

2023–24

Corporate Plan





Artwork from Luke Duffy

Airservices Australia acknowledges the traditional owners of country of the lands on which we operate. We pay our respect to Aboriginal and Torres Strait Islander cultures; and to elders past and present.

As a proud Gamilaraay man, I am excited to see more career pathways opening up for our mob at Airservices Australia.

Rory Frazer
Work Health and Safety Advisor (pictured front cover)

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Publication contact

Inquiries concerning reproduction rights should be addressed to:

Communications and Media
Airservices Australia

GPO Box 367
Canberra City ACT 2601

T (02) 6268 4111
E communication@airservicesaustralia.com
W airservicesaustralia.com

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Overview

Airservices Australia 2023-24 Corporate Plan

Effective 1 July 2023 for the period of 5 financial years ending 30 June 2028.

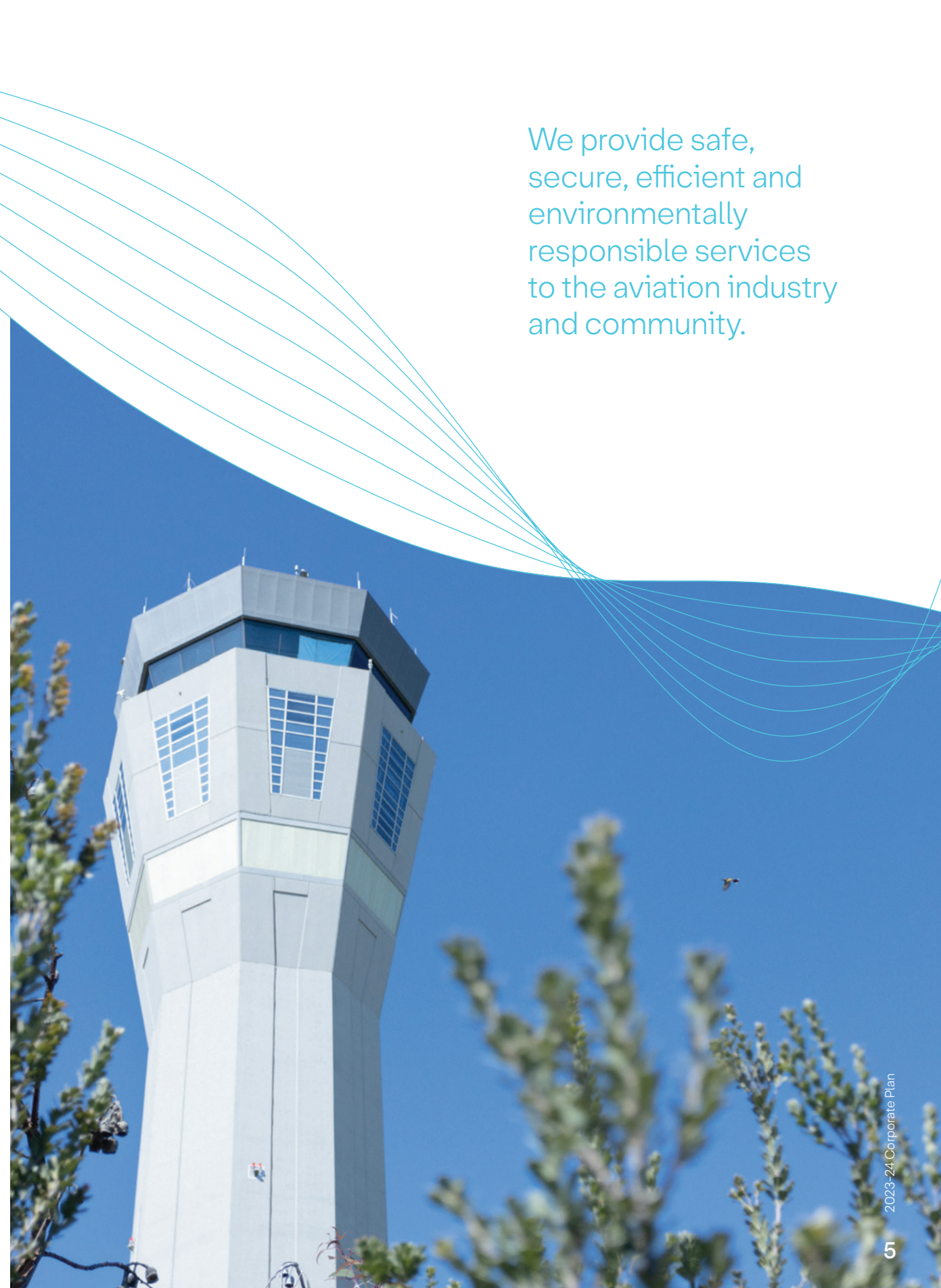
Endorsement

I, John Weber, as Airservices Australia Chairman, present the 2023-24 Corporate Plan which covers the 5-year period until 30 June 2028, as required under section 35 (1)(b) of the *Public Governance, Performance and Accountability Act 2013* and section 13 of the *Air Services Act 1995*.



John Weber
Airservices Australia Chairman

We provide safe, secure, efficient and environmentally responsible services to the aviation industry and community.



About us

We're Australia's air traffic management and aviation rescue fire fighting provider operating at 29 of Australia's major airports.

In our vital role we manage 11 per cent of the world's airspace, including the upper airspace for Nauru and the Solomon Islands.

Our people go above and beyond every single day to safeguard lives and livelihoods, while we continue to build the future of Australia's skies - the very infrastructure relied upon to secure our place in the world.

We **connect people with their world safely** through our world class services - linking family and friends, generating economic activity, creating jobs, and facilitating trade and tourism.



