Expectations
<b>TWG</b>	technical working group
<b>WHS</b>	work health and safety

# COMPLIANCE INDEX

<b>Public Governance, Performance and Accountability Rule 2014</b>		
Approval of the report by directors	Section 17BB	Letter of transmittal
Parliamentary standards of presentation	Section 17BC	Throughout
Plain English and clear design	Section 17BD	Throughout
Enabling legislation	Paragraph 17BE(a)	68
Legislated objects and functions	Paragraph 17BE(b)(i)	68
Purpose	Paragraph 17BE(b)(ii)	28
Responsible minister	Paragraph 17BE(c)	68
Ministerial directions	Paragraph 17BE(d) and (f)	68–69
Policy orders	Paragraphs 17BE(e) and (f)	69
Annual performance statement	Paragraph 17BE(g)	28–64
Significant issues related to financial compliance	Paragraph 17BE(h) and (i)	124
Details and attendance of board members	Paragraph 17BE(j)	69–72
Organisational structure	Paragraph 17BE(k)	74–75
Location	Paragraph 17BE(l)	Inside back cover
Governance	Paragraph 17BE(m)	68–87
Related entity transactions	Paragraphs 17BE(n) and (o)	128
Significant activities and changes	Paragraph 17BE(p)	124
Judicial decisions or decisions of administrative tribunals	Paragraph 17BE(q)	117, 119
Reports by the Auditor-General, a parliamentary committee, the Commonwealth Ombudsman or the Office of the Australian Information Commissioner	Paragraph 17BE(r)	118–119
Information from subsidiaries	Paragraph 17BE(s)	Not applicable
Indemnity and insurance	Paragraph 17BE(t)	128
Compliance index	Paragraph 17BE(u)	182
<b>Other reporting requirements</b>		
<i>Civil Aviation Act 1988</i>	Section 49	68–69
<i>Commonwealth Electoral Act 1918</i>	Section 311A	127
<i>Environment Protection and Biodiversity Conservation Act 1999</i>	Section 516A	125–126
<i>Regulator Performance Framework</i>	page 13	Throughout
<i>Work Health and Safety Act 2011</i>	Schedule 2, Part 4	95–97

# ALPHABETICAL INDEX

## A

- abbreviations list, 180–181
- Aboriginal and Torres Strait Islander people, employees, 57, 88, 89, 174
- Above and Beyond Award, 91, 92
- access clause, contracts, 127
- accidents and incidents, employee, 97
- accidents per hours flown, 30, 31
- accountability reporting, 124–128; *see also* corporate governance
- Administrative Appeals Tribunal, 44, 117, 175–176
- Administrative Decisions (Judicial Review) Act 1977*, 119
- administrative scrutiny, 118–120
- ADS-B, industry consultation on, 12
- advertising and market research, 127
  - expenditure, 178
- Advisory and Drafting Branch, 77
- aerial firefighting operations, night, 10
- aerial mustering sector, risk profile, 3, 35
- aerial work sector, accident and incidents rate trends, 30–32
- aerodromes
  - risk profile, 3, 35
  - statistics, 170
- aeroplane medical transport sector risk profile, 3, 35
- aerospace medicine training program, 46
- AEROTHAI, 105
- age, staff, 174
- Air Navigation Commission (ICAO), 103, 104
- Air Navigation Conference, 13th (ICAO), 48
- air traffic management; *see* airspace, administration of; Australian Strategic Air Traffic Management Group; OneSKY Project
- air transport sector, accident and incident rate trends, 30–32
- air travel data, organisational, 126
- airline lounge memberships, Board declarations of, 86
- Airservices Australia, 4, 45, 50, 53, 102
  - OneSKY project, 41
  - tripartite arrangement on Australia's participation in ICAO, 50, 53, 103–104
- Airspace Act 2007*, 68
- airspace, administration of, 40; *see also* Office of Airspace Regulation
- airworthiness certification
  - international agreements on, 40
  - review of management processes, 16, 37
  - training courses, 62
- airworthiness statistics, 167–170
- 'All in your head' (safety feature story), 100
- annual performance statement, 28–66
  - requirement to publish, 28, 108
- Annual Report 2016–17*, award for, 84
- annual reporting obligations, 28, 68, 108
- Approved Self Administering Organisations, progress on regulation, 16
- ASEAN–Australia Special Summit, restricted airspace measures, 10, 52, 66
- Asia and Pacific Office (ICAO), 104
- Asia-Pacific Bilateral Partners Meeting; *see* 20th FAA Asia-Pacific Bilateral Partners Dialogue Meeting, hosting of
- Asia-Pacific region, engagement in, 38, 46, 48, 49, 53, 56, 98, 103, 104–105
- Asia Pacific Regional Aviation Safety Team, 104
- audiometric tests, employee, 97

