



Australian Government
Civil Aviation Safety Authority

**CHIEF EXECUTIVE OFFICER and
DIRECTOR OF AVIATION SAFETY**

CASA Ref: EC25-000606

The Hon Dr Jim Chalmers MP
Treasurer of Australia

Senator the Hon Katy Gallagher MP
Minister for Finance
Minister for the Public Service
Minister for Women

Dear Treasurer Chalmers and Minister Gallagher,

Thank you for your letter dated 4 July 2025 regarding regulatory reform opportunities to support productivity growth. The Civil Aviation Safety Authority (CASA) appreciates the Government's commitment to improving Australia's productivity performance and recognises our important role in this agenda.

In response to your request, we have identified a range of tangible actions focused on supporting the community we regulate without compromising the expectations of the travelling public around the safety of the aviation sector. A key focus for the Board is to support CASA's transition to embodying the attributes of a modern regulator – risk based, transparent, technology enabled, collaborative and proportionate, transparent and accountable, and forward looking.

These attributes will enable us to balance protection of the public interest with enabling innovation and economic growth in rapidly evolving environments.

Reducing regulatory burden

Supporting General Aviation

Over the last three years, CASA has had a very structured approach to reducing regulatory burden where it does not contribute to safety outcomes for general aviation operators - essentially those individuals and operators not involved in the carriage of fare paying passengers but who in many instances play an essential role in supporting communities. We have set out measurable actions in our General Aviation Workplan. We have been transparent about what changes we will make, including in what timeframe and have also reported when changes were not delivered on time. We have taken a risk-based approach to identifying changes, most often by making changes to our rule framework without the need for legislative amendment.

Since the launch of the original Workplan in 2022, we've completed 14 initiatives while maintaining our core regulatory responsibilities. These achievements have helped simplify processes, improve safety outcomes, and supported the sustainability of general aviation operations. We have also recently released an updated 2025 Workplan, introducing new initiatives and focusing on five key categories: improving pilot licensing rules, streamlining airworthiness and maintenance requirements, simplifying health arrangements, increasing sport and recreational opportunities, and driving continuous improvement across the sector.

Enhanced Service Delivery

The aviation community is required to obtain regulatory services from CASA, which means we have a responsibility to deliver these efficiently and within reasonable timeframes. We have taken

a number of actions to increase transparency on the time frames to deliver regulatory services and reduce the number of regulatory service applications on hand. This has been in the context of significantly increasing demand, with the number of authorisation holders CASA oversights more than doubling over the past decade.

Our new service delivery dashboard highlights our services level standards for over 211 services, as well as our actual response times and other key performance indicators. We are exploring how to better use technology to improve efficiency of our service delivery.

The scope of CASA's online service delivery continues to expand with 78 separate online services available online and more than 60% of transactions taking place through fully automated digital channels. A further 190 paper forms are scheduled to move online by the end of 2025.

Over the last 3 years, we have focused on streamlining approvals for individuals and have achieved an overall service delivery performance in 2024/25 of 88.3% for manually processed applications associated with individuals completed within the target timeframes. This compares to 63.2% in 2021/22. Taking into account our fully automated digital channels, our overall service delivery performance for individuals in 2024/25 was 93.8%. We are now shifting our focus to regulatory services for organisations – initially tracking our processes, identifying ways to simplify and ensure consistency and digitise where possible.

Reducing regulatory cost

We are implementing initiatives to reduce application processing times and costs by expanding CASA's use of pre-approved content—such as sample manuals for operators and standardised training for key personnel in passenger transport operations, minimising the effort required for both applicants and CASA assessors, leading to lower costs for industry.

A key initiative that we are progressing to further support productivity improvements for both CASA and industry is a simplification of our fee structure. This would see the streamlining of over 260 regulatory fee items in the *Civil Aviation (Fees) Regulations 1995* to around 120.

Risk-based approach to fostering new technology

CASA is committed to fostering the development of new technologies, focusing initially on what is possible without changing our regulatory framework.