- Legend**
- Air traffic towers 29 locations
 - ▲ Aviation rescue fire fighting stations 27 locations
 - Air traffic services centres 4 locations

01 Purpose

We are a government-owned organisation established by the *Air Services Act 1995* (the Act). We are a designated corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

Our purpose

Our purpose, as defined in the *Air Services Act 1995*, is to:

- 01** Provide facilities and services for the safety, regularity and efficiency of air navigation within Australian-administered airspace. This includes providing air traffic services, aviation rescue fire fighting services, aeronautical information, radio navigation and telecommunications services.
- 02** Promote and foster civil aviation in Australia and overseas.

In simple terms, we exist to connect people with their world safely.

We operate in accordance with the *Air Services Act 1995*, the Australian Airspace Policy Statement, the *Public Governance, Performance and Accountability Act 2013* and the minister's statement of expectations.

Our people and culture

Airservices is a diverse and inclusive community where we proudly celebrate the cultures and traditions of our people. We are committed to ensuring our workplaces are diverse, inclusive and respectful.

Core to this commitment is building a culture in which all our people feel included and can bring their whole selves to work. Our aspiration is to reflect a reconciled and inclusive Australian society where all our employees, our customers and our communities live and grow together in harmony.

Our values



Our values reflect what is important to us at Airservices Australia. Embedded and shared, they guide our daily interactions with our customers, community and each other.



02 Operating context

Resilience is key to our success as we look to the future.

At a glance



International and domestic borders open



New airspace entrants



International travel projected to reach pre-pandemic levels in 2024-25



Slowing economic growth

Outlook

After 3 years of uncertainty, our industry is well on the path to recovery. We continue to focus on the provision of safe, efficient and sustainable services, as we deliver on our purpose – connecting people with their world safely.

Australian domestic air traffic is recovering to pre-pandemic levels. However the recovery has not been uniform, with traffic demand patterns less predictable than those prior to March 2020.

Our operating environment remains challenging while the industry continues to build capacity and establish a new normal. There remain ongoing economic and geopolitical uncertainties that affect the speed of the industry's return to health and growth.

With China, historically our largest inbound tourist market now open, we expect Australian international air traffic to recover to pre-pandemic levels by 2024-25. The international market accounted for 50% of our pre-pandemic revenue.

The global aviation market continues to evolve, bringing new operators, technologies, aircraft types, long-term growth opportunities, and with them increased complexity. We are embracing new and innovative services to support the rapid evolution of the aviation industry.

We continue to make progress on key initiatives through our 10 change programs. These investments will transform every part of our organisation, providing a sharper focus on delivering safe, scalable, efficient and sustainable outcomes for our customers and the communities we serve.

Our purpose – connecting people with their world safely – is more important than ever. It informs and guides our response to 5 key macrotrends affecting the aviation industry that we will proactively navigate over the life of this corporate plan.

We are embracing new and innovative services to support the rapid evolution of the aviation industry.

Long-term trends



Intelligent systems

Intelligent systems have the potential to increase situational awareness and use these insights to deliver business acumen that help create hyper-personalised services for customers. Cloud technologies can be harnessed to bring together inputs from a range of different systems and assets, process large-scale data sets and simulate millions of scenarios. Meanwhile, the impact of digital twins is expanding beyond the optimisation of individual assets and systems to drive improvements at the organisational level. We will use these technologies to transform our customer journeys while reducing the cost to serve.



Increasing airspace complexity

Traditional and emerging aircraft will operate alongside each other, increasing the congestion and complexity of airspace. In particular, the continued growth in the number of uncrewed aircraft systems (UAS) in lower-altitude airspace. Innovative and expanding use of UAS and soon-to-be introduced urban air mobility (air taxis) will be increasingly valued as economic and decarbonisation benefits are realised and road traffic congestion continues to worsen. We are working to integrate and facilitate operations in all parts of our airspace to ensure the continued safe and efficient operation of air traffic. Government, regulators, air navigation service providers and industry need to collaborate and innovate to support the recovery, maintain safety, and ensure resilience and security.



Long-term growth with short-term volatility

We witnessed a strong recovery in both domestic and international traffic as global and domestic borders reopened. New entrants into the domestic market have increased competition on key domestic routes, but this has not prevented airfares from rising. New headwinds from high interest rates, and potential economic deceleration have the potential to slow growth.

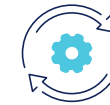
International travel is returning with airlines recommencing flights to Australia and others increasing frequency of their existing services. More fuel-efficient aircraft, like the Airbus A350 and Boeing 787, will drive recovery of ultra long-haul international flights, opening new markets. However, the outlook remains uncertain, and we continue to build a future based on scalable, flexible, safe and efficient service provision.



Environment and community

Expectations in relation to environmental protection are evolving, with the impacts of aircraft emissions, aircraft noise and the industry's reliance on natural resources gaining increasing scrutiny at a global, national and community level. In response, the aviation industry is seeking to improve its sustainability, while also looking to address significant disruption.

We recognise the important role we have in minimising the impact of aviation operations on the environment and community. Our sustainability ambition centres around working with airlines and airports to help them become more efficient and environmentally sustainable, while balancing community expectations in relation to noise. As an organisation, we are planning to achieve net zero carbon emissions by 2050.



Evolving aviation value chain

The aviation value chain continues to evolve. More than ever, decision-making and collaboration up and down that value chain will be reliant on real-time data and actionable insights. Responsiveness to change and disruption will become increasingly important as the industry evolves and innovative new technologies challenge the status quo, including a completely new set of customers in non-traditional areas.

We aim to achieve net zero carbon emissions by 2050.





Our lines of business

Our lines of business – Aerospace Services, Aviation Rescue Fire Fighting Services, and Enabling Services – support our ability to deliver products and services to our customers and to ensure we meet the needs of a changing aviation environment.



Aerospace Services

Safely and sustainably delivering customer and community needs in our airspace

Our Aerospace Services reflect the unprecedented change our industry is experiencing. We are adapting to accommodate the needs of new and existing airspace users, while also providing flexible and scalable systems that can monitor and manage increased and more complex activity.