- Auditor-General
  - contract access clause, 127
  - reports, 118
  - see also* Australian National Audit Office (ANAO)
- Audits of the financial statements of Australian Government entities for the period ended 30 June 2017* (ANAO Report no. 24), 118
- audits, regulatory
  - disclosure of findings from, 16, 112
  - policies and procedures, 39, 45, 112–113
  - third-party, 113
  - see also* internal audit; surveillance operations
- Australasian Reporting Awards, 84
- Australia–Indonesia Transport Sector Forum, 49, 98
- Australian Aid Program, 48, 49, 56, 105
- Australian Airspace Policy Statement, 40
- Australian and New Zealand International Standards Organisation Risk Management – Principles and Guidelines, 83
- Australian Association for Unmanned Systems, 3, 26, 57
- Australian Federal Police, 66
- Australian Government Fraud Control Framework, 87
- Australian Helicopter Industry Association, 52
- Australian Information Commissioner, 118
- Australian Maritime Safety Authority, 53, 64
- Australian National Audit Office (ANAO)
  - audit reports relating to CASA, 118
  - independent audit report, 61, 130–131
- Australian Public Service Code of Conduct, 85
- Australian Public Service Values, 109
- Australian Space Agency, 45
- Australian Strategic Air Traffic Management Group, 102
- Australian Trade and Investment Commission,
  - aviation mission to Thailand, 98
- Australian Transport Safety Bureau, 4, 30, 41, 52, 68
  - aviation safety data sharing, 103, 111
  - memorandum of understanding with, 103, 107, 109
- Austroads commercial vehicle driver standards,
  - application to pilot medicals, 3, 12, 15, 35, 122
- authorisation holders, audits of, 16, 39, 44, 45
  - access to audit information, 112
  - see also* audits, regulatory; surveillance operations
- Automatic Dependent Surveillance Broadcast (ADS-B), 12
- average staffing level, 62
- Aviation Group, 76, 78
- aviation history, key moments, 18–19
- Aviation Implementation Group, 102
- aviation medicine
  - complaints relating to, 44, 54
  - reforms to, 3, 12, 14, 15, 35, 38, 43, 56, 116, 122
- Aviation Policy Group, 102
- aviation safety advisers
  - feedback from, 43
- Aviation Safety Advisory Panel, 33, 36, 42, 50, 101, 115, 121
  - establishment of, 3, 12, 14, 46, 51
  - members, 14–15
- Aviation Safety Committee, 45, 85, 95
  - directions re sector surveillance, 3, 35, 39
- Aviation safety regulation and service delivery (key performance area), 29
  - measures and results, 36–38
- Aviation Safety Regulation Review (ASRR)
  - progress against Government's response, 15, 17, 33, 37, 39, 107–116
  - see also* regulatory reform program
- aviation safety seminars, 55
- aviation safety system, ICAO audit of, 3, 12, 14, 35
- Aviation State Safety Program (ICAO), 48, 103
- Aviation Transport Security Act 2004*, 68
- AvMed; *see* aviation medicine



AvSafety seminars, 55  
award scheme, staff, 58, 91–92

## B

balloon sector; *see* commercial balloon sector risk profile  
bilateral aviation safety arrangements, 47, 49, 50, 104–105; *see also* international engagement; regional engagement; trilateral arrangement on regulatory cooperation  
Board  
    committees, 73, 83  
    conflict of interest disclosures, 86  
    establishment under Civil Aviation Act, 69  
    meetings, 72  
    membership, 69–72  
    role and responsibilities, 69, 107  
    Statement of Expectations issued to, 68–69, 107, 109, 110, 111, 113  
Board Audit Committee, 73, 87  
Boeing 787, certification of, 25  
Bonython, ACT  
    operation of commercial drone delivery service, 10  
Brisbane Airport, new runway infrastructure for, 45  
Budget Estimates Committee hearings, 106  
Budget, 2018–19, 14, 26  
Bureau of Infrastructure, Transport and Regional Economics (BITRE), 30, 41  
Bureau of Meteorology, 53  
business continuity arrangements, 83  
business intelligence capabilities, improvements, 63  
Business Transformation Branch, creation of, 76

## C

‘Can I Fly There?’, drone safety app, 106  
Canada, trilateral arrangement with; *see* Transport Canada

Capability Framework, 90, 110; *see also* training and professional development, staff  
*The CASA Briefing* (e-newsletter), 100  
CASA Consultation Hub, 101  
CASA Enterprise Agreement 2016–19, 16, 20, 91  
*CASAflier* (staff e-newsletter), 51, 55  
CASA’s capability and capacity (key performance area), 29  
    measures and results, 60  
CASA Surveillance Manual, 44  
case management support, employee, 97  
cash flow, 23; *see also* financial statements; financial summary  
CEO/DAS Achievement Award, 91  
CEO Instructions, 98  
Chair of the Board  
    message from, 12–13  
    statement of preparation, of annual performance statement, 28  
    statement on financial statements, 132  
change management processes, 59  
Chicago Convention, 43, 53, 103; *see also* International Civil Aviation Organization (ICAO)  
Chief Executive Officer, CASA; *see* Director of Aviation Safety  
Chief Executive Officer of Airservices Australia, 102  
Chief Financial Officer, statement on financial statements, 132  
Chief of Air Force, 102  
cinema advertising on drone safety, 26, 52, 106, 127  
*Civil Aviation Act 1988*, 28, 68, 91, 99, 115  
    CASA functions, 35, 68, 69, 98  
    establishment of Board, 69  
    establishment of CASA, 4  
    external engagement obligations, 100, 104  
    review of penalties for offences under, 17, 40, 107, 115  
Civil Aviation Authority of New Zealand, 47, 48, 50, 56  
    trilateral arrangement with, 47, 50, 98, 105

