

Slide One – Introduction and Agenda

- Welcome
- Today's meeting is an opportunity to brief you on the context of the Civil Aviation Act review, timeframes, and key areas within the Act to be reviewed. I will also facilitate a discussion with you about areas of interest and engagement opportunities going forward.
- First – a couple of housekeeping matters.
- Roundtable introductions.

Slide Two – Context of the Civil Aviation Act Review

- The Act covers a wide array of activities; including
 - safety, security and economic regulation
 - consumer protection
 - the implementation of international requirements
 - it also establishes the Civil Aviation Authority and Aviation Security Service.
- The Act is over 20 years old and has been amended many times since its inception – amendments include:
 - additional security provisions
 - changes to give affect to various international conventions; for example, the Cape Town Convention on mobile equipment and the Montreal Convention on airline liability
 - modification of rule-making provisions
 - the addition of medical certification requirements
 - the implementation of mutual recognition of airline safety certification with Australia
 - the removal of a raft of governance related provisions following the state-wide introduction of Crown Entity legislation.
- Given these changes, the Review provides a good opportunity to refresh the Act –
 - to ensure that its provisions are current and effective
 - to ensure that decision-makers within the Act can carry out their functions, duties and powers in an effective and efficient manner
 - to generally improve the Act's usability.
- The promotion of safety and security, and New Zealand's international obligations are key concepts within the Act, and will continue to be so.

(Slide Two – Context of the Civil Aviation Act Review continued)

- It is timely to review the Act to ensure it is fit for purpose – given the significant changes which have occurred within government and throughout the aviation industry.
- One change has been the flourishing of New Zealand’s aviation business. The government recognises aviation as a major contributor to economic growth. We want to make sure that the Act is not unnecessarily constraining aviation business in New Zealand and across the globe.
- The aviation industry is changing rapidly due to increased demand for services, improved technology, the increasing cost of jet fuel and environmental concerns. We want to make sure that the Act supports a flexible, responsive regulatory system.
- Another change is the government’s ‘Better Regulation, Less Regulation’ initiative. The review is a response to finding new ways of tackling transport regulation to ensure it is of high quality and implemented in a cost-effective manner
- The CAA has moved to a more proactive, risk-based approach to aviation regulation. It is implementing a change programme to improve regulatory quality, service delivery, and efficiency and effectiveness. We want to make sure the Act does not unnecessarily hinder the move to a risk-based approach.
- In addition, we will also review the Airport Authorities Act. This Act is over 45 years old, and requires a fundamental review given its age and the significant change in airport ownership interests since the Act’s inception.

Slide Three - Timeframes

- Policy work began in May and will run to the end of August. This will include stakeholder engagement.
- Recommendations will be completed by November, when a Cabinet paper will be prepared and a formal consultation process with stakeholders will be undertaken in late January – end February 2014.
- Following formal consultation, we anticipate that final Cabinet decisions will be made by the end of April 2014.
- A Bill will be introduced to Parliament to effect changes sometime in 2014.

Slide Four: Out of Scope

Matters which are out of scope of the review:

- First principles review of the Act:
 - The fundamental principles of the Act – to establish a regulatory framework to promote civil aviation safety and security, including the establishment of the Civil Aviation Authority – continue to provide a sound basis for New Zealand's civil aviation environment.

- Abandonment of the Civil Aviation Rules:
 - Rules will continue to be an important regulatory tool.

Slide Five: (Out of Scope continued)

- Review of the make-up of transport sector regulatory agencies:
 - the Civil Aviation Authority will continue to be the regulatory agency responsible for safety and security regulation in the civil aviation environment
 - the Civil Aviation Authority will continue to have statutorily mandated responsibility for the Aviation Security Service.

- Review of Airways' position as the sole air traffic service provider of area control services, approach control services, and flight information services. Airways position will be retained.

Key areas to be consider within the Review

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General

- A general review of the Act's provisions to ensure they are effective and efficient - clarifying intent where necessary and removing ambiguity.

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- We will assess the roles, functions, duties and powers assigned within the Act to ensure they are transparent and appropriately aligned. We will also revise these functions, powers and duties where appropriate to support and enhance capable and effective strategic, regulatory and operational oversight of the civil aviation system.
- We will assess how 'fit for purpose' the regulatory framework is, in particular what options are available to provide for a flexible, responsive regulatory system that supports rule-making objectives provided in the Act. We will consider how well the regulatory system supports the move to a risk-based regulatory approach, and what changes might be necessary.
- We will assess whether there are opportunities to consolidate and simplify expectations placed on the civil aviation community (i.e. participants) to deliver a more holistic statement of the requirements they must meet.
- We will consider the optimal regime for international air services licensing and competition – particularly authorisation of airline cooperative arrangements:
 - Officials have been directed by Cabinet to assess options to amend the regime for international air transport competition contained within the Act – the purpose being to provide explicitly for consideration of benefits and costs of proposal to improve the transparency of the process.

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- We will assess ways to improve data collection and reporting needs for the CAA, particularly following recent recommendations by the Transport Accident Investigation Commission. We will determine the appropriate legislative settings to engage the CAA to collect, collate, report-on and use data/information to improve regulatory effectiveness and efficiency.
- We will review the security framework provided within the Act to ensure it is current and effective, including the specific powers provided to aviation security officers, evidence transfer provisions, and the implication of enabling legislation to accommodate a common departure (sterile) terminal concept.
- We will review airline liability and consumer protections provisions – clarifying regulatory responsibilities and determining whether any additional protections are required. For example, whether and what public information about consumer protections is warranted.

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- We will also review the Airport Authorities Act:
 - We will assess the relationship between the Civil Aviation Act and the Airport Authorities Act 1966. We will assess whether the provisions of the Airport Authorities Act are still needed, whether these provisions need updating, and whether they could be more appropriately accommodated in the Civil Aviation Act or other legislation.
 - The goal of this specific work is to clarify and simplify legislative provisions relating to airports, their ownership interest and the various powers and duties assigned to them.

(Note the information disclosure regime under the Commerce Act is out of scope).

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- Questions
- Initial comments
- Area of interest
- Opportunities for engagement