Aviation Rescue Fire Fighting Service (ARFFS)

The valued first responder at Australian aerodromes

As the aviation industry continues to evolve, our ARFFS team is ready as the valued first responder, catering for new and existing customer needs. By leveraging advances in technology, we will deliver safer, faster and more agile services, while remaining financially and environmentally sustainable.



Enabling Services

Digitally enabled business powering internal outcomes and customer performance

Our Enabling Services provide the infrastructure and services necessary for us to deliver on our ARFF and Aerospace lines of business. We are reimagining these services by leveraging advances in technology and digital solutions to build a scalable and agile business that can respond to the demands of our industry and our people, while remaining environmentally and socially sustainable.

We will create facilities where our people feel included, safe and engaged - a place that makes people proud to come to work, across all our sites. We will ensure our people are well equipped to achieve our transformation goals.

03 Key activities

We are driving transformational change through our lines of business to deliver on our purpose – connecting people with their world safely.

Our strategy

Strategic themes



Outstanding people and culture



Safest and efficient airspace



Safest and effective aviation first response



Foster and promote sustainable growth



Digitalised service provision



Outcomes

Performance

1

Zero significant attributable safety occurrences

2

100% planned aerodrome capacity delivered

3

Enabling 30% increase in Australian air traffic movements

4

80% people engagement

5

Fostering the drive towards zero harm

6

30% reduction in cost to serve

7

Community acceptance of the value of aviation

8

Net zero emissions by 2050

Change portfolio plan

Change programs



OneSKY and Aerospace



Western Sydney International Airport



ARFFS Capability Uplift



People and Culture



Facilities and Environment



Support Services



Operational Technology and Cyber



Enterprise Network Modernisation



Community Engagement



Uncrewed Services

Our change portfolio plan

We are driving 10 change programs across our 3 lines of business, as we continue to connect people with their world safely.

OneSKY and Aerospace

Replace the 2 current independent civil and military air traffic management systems with a single advanced system through the Civil Military Air Traffic Management System (CMATS), improve aviation safety and efficiency through a standardised, modernised national airspace and transition our aerodromes to a digital platform.

Key initiative

OneSKY: deliver a harmonised civil and military air traffic management system that enables us to meet Australia's air traffic management needs into the future, maintain Defence capability, and meet national security imperatives.

Aviation Rescue Fire Fighting Service (ARFFS) Capability Uplift

Transform our ways of working through new and emerging technologies in the ARFFS environment. This will improve safety for our people, be financially and environmentally sustainable, and be scalable to cater for customer and industry requirements.

Key initiatives

Fleet replacement: a transformation of our vehicle capabilities that drives both efficiencies in operations and the safety for our people. This ensures sustainability and long-term growth of ARFF services, with a strong focus on matching services to customer needs.

Fit for growth: refresh our ways of working to enhance the safety of our people, ensure we are financially and environmentally sustainable, yet scalable and flexible enough to cater for the evolving needs of the industry and our customers.

Western Sydney International Airport

Establish essential service delivery and supporting infrastructure to Western Sydney International (WSI) Airport. This will help position WSI Airport as a digitally-enabled international gateway and increase the aviation capacity of the Sydney basin.

Key initiative

Deliver a balanced outcome for all stakeholders while supporting industry expansion and infrastructure development at **Western Sydney International Airport** including the establishment of 24-hour Digital Aerodrome Service (DAS) and ARFF services.

People and Culture

People are our greatest asset and the key to our future success. We will enhance our offering as an employer of choice in a fast-paced digital world by revolutionising the employee lifecycle and attracting, retaining, and developing outstanding talent with digital capabilities. We will make sure our people are equipped to achieve our transformation goals and will strive to create an environment where people are proud to work; a place where everybody can reach their potential.

Key initiatives

Leadership and culture: we will be a leading place to work in Australia, through promoting a safe and inclusive place to work, cultivating courageous and authentic leadership, and strategically optimising our workforce and talent.

Support Services

Build new capabilities across our support services and bring new opportunities for our people as we provide a more scalable and streamlined support for our front-line services.

Key initiative

Back-office enabling services transformation: deliver a digitally enabled set of core business processes supported by a modern enterprise resource planning tool, improving the efficiency and efficacy of our enabling services.

Facilities and Environment

Provide a safe, inclusive, engaging, and sustainable work environment; demonstrate our commitment to our people and the environment, and the importance of both to deliver our valued services.

We will leverage technology and data to automate processes and improve the management of our facilities.

Key initiatives

PFAS remediation: address the pollution legacy of our past use of fire fighting agents which included per- and polyfluoroalkyl substances (PFAS).

Environmental sustainability: reduce our total environmental footprint by minimising our resource usage, reducing emissions and adopting sustainable practices.

Operational Technology and Cyber

Uplift our capabilities in timely decision making, effective delivery of our services and gaining efficiencies in managing our aviation network, while maintaining a sufficient level of cyber-resilience to meet our needs in a changing environment.

Key initiatives

Airport Collaborative Decision Making (A-CDM): optimise airport operations through enhanced collaboration with customers by sharing real-time data and insights.

Community Engagement

Transform our operations to be more resilient, clean and reliable to provide better outcomes for our communities through innovative designs, intelligent systems and best practice community engagement. Increase the capacity at our aerodromes to help drive the next 30 years of Australian economic growth, enabling an additional 73 million passenger movements per year.

Key initiatives

Noise Action Plan for Brisbane: identify opportunities to improve noise and operational outcomes in relation to Brisbane airport airspace changes, inform future changes, and contribute to the continual improvement of our flight path and airspace change management process.

Community engagement: deliver best practice community engagement in line with evolving community and societal expectations, and our community engagement standard. This includes engagements with communities for Perth and Melbourne airport developments.

Enterprise Network Modernisation

Enable digitalised service provision with a next-generation telecommunications and surveillance network that is highly resilient, dependable, flexible and secure.

Key initiatives

Enterprise Network Modernisation: deliver a next-generation network designed for service expansion providing greater network bandwidth, security and resilience, enabling the introduction of new features and functionality, and a platform for future services. This is a key dependency for the OneSKY Program.