- Civil Aviation Authority of Singapore, 48, 105
- Civil Aviation Authority of Thailand, 48, 105–106
- Civil Aviation (Carriers' Liability) Act 1959*, 68, 128
- Civil Aviation Order 48.1, 12, 15
- Civil Aviation Orders, 68
- Civil Aviation Regulations 1988, 68
- Civil Aviation Safety Authority of Papua New Guinea, 38, 46, 48, 49, 98, 105
- Civil Aviation Safety Authority v Michael Bellamy* [2017] FCA 829, 117
- Civil Aviation Safety Regulations 1998 (CASR), 68
  - consultation on, 42, 50, 54, 109, 114
  - development and implementation process, 16, 36, 39, 45, 90, 109, 114
  - see also* regulatory reform program
- Civil Aviation Safety Regulations Part 13, 40
- Civil Aviation Safety Regulations Part 129, 16, 35, 39
- Civil Aviation Safety Regulations Part 132, 16
- Civil Aviation Safety Regulations Part 133, 10
- Civil Aviation Safety Regulations Part 149, 16, 114
- classification, staff, 172–174
- Client Services Centre, 42, 54, 76
- Close Calls Sport Aviation Special 2018*, 52
- cloud computing, investigation of opportunities to use, 60, 63
- Code of Conduct policy, 85–86, 109
  - investigation of breaches, 85–86
- Comcare audit, 97
- Comcover, 128
- Comcover risk management benchmarking survey, 59, 61, 83
- commercial balloon sector risk profile, 3, 10, 35, 39
- Commonwealth Director of Public Prosecutions, 87
- Commonwealth Electoral Act 1918*, 127
- Commonwealth Games, restricted airspace measures, 10, 52, 66
- Commonwealth Ombudsman, 118–119
- Commonwealth Procurement Rules, 127
- Commonwealth Risk Management Policy, 83
- community engagement, 100–101; *see also* external engagement
- complaints, 119–120
  - mechanisms to handle, 54, 55 (*see also* Industry Complaints Commissioner)
  - processing statistics, 121
  - relating to aviation medicine, 44, 54
- compliance index, 182
- conflict of interest, 86–87
- consultancy services, 128
- consultative forums, 33; *see also* Aviation Safety Advisory Panel; industry consultation; stakeholder engagement
- contact details, inside back cover
- Convention on International Civil Aviation 1944, 53, 103; *see also* Chicago Convention; International Civil Aviation Organization (ICAO)
- coordinated validation missions, International Civil Aviation Organization, 3, 14, 35, 49, 94, 105
- Coordination and Safety Systems Branch, creation of, 76
- coronial inquiries, 117–118, 177
- corporate goals, 29; *see also* Goal 1: Maintain and enhance a fair, effective and efficient safety regulation system; Goal 2: Collaborative engagement with the wider aviation community to promote and support a positive safety culture; Goal 3: Continuous improvement of organisational performance
- corporate governance, 68–87; *see also* Goal 3: Continuous improvement of organisational performance
- corporate objectives, 5, 29, 34–63; *see also* *Corporate Plan 2017–18 to 2020–21*
- Corporate Plan 2017–18 to 2020–21*, 5, 28, 34, 42, 54, 61
- Corporate Services Division, 76, 80
- corrective actions, Comcare audit, 97
- cost-recovery arrangements, 60
- counselling services, employee, 97
- counter-drone technology, security risks, 36
- counterterrorism steering group, CASA membership of, 36
- customer service charter, development of, 38

## D

dangerous goods training, 48

data sharing, aviation safety data, 103, 111

Defence Aviation Safety Authority, 53

Department of Defence, 4, 66

Department of Finance, 36, 110

Department of Home Affairs, 36, 66

Department of Industry, Innovation and Science, 10

Department of Infrastructure, Regional Development and Cities, 4, 36, 45, 102

- collaboration with, 48, 49, 50, 53
- consideration of indemnity issues, 36, 110
- tripartite arrangement on Australia's participation in ICAO, 50, 53, 103–104

designated aviation medical examiners (DAMES), delegation of powers to, 3, 12, 15, 35, 116, 122

Digital Services Strategy, development of, 108

Director of Aviation Safety, 108

- appointment to Board under Civil Aviation Act, 69
- review by, 14–17
- statement on financial statements, 132

Directors General of Civil Aviation Conference, 104

disability reporting, 88; *see also* people with disability

disclosure of conflict of interest, 85, 119

diversity and inclusion strategy, 63; *see also* diversity, workforce; Workplace Diversity Program

Diversity Champion's Award, 91

diversity, workforce, 88–89, 174

'Don't push it, land it' safety initiative, 52

Dreamliner delivery flight, 25

drones

- commercial delivery service, 10
- growth in numbers, 16, 47
- launch of website, 3, 46
- public confidence in CASA management of, 3
- restricted airspace measures, 10, 52, 66
- safety awareness measures, 3, 46, 50, 52, 106, 127
- see also* remotely piloted aircraft systems