Consistent with our focus on the attributes of a modern regulator, we are seeking to direct our resources on the highest-risk areas rather than applying uniform oversight across all regulated entities. Remotely Piloted Aviation Systems (RPAS) and Advanced Air Mobility (AAM) activities run the risk of being regulated through a traditional aviation safety lens. We are working with industry to identify 'use cases' where we can provide relief from regulatory requirements when certain conditions are met. At the moment our focus has been on working with the police and fire services but we expect this will expand over time.

Subject to the availability of drafting resources, and consistent with our RPAS and AAM Strategic Regulatory Roadmap, ideally we will continue the transformation from traditional prescriptive regulations to sophisticated risk-tiered frameworks that differentiate between high-risk commercial operations and lower-risk activities like agricultural or mining operations over private land. This will enable innovation while reducing compliance burden on low-risk operators. Regional and remote communities will benefit significantly through pharmaceutical delivery, safer powerline inspections, and emergency service responses.

Taking advantage of international developments and global best practice

International Civil Aviation Organization alignment

In line with a direction from the International Civil Aviation Organization, CASA has commenced a project to implement updated Obstacle Limitation Surfaces (OLS) around airports - invisible three-dimensional boundaries that define building height limits to ensure safe aircraft operations during takeoff and landing.

The modernised OLS will create a better balance between aviation safety and urban development by protecting necessary airspace while facilitating the construction of taller buildings and other infrastructure within the airport vicinity where safe to do so. This science-based approach reflects modern aircraft navigation capabilities and provides greater flexibility for land use planning around airports, significantly increasing opportunities for development in our major cities.

Harmonising certification standards for Advanced Air Mobility (AAM).

CASA has been collaborating with international counterparts from the United States, the United Kingdom, Canada and New Zealand to develop a framework to harmonise standards to streamline validation and safe entry of AAM aircraft into multiple markets.

In a landmark collaboration between the five regulatory agencies, the Roadmap for Advanced Air Mobility Aircraft Type Certification addresses the challenge that differences in AAM certification standards are emerging across the world and provides a coordinated approach to certifying AAM aircraft - which include aircraft that are typically highly automated, electrically powered, and have vertical take-off and landing capability, often called air taxis or eVTOL aircraft.

Continuing to learn from, and work with, these counterparts will produce regulatory certainty for industry across these markets, reducing duplication and cost.

Improving regulatory arrangements and industry opportunities for light aircraft

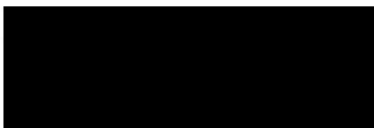
As part of the General Aviation Workplan mentioned above, CASA intends to learn from and potentially implement similar rules to those introduced recently in the United States that dramatically expands the opportunities for cost-effective manufacture and operation of Light Sport Aircraft.

The new rule aims to increase the availability of safe, modern, and affordable aircraft for recreational aviation, personal transport, flight training, and certain aerial work activities modernising decades-old regulations to reflect current aviation technology and needs while maintaining appropriate safety standards. This has the potential to encourage a local manufacturing industry, particularly with lightweight AAM and eVTOL aircraft up to 4 seats. Should this be progressed, it would require regulatory change.

Finally, we acknowledge challenges regulators face in balancing productivity improvements with stakeholder expectations within a constrained fiscal environment. Achieving meaningful reform may require a broader shift in expectations regarding risk appetite and regulatory outcomes. CASA remains committed to working transparently with industry and government to navigate these challenges.

We appreciate the opportunity to contribute to this important agenda and look forward to engaging further with the Treasury, the Department of Finance, and our portfolio Minister to ensure CASA's regulatory approach continues to support innovation, investment, and productivity in the aviation sector.

Yours sincerely



Ms Pip Spence PSM

1 August 2025

CC: Minister for Infrastructure, Transport, Regional Development and Local Government.