Uncrewed Services

Prepare our skies for the safe integration of uncrewed services. We are investing to deliver first-of-kind, digital and automated capabilities and services that will foster growth of uncrewed aircraft in shared airspace. Collectively, these capabilities will shape the future of our entire air traffic management system and will ensure we are prepared to manage the increasing growth and complexity of new airspace users.

Key initiatives

We will operationalise **Uncrewed Services** in Australian airspace through the design and deployment of a Flight Information Management System that will be digital and automated capabilities that are the backbone to Australia's unmanned aircraft system (UAS) traffic management (UTM) ecosystem, deliver data sets that are of value to UAS operators and match their evolving needs, and enhance existing surveillance capabilities to detect UAS around airports and to help safely manage airspace.

04 Performance

Our strategic performance measures ensure we continue to be recognised as an industry leader and valued service provider.

Our performance outcomes

Our ambition is to significantly uplift our long-term performance through our change program. These performance outcomes embody our 2030+ organisational direction. In achieving this performance, we will need to balance the interests of all of our stakeholders which include communities, customers, government, our regulator, and our people.

Our long-term performance outcomes are measured through our medium-term key performance indicators (KPIs).

Our key performance indicators

Our strategic performance is focused on medium-term enterprise-wide KPIs. These indicators will monitor how we are progressing in achieving our performance outcomes and ensure we continue to be recognised as an industry leader and valued service provider.

The baseline is set using our most recent performance metrics and our targets drive improvement in our performance over time.

In achieving this performance, we will need to balance the interests of all of our stakeholders which include communities, customers, government, our regulator, and our people.

Table 1: Corporate plan KPIs

Performance outcomes	KPIs	Baseline	Targets – FY2024–FY2028
Zero significant attributable safety occurrences	Significant attributable safety occurrences	0	Zero significant attributable safety occurrences
	Planned capacity delivered as a percentage of time	82%	
	Sydney	78%	Meet planned capacity greater than 85% of time as traffic grows
	Melbourne	79%	
	Perth	82%	
	Brisbane	93%	
	Airservices attributable cancellations	24*	
100% Planned aerodrome capacity delivered	Sydney	17	Monthly average, year-on-year improvement trending towards zero
	Melbourne	0	
	Perth	1	
	Brisbane	6	
	Airservices attributable ground delay (hours)	109	
	Sydney	70	Monthly average, year-on-year improvement trending towards zero
	Melbourne	0	
	Perth	1	
	Brisbane	38	
	Real price growth (5 year trend)	< 0%	
30% Reduction in cost to serve	Return on assets	> -7.0%	Improve our return to match a reasonable rate over time
	People engagement	70%	Improve engagement to be greater than 80% over time
Fostering the drive towards zero harm	Total recordable injury frequency rate (TRIFR)	10	Less than 4
	Lost time injury frequency rate (LTIFR)	4	Zero
Net zero emissions by 2050	Net carbon emissions	221,746 tCO ₂ e	Reduce to 217,359 tCO ₂ e by 2025–26 representing a 10% reduction from 2018–19 levels of 241,510 tCO ₂ e
	Significant environmental events	0	Zero significant environmental events
Community acceptance of the value of aviation	Total annual change in movements		Baseline Reduce number of complainants relative to movements
	Total annual change in complainants Aircraft noise ombudsman complaints investigations initiated		

* To be confirmed by an independent audit.

Enabling 30% increase in Australian air traffic movements measured through our successes in enabling industry growth particularly developments at WSI Airport, Perth, and Melbourne runways.

Our 5 year financial plan

This financial plan ensures the ongoing funding of our critical and essential services while building on the strategy and programs established in previous plans, to transform our business and support the recovery and growth of our industry into the future.

Since the start of the pandemic, 2022-23 delivered the strongest growth to date across the aviation industry. While industry has lagged other parts of the Australian economic recovery, this growth is forecast to continue to improve revenues and restore our profitability over the second half of the plan.

The economic outlook indicates that inflationary and supply chain pressures are likely to persist over the near term with some volatility in growth still predicted. This has eased the recovery profile previously forecast in our plan. It is now assumed that domestic traffic will rebalance during 2023-24, with international travel continuing to grow and recover by 2024-25.

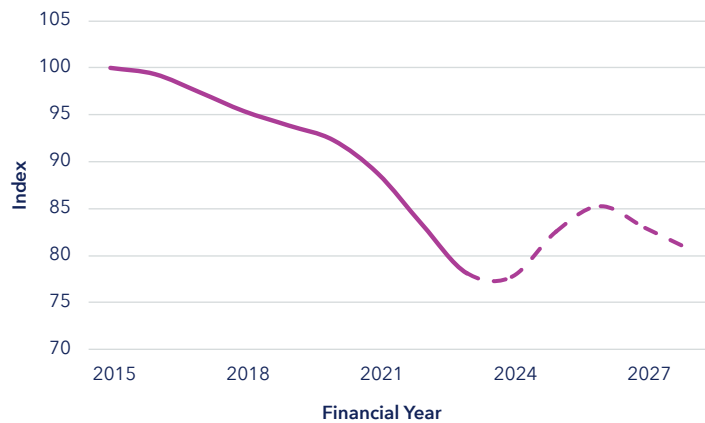
As our industry stabilises, we continue to prioritise our investment in key strategic programs and will fund \$1.26b over the 5 years in delivering our transformation ambition. The 5-year operating projections and performance measures are shown in **Table 2**.

Our pricing

We set our prices in consultation with our customers for core airways services under Long Term Pricing Agreements. Under the provisions of the *Competition and Consumer Act 2010* any increase in prices must be communicated to the Australian Competition and Consumer Commission for review.

We last increased our prices on 1 July 2015 and have therefore delivered a 20% price reduction in real terms as at 2023-24. The plan assumes affordable price increases from 2023-24 onwards, as we realign our cost base and services to match the new industry demand and reduced traffic level assumptions compared to our pre-pandemic plan.