## E

ecologically sustainable development report, 125–127

education and training programs, staff; *see* training and professional development, staff

e-learning programs, 90, 91

electronic personnel licensing activities, 38, 56

employee assistance program, 97

employee engagement survey, 58, 62

enabling legislation, 68

e-newsletters, 51, 55, 99

energy use, organisational, 126, 127

enforceable voluntary undertakings, requirement to publish, 99, 124–125

enforcement decisions, 177–178

- publication of, 99, 124–125

Enforcement Manual, 111

Engagement, Communication and Safety Education Branch, 76

enterprise agreement, 16, 20, 91

*Environment Protection and Biodiversity Conservation Act 1999*, 125

environmental sustainability performance report, 125–127

*Equal Employment Opportunity (Commonwealth Authorities) Act 1987*, 88

European Aviation Processing system, 16, 63

European Aviation Safety Agency, 37, 47

- working arrangement with, 10, 65

European Union Air Safety List, removal of Indonesian airlines from, 105

European Union Safety Assessment of Foreign Aircraft program, 39, 65

Executive Committee, 84

exit briefs, regulatory audits, 112, 113

expenses, 22; *see also* financial statements; financial summary

external engagement, 100–106

external scrutiny, 106–120, 175–177; *see also* performance validation panel

## F

FAA Asia-Pacific Bilateral Partners Dialogue Meeting,  
hosting of; *see* 20th FAA Asia-Pacific Bilateral  
Partners Dialogue Meeting, hosting of

FAA–EASA International Aviation Safety Conference,  
47, 98

Facebook, 55, 100

factors affecting performance, 34

fatal air crash, investigation by Comcare, 97; *see also*  
Renmark, South Australia, fatal aircraft accident

fatigue management rule set, review of, 12, 16

Federal Aviation Administration; *see* United States  
Federal Aviation Administration

Federal Court, judicial review of administrative  
decisions, 117, 176

feedback

- mechanisms for, 55, 100
- on training and forums, 43
- see also* complaints; Industry Complaints  
Commissioner; surveys

female employees, 173

Finance Branch, 77, 82

financial management systems, 60

financial outlook, 24; *see also* financial statements;  
financial summary

financial position, 23; *see also* financial statements

financial results, 5, 16; *see also* financial statements;  
financial summary

financial statements, 129–160

- independent auditor's report, 130–131

financial summary, 20–24; *see also* financial  
statements

first aid needs assessment, 95, 96

flight crew licensing, 43, 48

- mutual recognition of, 98, 105
- statistics, 163–164

flight operations statistics, 162

flight personnel statistics, 163–164

*Flight Safety Australia 2017 Collectors' Edition*, 101

*Flight Safety Australia* (magazine), 100

flight simulation training devices, recognition of, 105

flying training industry

- accident and industry rate trends, 30–32
- statistics, 171

Flying Training Panel, closure of, 102

foreign aircraft operators

- surveillance and audit mechanisms, 35, 65
- transition to CASR Part 129, 16, 35, 39

Fraud Control Plan 2018–2020, 87

*Freedom of Information Act 1982*, 124

freedom of information reporting obligations, 124

fuel carriage, regulations on, 43

fuel excise revenue, 21, 24; *see also* financial  
statements

## G

gender, staff, 173

general aviation sector, 45, 76, 112

- accident and incident rate trends, 30–32

General, Recreational and Sport Aviation Branch,  
creation of, 76

Geoscience Australia, 45

German Civil Aviation Authority, 65

'Getting smart: artificial intelligence and aviation'  
(safety feature story), 100

Gliding Federation of Australia, 10

Global Aviation Safety Oversight Systems initiative  
(ICAO), 49

Global Aviation Safety Plan (ICAO), 104

Global Aviation Safety Roadmap (ICAO), 104

Goal 1: Maintain and enhance a fair, effective and  
efficient safety regulation system, 5

- challenges, 36
- key achievements in 2017–18, 3, 35–36
- key performance indicators, 42–44
- performance report, 35–45

Goal 2: Collaborative engagement with the wider aviation community to promote and support a positive safety culture, 5

challenges, 47

key achievements in 2017–18, 3, 46

key performance indicators, 54–55

performance report, 46–56

Goal 3: Continuous improvement of organisational performance, 5

challenges, 57

key achievements in 2017–18, 3, 57

key performance indicators, 61–62

performance report, 57–63

Governance and organisational effectiveness (key performance area), 29

measures and results, 58–60

Governance Branch, creation of, 76

governance committees, 84–85

governance, corporate, 68–87

grants, 128

greenhouse gas emissions, initiatives to reduce, 126

## H

hazard notifications, work health and safety, 97

helicopter medical transport sector risk profile, 3, 35

*Horace Extra* (staff e-newsletter), 51, 55

House of Representatives Standing Committee on Tax and Revenue, 38, 106

human resource management, 3, 58, 87–92

## I

ICT infrastructure, modernisation of, 57, 59–60, 63;  
*see also* Service Delivery Transformation program

incident notifications, employee, 97

incidents per hours flown, 30, 32

income, 21; *see also* financial statements; financial summary

indemnities and insurance, 128

policy on provision of, 36, 110

Indigenous Australians, employees, 57, 88, 89, 174

Indigenous Engagement Network, 57, 88

Indonesia, assistance on aviation safety management, 49, 105; *see also* Indonesian Directorate General of Civil Aviation