Real airways price change 2015–2028



Our financial operating performance

We are continuing on our path to transform our business to ensure we support the aviation industry through its recovery and foster its growth into the future. In the near term, the costs to deliver this change and the lag in the traffic recovery will mean that operating losses will continue for the next 2 years. From 2025-26, through the transition and delivery of

investment enabling benefits, profits are planned to return.

Importantly as our financial performance improves, our transformation will also ensure our long-term financial sustainability while positioning us to manage the current inflation and supply chain cost pressures forecast over the planning horizon.

While we have benefitted from the financial support the government has provided through the recovery, the plan proposes to start paying dividends from 2026-27 as profits allow.

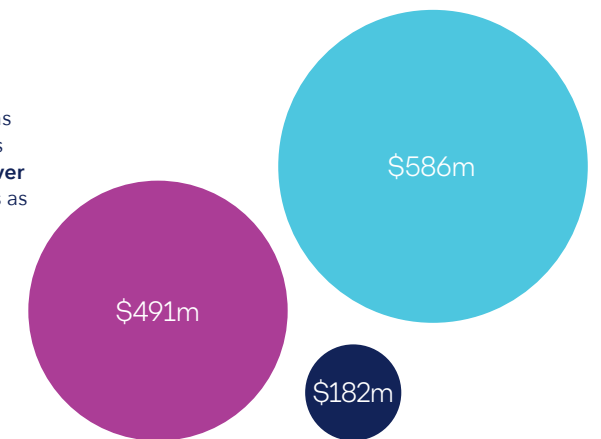
Table 2: Operating projections and performance measures

(\$m)	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
	Forecast	Plan	Plan	Plan	Plan	Plan
Revenues	914.4	1,047.9	1,221.2	1,327.6	1,405.4	1,465.4
Staff costs	671.0	746.9	757.1	786.7	814.4	838.3
Supplier costs	332.0	303.6	257.6	213.8	253.8	251.9
Depreciation	109.0	130.7	141.6	156.0	164.2	175.4
Total expenses before interest and tax	1,112.1	1,181.1	1,156.2	1,156.4	1,232.4	1,265.6
Earnings before interest and tax (EBIT)	(197.7)	(133.2)	65.0	171.2	173.0	199.8
Net profit/(loss) after tax (NPAT)	(165.3)	(122.7)	4.6	74.1	72.7	91.3
Gearing	47%	61%	64%	63%	62%	61%
Return on assets	(9%)	(5%)	4%	8%	8%	8%
Return on equity after tax	(23%)	(15%)	1%	10%	9%	11%
Dividends (\$m)	0.0	0.0	0.0	0.0	44.1	49.2

Our investment

To deliver our strategy, benefits-enabling programs and improve customer services into the future, this plan funds the delivery of **\$1.26b in investment over the next 5 years**. This is driven by our key activities as detailed in **Section 3**.

- Aerospace Services
- Enabling Services
- Aviation Rescue Fire Fighting Services





As our industry rebalances we continue to prioritise our investment in key strategic programs and will fund \$1.26b over the 5 years in delivering our transformation ambition.

05

Risk oversight and management

We are committed to both a culture and practice of proactive risk management, supported by robust and transparent governance and reporting.

Our positive risk culture

Our board's risk appetite statement supports effective risk management and decision-making through clear articulation of the level of risk that we are willing to accept and tolerate in pursuit of our strategic objectives. This supports our commitment to achieving best-practice risk management, in alignment with s.16 of the *Public Governance, Performance and Accountability Act 2013* and the *Commonwealth Risk Management Policy*.

Our approach to risk

We take a dynamic and continuous improvement approach towards risk management that aligns with better practice principles and is consistent with the International Standard ISO 31000:2018 Risk Management - Guidelines.

We review our enterprise risks as our operating environment evolves, to ensure that they correctly reflect the most significant business risks and opportunities which have the potential to impact on achievement of our strategic objectives. We incorporate sound risk intelligence into our decision-making as we pursue both our business-as-usual activities and our transformation agenda. We have established effective mechanisms to communicate, escalate and report risk information for management attention and decision-making.

The risk management framework encompasses the risk governance structure that operates across Airservices, our risk appetite, risk culture and supporting standards and processes governing risk assessment, monitoring, and reporting.

Our risk environment

We perform an integral role in the Australian aviation industry and continue to operate in an inherently volatile, uncertain, and complex environment.

This environment creates both risk and opportunity for our business, as we invest in our people, systems, and assets to ensure delivery of safe, efficient, reliable, and environmentally responsible services to the aviation industry and to the broader community.

In the face of our ever-changing operating environment, our external risk considerations include evolving regulations, emerging technology trends and disruption, changes to the domestic and international economic environment, and other external shocks. We manage a wide range of risks associated with our operational activities, including air navigation safety, physical and cyber security risks, and risks related to our people. In addition, we identify, monitor, and manage the risks associated with our change program, as our organisation evolves to meet new demands and opportunities. We also maintain vigilance in relation to emerging risks so that we can be ready to bring them within our active risk management activities as they develop.

We manage a wide range of risks associated with our operational activities, including air navigation safety, physical and cyber security risks, and risks related to our people.

Risk oversight and assurance

Monthly enterprise governance, risk and compliance reporting to the Executive draws together the pillars of good governance, risk intelligence, and compliance management across our lines of business, performance outcomes and change programs, supported by a range of assurance activities, to provide data and insights in relation to our organisational risk performance and external risk trends.

The Board Audit and Risk Committee (The Committee) assists the Board to discharge its responsibility to ensure that an appropriate system of risk oversight and management (including effective internal controls), is maintained, and is operating effectively. The Committee receives regular reporting on matters such as governance, risk and compliance, fraud and other integrity matters, insurances, and business continuity, as well as focused 'deep dive' reports on specific risks and other matters within its Terms of Reference.

We use a '3 lines' approach designed to ensure that our day-to-day risks are managed in accordance with our risk management framework, that risk management assurance is delivered by our internal specialist policy and assurance teams and that a further layer of assurance comes from internal and external audit processes.

Assurance activities are layered and embedded within our organisation. While working closely with the second line risk function to ensure that risk and compliance information is appropriately shared and audit activity is appropriately focused, our third line internal audit function provides a separate layer of assurance that our risk management, governance, and internal control processes are operating effectively. The effective operation of these assurance activities provides the means by which our stakeholders can be informed that risks are being appropriately managed, controls are effective and operating as designed, and compliance obligations are being met.

Airservices and the Department of Infrastructure, Transport, Regional Development, Communications and the Arts have established a shared risk register. The shared risks and controls are reviewed and monitored on a regular basis.



Appendix A

Ministerial expectations

The portfolio minister regularly issues a Statement of Expectations (SoE) as a notice of strategic direction to the Airservices Australia Board according to s.17 of the *Air Services Act 1995*. This – together with the Board’s Statement of Intent – is provided within this section.

Overview

Statement of expectations	Statement of intent
<p>This instrument is the Statement of Expectations for Airservices Australia for the period 1 July 2023 until 30 June 2025.</p> <p>This Statement of Expectations (SoE) applies from 1 July 2023 until 30 June 2025, and replaces the SoE issued on 21 June 2021.</p> <p>This SoE serves as a notice to Airservices Australia (Airservices) under section 17 of the <i>Air Services Act 1995</i> (the Act) and sets out my expectations for Airservices’ appropriate strategic direction and the manner in which Airservices should perform its functions.</p>	<p>The Airservices Australia Board’s Statement of Intent responds to each element of the Statement of Expectations and states Airservices commitment to meeting the minister’s expectations.</p> <p>Airservices connects people with their world safely by providing safe, secure, efficient, and environmentally responsible services that are valued by the aviation industry and community on behalf of our owner, the Australian Government. In accordance with the Act, the safety of air navigation is our most important consideration.</p>

Governance

Statement of expectations	Statement of intent
<p>I expect the Board and Chief Executive Officer (CEO) of Airservices to ensure Airservices has the necessary resources and capabilities in place:</p> <ol style="list-style-type: none"> to effectively manage Airservices’ strategic direction, risks, corporate planning in accordance with section 21 of the Act; and to provide Air Traffic Services and Aviation Rescue Fire Fighting Services to the service level articulated in this SoE. <p>I expect the CEO to be responsible for managing the operations of Airservices, its organisational capacity and the exercise of its functions in accordance with section 35 of the Act.</p> <p>I expect Airservices to keep the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department) and myself informed of Airservices’ actions in relation to the requirements of this SoE, and to promptly consult on any risks, events or issues that may materially impact upon Airservices.</p> <p>I expect Airservices to provide myself and the Department with quarterly progress reports against the Corporate Plan, this SoE and reasonable additional reporting requested by me or the Department, including financial and performance metrics.</p> <p>I expect the Board of Airservices to invite me or my delegate, or a nominated department official, to an annual strategic meeting to discuss Airservices’ performance.</p>	<p>The Board and CEO will ensure that its annual Corporate Plan positions the organisation to have the necessary resources and capabilities to provide safe, secure, efficient and environmentally responsible services that are valued by the aviation industry and community.</p> <p>We will focus on the provision of services in line with the service levels articulated in the SoE, customers’ needs and Australia’s international obligations. We will monitor performance and report transparently on our achievement of those outcomes.</p> <p>Airservices will continue to implement its transformation agenda to ensure we deliver world-best practice Air Traffic Services (ATS) and Aviation Rescue and Fire Fighting (ARFF) services.</p> <p>We will monitor and report on the effective delivery of our Corporate Plan ensuring the Department and Minister are informed of our actions in fulfilling this SoE, consulted on material risks, events, or issues, and provided quarterly progress reports against the corporate plan, an annual report, and reasonable additional reporting requested.</p> <p>We actively participate in international forums including International Civil Aviation Organisation (ICAO) and work closely with the Department and Civil Aviation Safety Authority (CASA) to ensure that Australia continues to influence the future of aviation in line with government policies.</p> <p>We will invite the minister, delegate, or a nominated department official, to an annual strategic meeting to discuss Airservices’ performance.</p>

Strategic direction and manner of performance

Statement of expectations

I expect Airservices to:

- a. operate as a world-best-practice provider of Air Traffic Services and Aviation Rescue Fire Fighting Services delivered in a safe, efficient and effective manner;
- b. perform its functions and manage its finances in an efficient, economic and ethical manner, in accordance with the Act, the *Public Governance, Performance and Accountability Act 2013*, best practice principles and guidelines, other applicable legislation and relevant accounting standards;
- c. comply with this SoE and all Ministerial Directions issued under the Act, and for Airservices to demonstrate it is on track to return to profitability and pay a dividend to Government in the 2027-28 financial year, or sooner;
- d. arrange and pay for independent biennial reviews to assess Airservices' capital structure; and
- e. function in conformity with Australia's international obligations, including the requirements of the International Civil Aviation Organization (ICAO).

Statement of intent

Airservices will continue to ensure we deliver world-best practice Air Traffic Services and Aviation Rescue and Fire Fighting (ARFF) services in a safe, efficient, and effective manner. The implementation of our transformation agenda will enhance our services.

We will ensure that we provide a service that meets our customers' needs and is consistent with Australia's international obligations, including through active participation in international forums including ICAO.

When performing our functions, we adhere to all relevant legislation including the Air Services Act 1995 and the PGPA Act. We will manage our finances in an efficient, economic and ethical manner.

Airservices will comply with the SoE and all ministerial directions issued under the Air Services Act 1995 and will demonstrate through its quarterly reporting that it is on track to profitability and pay a dividend to government in the 2027-28 financial year, or sooner.