Indonesia–Australia Transport Sector Forum, 49, 98

Indonesian Directorate General of Civil Aviation, 38, 46, 48, 49

induction courses, staff, 97

industry advisory panels; *see* Aviation Safety Advisory Panel

Industry Complaints Commissioner, 54, 116, 119–120; *see also* complaints

industry consultation, 12

on regulatory changes, 42, 50, 54, 109, 114

*see also* Aviation Safety Advisory Panel; consultative forums; industry engagement

industry engagement, 33, 36, 46, 47, 101–102;  
*see also* Aviation Safety Advisory Panel; industry consultation; stakeholder engagement

Industry oversight (key performance area), 29

measures and results, 39–41

influenza vaccination program, staff, 97

information dissemination; *see* education and awareness activities

Information Management section, transfer of functions, 76

information management systems, 63

Information Publication Scheme, 124

Infrastructure and Regional Development Portfolio Budget Statements, 28, 30

infringement notices, 44, 124, 178

Innovate Reconciliation Action Plan, 89

Innovation and Continuous Improvement Award, 91, 92

inoperative staff, 87

Inquiry into Regulatory Requirements that Impact on the Safe Use of Remotely Piloted Aircraft Systems, Unmanned Aerial Systems and Associated Systems, 106

Inquiry into the 2016–17 Annual Report of the Australian Taxation Office (ATO) and Taxpayer Engagement, 106

Inquiry into the Air Services Amendment Bill 2018, 106

'Inside knowledge' (safety feature story), 100

inspectorate capability, training courses, 90, 91

insurance and indemnities; *see* indemnities and insurance

interesting facts and activities in 2017–18, 8–10

internal audit, 84

internal communication framework, 51

International Air Transport Association, agreement on IATA operational safety audit reports, 35, 113

International Civil Aviation Organization General Assembly, 48

International Civil Aviation Organization (ICAO)  
audit of Australia's aviation safety system, 3, 12, 14, 35, 94

Aviation System Block Upgrade program, 41

CASA participation in working groups, 41

coordinated action team missions, 50, 104

coordinated validation missions, 3, 14, 35, 49, 94, 105

No Country Left Behind initiative, 41

tripartite arrangement on Australia's participation in, 50, 53, 103–104

International Civil Aviation Organization Council, support for Australia's position on, 41, 50, 56

International Civil Aviation Organization Electronic Personnel Licensing Taskforce, 38

International Day Against Homophobia, Biphobia, Intersexism and Transphobia, 89

International Day of People with Disability, 89

international engagement, 47–50, 51, 53, 56, 65, 98, 103–106; *see also* bilateral aviation safety arrangements; International Civil Aviation Organization (ICAO); International Engagement Strategy; regional engagement; trilateral arrangement on regulatory cooperation

International Engagement Strategy, 53; *see also* international engagement

International Women's Day, 89

intragovernmental engagement, 102–103

intranet, CASA, 51

## J

Joint Standing Committee on Northern Australia's Inquiry into Opportunities and Methods for Stimulating the Tourism Industry in Northern Australia, 106

judicial decisions, 117, 176

'just culture' principles, 36, 37, 111; *see also* regulatory philosophy

## K

key performance indicators, 29

Goal 1, 42–44

Goal 2, 54–55

Goal 3, 61–62

## L

large aeroplane transport sector risk profile, 3, 35

leadership development, 3, 57, 58, 90

Learning and Advisory Panel, 60, 90

Legal and Regulatory Affairs Division, 77, 81

legal costs, 179

length of service awards, employee, 92

letter of transmittal, 1

liability insurance, 128; *see also* indemnities and insurance

licensing activities, 38; *see also* flight crew licensing

limited category aircraft operations, 16

LinkedIn, 55, 100

Litigation, Investigations and Enforcement Branch, creation of, 77

local governments, relationships with, 50

locations, staff, 172–174

looking ahead, 45, 56, 63, 83, 84; *see also* year ahead

Luftfahrt-Bundesamt, 65

## M

maintenance organisations statistics, 165

maintenance personnel statistics, 165–166

male staff, 173

management and accountability data, 172–179

Manuals of Standards, 36, 40, 67

market research and advertising, 127

    expenditure, 178

*Measuring our Performance* survey, 17, 33, 62; *see also* stakeholder relationship survey

medical certificates, changes to requirements, 3, 12, 15, 35, 38, 116, 122; *see also* aviation medicine

medical records system, enhancements to, 38

medical transport sector risk profile, 3, 35

Melbourne Airport, new runway infrastructure for, 40, 45

Member State of chief importance (ICAO), 50, 56, 104

memoranda of understanding

    Airservices Australia on OneSKY project, 41

    Australian Transport Safety Bureau, 103, 107, 109

    Indonesia on aviation matters, 49

    International Air Transport Association on operational safety audit reports, 113

    Papua New Guinea on transport matters, 49, 98

    tripartite on ICAO matters, 50, 53

mentoring program, Indigenous employees, 57, 89

milestone awards, employee, 92

military airspace management; *see* OneSKY Project

Minister for Finance, 69

Minister for Infrastructure and Regional Development, 107

Minister for Infrastructure, Transport and Regional Development, 13; *see also* Ministerial directions; Minister's Statement of Expectations