Airservices will arrange and pay for independent biennial reviews to assess Airservices' capital structure, which will be provided to the Department in the 2024-25 financial year.

Service level

Statement of expectations

I expect Airservices to:

- a. resolve Safety Findings issued by the Civil Aviation Safety Authority (CASA), including self-reported deficiencies, within a time period acceptable to CASA;
- b. provide Air Traffic Services commensurate with the airspace classification as determined by CASA, during the baseline hours of service determined by CASA unless there is an unforeseeable contingency;
- c. ensure it has in place sufficient, competent staff resources available to provide Air Traffic Services without regular use of demand management practices due to staff availability or competency, unless specified by regulations or legislation;
- d. provide Aviation Rescue Fire Fighting Services to the category listed on the CASA-issued ARFFS Provider Certificate; in accordance with the provisions of Part 139H (Aerodrome rescue and firefighting services) of the Civil Aviation Safety Regulations and other relevant legislation, unless there is an unforeseeable contingency;
- e. ensure it has in place sufficient, competent staff resources to provide rescue and firefighting services without the reduction of category due to staff availability or competency, unless this reduction is required in the delivery of services specified by applicable legislation; and
- f. implement long-term strategies to maintain continuity of service, ensuring Air Traffic Services and Aviation Rescue Fire Fighting Services are delivered in accordance with the expectations outlined at 4 (b), (c), (d) and (e), and communicate these strategies to stakeholders in a frank and timely manner.

Should Airservices be unable to meet the Expectations under sections 4a), 4b), 4c), 4d), 4e) and 4f), Airservices should communicate these clearly and transparently to CASA, including its plans for remediation, and include a report on these issues in its quarterly progress reports to the Minister.

Statement of intent

Airservices will resolve Safety Findings issued by the Civil Aviation Safety Authority (CASA), including self-reported deficiencies, within a time period acceptable to CASA.

Airservices will provide Air Traffic Services commensurate with the airspace classification as determined by CASA, during the baseline hours of service determined by CASA unless there is an unforeseeable contingency.

Airservices is committed to providing safe, secure and efficient Air Traffic Services through our skilled and experienced workforce without the regular use of demand management practices, unless specified by regulations or legislation.

Airservices will provide ARFF Services to the category listed on the CASA-issued ARFFS Provider Certificate and in accordance with the provisions of Part 139H (Aerodrome rescue and firefighting services) of the Civil Aviation Safety Regulations (CASRs) and other relevant regulations and legislation, unless there is an unforeseeable contingency.

Airservices is committed to providing safe, secure, efficient, and environmentally responsible ARFF services through our skilled and experienced workforce without the reduction of category due to staff availability or competency, unless required in the delivery of services specified by regulations or legislation.

Airservices is committed to implementing long-term strategies to maintain continuity of service. In doing so, Airservices workforce management plan will ensure the deployment of sufficient and competent resources for the provision of services. Airservices will communicate these strategies through our regular industry roundtables.

Airservices will communicate clearly and transparently to CASA if we are unable to meet the Expectations under sections 4a), 4b), 4c), 4d), 4e) and 4f), including our plans for remediation, and include a report on these issues in its quarterly report to the minister.



Key initiatives

Statement of expectations

I expect Airservices to:

- a. work with the Department of Defence (Defence) to progress the implementation of the OneSKY Australia Program and the Civil Military Air Traffic Management System, including by:
 - advising my Department on the progress of the project, including early identification of risks to delivery and supporting reporting to Government;
 - achievement of program milestones; and
 - providing information as requested by me or my Department;

- b. continue to work closely with the Department and CASA on implementing and supporting the development of the Government's approach to address Aviation Rescue Fire Fighting Services issues, consistent with relevant regulations and policies articulated by the Government;

- c. work with the Department and CASA to:
 - develop and implement services to support emerging aviation technologies (including Remotely Piloted Aircraft Systems and Advanced Air Mobility) consistent with relevant regulations and policies articulated by the Government;
 - provide technical advice on emerging aviation technologies to support policy and regulatory development by the government; and
 - to promote the integration of the above into Australian airspace;

- d. develop and implement a Flight Information Management System consistent with the policy objectives articulated by the Government, including those concerning Unmanned Aircraft System Traffic Management;

Statement of intent

The OneSKY Program remains the cornerstone of our commitment to deliver world-class air traffic management services into the future. Airservices will continue to work closely with the Department of Defence (Defence) to deliver a harmonised civil military air traffic management system for Australia.

Airservices, in consultation with the Department and Defence, will provide comprehensive reporting on the progress of OneSKY to the Aviation Policy Group, quarterly reports to the minister and other government reporting processes which will include early identification of risks to delivery and achievement of program milestones.

Airservices will continue to work with the Department and CASA to implement the government's ARFFS policy. We support the planned shift from the current regulatory framework to a more outcomes-based approach. Airservices will ensure ARFFS are 'fit for the future' and positioned to leverage new technology to enhance service delivery, with a program of work focused around our people, facilities, vehicles, equipment and training.

Airservices will continue to work with the Department and CASA to:

- support of emerging aviation technologies (including Remotely Piloted Aircraft Systems and Advanced Air Mobility) consistent with relevant regulations and policies articulated by the Government
- provide technical advice on emerging aviation technologies to support policy and regulatory development by the government, through the Drones Inter-Departmental Committee
- to promote and ensure the safe integration of emerging technologies into Australian airspace.

Airservices will continue the development and implementation of a FIMS to ensure the safe integration of RPAS in Australian airspace. The ongoing engagement with government agencies and key stakeholders through multiple forums will ensure the FIMS will deliver a capability for Australia that is consistent with the government's policy objectives and decisions on Uncrewed Aircraft System Traffic Management (UTM).