Ministerial directions, 68–69; *see also* Minister's Statement of Expectations

Minister's Statement of Expectations, 68–69, 107, 109, 110, 111, 113

mission, 5

motor vehicle fleet, organisational, 126, 127

MULTICOM frequency, industry consultation on, 12

mutual recognition arrangements, international, 47, 50, 53, 68, 98, 104, 105

## N

NAIDOC Week events, 88–89

National Australian Built Environment Rating System, 125

National Disability Strategy 2010–2020, 88

national hazard profile, work health and safety, 95, 96

National Health and Safety Committee, 95

National Operations and Standards Division, creation of, 76

national oversight plan, 37, 39

National Reconciliation Week, 89

National Surveillance Selection Process, 39, 45

net result, 21; *see also* financial statements; financial summary

Netherlands Civil Aviation Authority, 65

New Zealand, mutual recognition agreements with, 47, 68; *see also* Civil Aviation Authority of New Zealand; trilateral arrangement on regulatory cooperation

No Country Left Behind initiative (ICAO), 41

non-compliance notices, modified approach to, 12, 113

non-English speaking background employees, 174

non-ongoing employees, 4; *see also* staff statistics

notice of strategic direction, 68; *see also* Statement of Expectations, Minister's

## O

occupational health and safety; *see* work health and safety, employee

Office of Airspace Regulation, 66

    risk assessment database, 35, 40, 41

*Office of Airspace Regulation Strategic Work Plan*, 40



- Office of Best Practice Regulation, 42
- Office of Parliamentary Counsel, 114
- Office of the Industry Complaints Commissioner, 119–120; *see also* Industry Complaints Commissioner
- offshore helicopter sector, 10
- Ombudsman, Commonwealth, 118–119
- OneSKY Project, 41, 45
- ongoing employees, 4; *see also* staff statistics
- online training resource, introduction of, 52, 90
- OnTrack* program, review of, 52
- operating environment, 4
- operating statistics, 4, 8–9, 162–171
- operating surplus, 5, 16, 20; *see also* financial statements; financial summary
- organisational structure, 74–75
  - changes to, 34, 76–77
  - see also* Renewing CASA program
- orientation program, staff, 90
- outcome, portfolio, 4, 29, 30–33
- outcomes not achieved, 16
- overview, 11–26

## P

- Pacific Aviation Safety Office, 48, 49, 56, 98, 105
- Pacific island countries, strategic engagement with, 48, 98
- Papua New Guinea
  - assistance on aviation safety management, 38, 105
  - memorandum of understanding on transport sector, 49, 98
  - see also* Civil Aviation Safety Authority of Papua New Guinea
- Papua New Guinea Regulator Symposium, CASA support for, 49, 98
- parliamentary accountability, 106–116
- penalties for offences, review of, 17, 40, 107, 115
- People Committee, 58, 60, 85, 86
- people management, 3, 58, 87–92
- people with disability, 89, 174
- performance and communication scheme, 3, 58
- performance framework, 28
- performance indicators, 30; *see also* key performance indicators
- performance reports
  - Goal 1, 35–45
  - Goal 2, 46–56
  - Goal 3, 57–63
- performance validation panel, 64
- Perth Airport
  - new runway infrastructure for, 45
  - railway tunneling under, 10
- Pilatus PC24, type ratings for, 93
- Portfolio Budget Statements 2017–18, 28, 30, 62
- Portfolio Budget Statements 2018–19, 20, 24
- portfolio outcome, 4, 29, 30–33
- post-implementation reviews
  - of Renewing CASA, 34, 52, 57, 76
  - of structure, 34, 57
- Privacy Act 1988*, 99
- procurement, 127
- professional development program; *see* training and professional development, staff
- professional indemnity, 36, 110, 128
- project management, 58–59, 61
  - award for outstanding, 92
- protective airspace architecture, updating, 10
- pseudo-satellite drones, assessment of, 10
- Public Governance, Performance and Accountability Act 2013*, 68, 69, 73, 83, 86, 109
  - annual reporting obligations under, 28, 68, 108
  - rules relating to indemnity, 110
- Public Governance, Performance and Accountability (Charging for Regulatory Activities) Order 2017, 69
- Public Governance, Performance and Accountability Rule 2014, 86, 124

*Public Interest Disclosure Act 2013*, 85, 119  
public interest disclosure policy, 85  
*Public Sector Audit Committees* (ANAO better practice guide), 73  
*Public Service Act 1999*, 109  
purchasing, 127

## Q

Qantas, 25, 46  
quality management systems approach, 58, 59  
Queensland Police Service, 66  
Question and Answer document for Safety Information Policy Statement, 111  
questions on notice, 106

## R

radio procedures, introduction of new, 12  
ramp inspections, foreign aircraft operators, 65  
recognition and reward scheme, 58, 91–92  
Reconciliation Action Plan, 57, 89  
Reconciliation Week, 89  
recreational aviation administration organisations, 101–102, 114  
Recreational Aviation Australia, 114  
recruitment, staff, 85, 110  
recycling, waste, 125  
Regional Airspace and Procedures Advisory Committees, 50, 101  
Regional Aviation Safety Group – Asia and Pacific Regions (ICAO), 104  
regional engagement, 38, 41, 48, 98; *see also* International Engagement Strategy  
Regulator Performance Framework, 28, 64  
    external validation panel, 64  
Regulatory and Technical Training Framework, 55, 62, 90  
regulatory philosophy, 99, 106, 113, 115

    ensuring awareness of, 38, 45, 85, 110  
    monitoring compliance with, 38, 42, 44, 54, 110  
    publication of, 110, 111  
    workshops on implementing, 36, 37, 45  
    *see also* 'just culture' principles  
regulatory reform program, 16, 36, 42, 43, 45  
    consultation on, 42  
    *see also* Aviation Safety Regulation Review (ASRR)  
Regulatory Services and Surveillance Division, creation of, 76  
related entity transactions, 128  
remotely piloted aircraft systems  
    applications processing, 42, 63  
    infringement notices, 44  
    restricted airspace measures, 10, 52, 66  
    safety awareness measures, 3, 26, 46, 50, 52, 106  
    safety oversight of, 14, 26, 36, 37, 47  
    Senate inquiry into safe operation, 106  
    *see also* drones  
Remotely Piloted Aircraft Systems Branch, creation of, 76  
Renewing CASA program, 34, 52, 57, 78  
Renmark, South Australia, fatal aircraft accident, 17, 97  
responsible minister, 68  
restructure, organisational, 34, 76–77; *see also* organisational structure  
retention, staff, 85, 96, 110  
*Review of Aviation Safety Regulation of Remotely Piloted Aircraft Systems* (report), 37  
review of regulatory decisions, 119  
rewards and recognition scheme, staff, 58, 91–92  
Risk and Investment Committee, 85  
risk management, 59, 83; *see also* sector risk profiling  
role and functions, organisational, 4, 7, 68, 69, 98  
Royal Australian Air Force, 53, 102  
Royal Flying Doctor Service Western Operations, 93

## S

- Safe skies for all* (vision), 5, 11, 17, 83, 106
- Safety Alert, new surveillance grading, 12, 113
- Safety Behaviours: Human Factors for Pilots* (resource kit), 52
- safety education material, provision of, 52, 100
  - remotely piloted aircraft systems, 3, 26, 46, 50, 52, 106, 127
- Safety Finding, new surveillance grading, 12, 113
- Safety Information Policy Statement, 111
- safety management systems booklet, 50
- Safety Observation, new surveillance grading, 12, 113
- scholarship; *see* Stephen Guerin Scholarship
- sector risk profiling, 3, 10, 16, 35, 39
- sector surveillance activities, 3, 10, 35, 39; *see also* sector risk profiling
- self service portal, development of, 38, 59
- Senate Rural and Regional Affairs and Transport Legislation Committee, 106
- Senate Rural and Regional Affairs and Transport References Committee, inquiry into remotely piloted aircraft systems, 106
- senior management
  - appointments and departures, 77
  - roles and responsibilities, 78–83
- service delivery standards, 38, 42
  - client-centred approach, 33
  - improvements in, 37
  - see also* Service Delivery Transformation program
- Service Delivery Transformation program, 12, 33, 52, 54, 56, 57, 59, 63
- significant activities and changes, 124
- Sky Sentinel, 112
- ‘Skyhacked’ (safety feature story), 100
- small aeroplane transport sector risk profile, 3, 10, 35, 39
- SMS for Aviation: A Practical Guide kit*, 50
- snapshot of performance, 3; *see also* interesting facts and activities in 2017–18
- social media, 52, 55, 100
  - use to promote safety information, 3, 46
- Space Activities Act 1998*, 10
- sponsorships, 128
- sport and recreational sector, 102; *see also* recreational aviation administration organisations; Sport Aviation Safety Forum
- Sport Aviation Safety Forum, 101–102
- staff engagement survey, 58, 62
- staff exchange program, 3, 57, 109
- staff recruitment, 85, 110
- staff secondments, 109; *see also* staff exchange program
- staff statistics, 4, 87, 89, 172–174
- staff training; *see* training and professional development, staff
- staff turnover, 88
- stakeholder engagement, 51; *see also* external engagement; industry engagement; Stakeholder Engagement Division; Stakeholder engagement (key performance area)
- Stakeholder Engagement Division, 76, 79
- Stakeholder engagement (key performance area), 29
  - measures and results, 47–53
- stakeholder relationship survey, 17, 33, 62, 108
- Standards and Recommended Practices (ICAO), 43, 48, 53
- Standards Australia, 10
- Standards Consultative Committee, 14
- Standing Notice of Material Personal Interest (Board Members), 86
- state and territory governments, relationships with, 50
- State Safety Program (ICAO), 48, 103
- Statement of Expectations, Minister’s, 68–69, 107, 109, 110, 111, 113
- statement of preparation, annual performance statement, 28
- Stephen Guerin Scholarship, 17
- Strategic Alliance section, transfer of functions, 76
- Strategic Audit Plan, 84

'Striking the Balance: Sustaining Aviation Safety while Embracing Innovation' (conference theme), 105

structure, organisational, 74–75

- changes to, 34, 76–77
- see also* Renewing CASA program

Sunshine Coast Airport, new runway infrastructure for, 45

surveillance operations, 15–16, 39, 45

- information sharing on, 12, 16, 113
- policies and procedures, 44, 45
- see also* audits, regulatory; National Surveillance Selection Process; sector surveillance activities

surveys

- staff engagement, 58, 62
- stakeholder relationship, 17, 33, 62, 108

Sydney airport, new runway infrastructure for, 45

## T

temporary staff, 87

Thailand, 48, 98, 105–106

'The Challenge of Managing Outcome Focused and Risk Based Regulations for Asia Pacific States' (conference theme), 104

third-party audits, proposal to introduce, 113; *see also* audits, regulatory

13th Air Navigation Conference (ICAO), 48

three-tier regulatory structure, 114

tiltrotor aircraft, regulatory framework for, 10

training and professional development, staff, 3, 55, 57, 60, 90–91

- work health and safety, 95–96, 97
- see also* e-learning programs

Training Branch, establishment of, 3, 57, 60, 76, 90

Trans-Tasman Mutual Recognition Arrangement, 47, New Zealand, mutual recognition agreements with

transmittal letter, 1

Transport Canada, 56

trilateral arrangement with, 47, 50, 98, 105

*Transport Safety Investigation Act 2003*, 68

Transport Sector Forum, Indonesia–Australia, 49, 98

travel cards, minor irregularities in use of, 87

trilateral arrangement on regulatory cooperation, 47, 50, 98, 105

tripartite arrangement on Australia's participation in ICAO, 50, 53, 103–104

turnover, staff, 88

20th FAA Asia-Pacific Bilateral Partners Dialogue Meeting, hosting of, 3, 46, 47, 48, 98, 105

Twitter, 3, 46, 55, 100

2017–18 Portfolio Budget Statements, 28, 30, 62

2018–19 Budget, 14, 26

2018–19 Portfolio Budget Statements, 20, 24

## U

United States Federal Aviation Administration, 3, 26, 37, 47, 56

Universal Safety Oversight Audit Programme (ICAO), 14, 49; *see also* coordinated validation missions

unplanned absences, employee, 88

'use of discretion' procedures, 111

## V

values, organisational, 5; *see also* Code of Conduct policy

Victorian Building Authority, best practice presentation to, 38

video conferencing, corporate, 125

Virgin Australia, 46

vision, 5, 11, 17, 83, 106

*Visual Flight Rules Guide*, 51

## W

waste management, 125, 126, 127

'Watts happening: behind the buzz about electric aircraft' (safety feature story), 100

website, 100

- publication of changes and consultation documents, 101

- publication of enforcement decisions, 99

- publication of MoU with ATSB, 107, 109

- publication of Safety Information Policy Statement, 111

- for recreation drone users, 3

- review of content, 54

Women in Leadership Panel, 89

work health and safety, employee, 95–97

- risk register, 95, 96

Work Health and Safety Strategy, 95–97

workers compensation, 97

workforce diversity, 88–89, 174

Workforce Plan, 109

workplace agreements, 16, 20, 91

Workplace Diversity Program, 88

workshops, regulatory philosophy, 36, 37, 45

workstation assessments, 97

## Y

year ahead, 13, 16–17; *see also* looking ahead

YouTube, 100

## CASA locations



## Acknowledgements

**Drafted by:** Lisa Harvey

**Assisted by:** Michelle Spence

**Design:** Duncan Grant

**Editing:** WordsWorth Writing Pty Ltd

**Printing:** CanPrint Communications Pty Ltd

Thank you to all contributors and divisional coordinators for your invaluable support and input throughout the development and drafting process.

## Contact details

This report and other CASA corporate publications can be accessed online at [www.casa.gov.au](http://www.casa.gov.au)

Readers are invited to provide constructive feedback and suggestions for improvement to [annualreport@casa.gov.au](mailto:annualreport@casa.gov.au)

For more information on the report, or to request printed copies, please contact:

Manager, Governance Branch  
Civil Aviation Safety Authority  
GPO Box 2005  
Canberra ACT 2601  
AUSTRALIA

**Phone** +61 2 6217 1614

**Email** [annualreport@casa.gov.au](mailto:annualreport@casa.gov.au)

CASA regulatory instruments and publications can be accessed on the CASA website. All proposed regulatory changes and related consultation documents for 2017–18 are published on the CASA website and can be accessed at [www.casa.gov.au/newrules](http://www.casa.gov.au/newrules)

## Australasian Reporting Awards recognition for CASA







## CASA National Headquarters

Aviation House  
16 Furzer Street  
Phillip ACT 2606

GPO Box 2005  
Canberra ACT 2601

Phone 131 757 (local call)  
Email [annualreport@casa.gov.au](mailto:annualreport@casa.gov.au)  
Website [www.casa.gov.au](http://www.casa.gov.au)  
Twitter [@CASABriefing](https://twitter.com/CASABriefing)