Statement of expectations

- e. work with the Department and CASA on Airspace Management Modernisation, consistent with the *Australian Airspace Policy Statement*, including by:
 - regularly reviewing instrument flight procedures to ensure suitability and relevance;
 - enhancing the safety and efficiency of Australian controlled airspace, including at major regional airports; and
 - applying sufficient resources to support the opening of the Western Sydney International (Nancy-Bird Walton) Airport in 2026, including but not limited to: air traffic control; rescue and firefighting services; navigational aids; and airspace planning, design, and implementation

- f. advance the Government's environmental objectives, including by:

- minimising the impact of aircraft operations on communities where practicable;
- applying sufficient resources to the Airservices Noise Complaints and Information Service, so that noise-affected communities can access needed information;
- applying sufficient resources to independent Aircraft Noise Ombudsman, and give due consideration to all findings and recommendations made by the Aircraft Noise Ombudsman; and
- continuing the commitment to the Sydney Airport Long Term Operating Plan as required by the Ministerial Direction dated 30 July 1997 (Federal Register of Legislation reference: F2009B00158);

Statement of intent

We will regularly review our instrument flight procedures and continue the transition to Performance Based Navigation (PBN) as the primary means of navigation in line with the global aviation industry and in consultation with government agencies, the community and other stakeholder.

Airservices airspace modernisation, will enhance the safety and efficiency of Australian airspace, including at major regional airports and to increase access to airspace for the aviation industry, through national standardisation and leveraging increased surveillance to enhance service provision.

Airservices will deliver essential infrastructure and services to support the opening of Western Sydney International Airport in 2026.

In designing airspace and flight paths, Airservices seeks to minimise the impact of aircraft noise on communities as far as practicable. We engage with communities when we make changes that will impact them.

Airservices Noise Complaints and Information Service will continue to be resourced to provide quality information and manage noise complaints to a high standard.

Airservices will continue to support the role and independence of the Aircraft Noise Ombudsman (ANO) and implement all agreed recommendations.

The 1997 ministerial direction relating to the Sydney Long Term Operating Plan will continue to guide the operation of Sydney Airport.

Key initiatives

Statement of expectations

- g. work with the Department, other Government agencies and industry to identify, manage and, where appropriate, remediate per- and poly-fluoroalkyl substances (PFAS) contamination arising from Airservices' operations on Airservices-impacted sites, in line with Government expectations on this issue, including by:
- advising the Department on risks of liability and damages arising from PFAS contamination at impacted sites, for both the Government and for Airservices;
 - providing the Department with regular updates on:
 - investigations by Airservices of PFAS contamination;
 - Airservices' current management of PFAS; and
 - future management options and remediation costs; and
 - working with the Department collaboratively on PFAS policy and implementation activities;
- h. work with the Department, and other Government agencies as appropriate, in providing assistance and advice in relation to the Government's Asia Pacific aviation capacity and capability building initiatives.

Statement of intent

Airservices will continue to implement a risk-based national PFAS management program, including site investigations, containment and monitoring as appropriate. Airservices will work closely with the Department, government agencies and industry on issues related to PFAS in line with government expectations, including participating in the Commonwealth inter-departmental committee.

Airservices will provide regular advice on PFAS risks and liability, provide updates on investigations and management actions, and remediation options and cost.

Airservices will work with the Department collaboratively on PFAS policy and implementation activities.

Airservices will work with the Department, and other government agencies as appropriate, in providing assistance and advice in relation to the Government's Asia Pacific aviation capacity and capability building initiatives.

Airservices is continuing to proactively strengthen relationships within the Asia Pacific region by enhancing our capacity and capability initiatives to support closer cooperation and economic growth.

Stakeholder engagement

Statement of expectations

- I expect Airservices to:
- a. undertake effective and productive engagement with the community and industry based on mutual understanding and respect;
 - b. communicate clearly and regularly with the Department, CASA, industry and the community on the development and implementation of significant changes to air navigation and Aviation Rescue Fire Fighting Services;
 - c. keep stakeholders informed about Air Traffic Services disruptions and actions being taken to address the causes of disruption, including through transparent and regular reporting and frank and timely communication;
 - d. proactively provide information, assistance and advice to Government agencies for policy formulation, implementation activities and regulation purposes;
 - e. contribute to the coordinated approach to airport planning, including appropriate participation in planning coordination forums, community aviation consultation groups and the National Airports Safeguarding Advisory Group; and
 - f. work closely with the Department and other Government agencies, including the Australian Transport Safety Bureau, CASA and Defence to deliver integrated and comprehensive advice to the Government, the aviation industry and the community.

Statement of intent

Airservices will engage with industry on its service delivery, strategic planning, pricing and other key initiatives via direct engagement with customers and stakeholders, engagement with industry bodies and participation in established industry forums. Airservices will engage with the community when we make changes that will impact them.

Airservices has established mechanisms to share information with CASA in relation to the performance of its regulatory functions.

Airservices is committed to keeping stakeholders informed about Air Traffic Service disruptions and actions being taken to address the causes of disruption, including through transparent and regular reporting and frank and timely communication. Airservices is committed to providing key service performance results publicly through our website.

Airservices will keep the Department and minister informed through regular reporting including quarterly progress reports and annual reporting and responds to requests for assistance and advice from government agencies.

Airservices is committed to ongoing participation in the National Aviation Safeguarding Advisory Group and engaging via airport-led planning coordination and consultation forums and technical noise working groups.

Airservices will continue to work closely with the Department and other agencies to deliver integrated and comprehensive advice to the government and other stakeholders on emerging issues affecting aviation regulation and policy including airspace management and protection, UAS and UTM, ARFFS and aviation infrastructure planning and implementation.

Appendix B

Ministerial directions

The minister has also issued the following ministerial directions:

Year	Date	Subject
1996	29 May	Handling of aircraft noise complaints at Sydney and other federal airports
1997	30 July	Progressive implementation of Sydney Long Term Operating Plan
1999	3 May	Responsibilities in relation to the environmental effects of aircraft
2004	31 August	Provision of approach radar services at specific airports



Appendix C

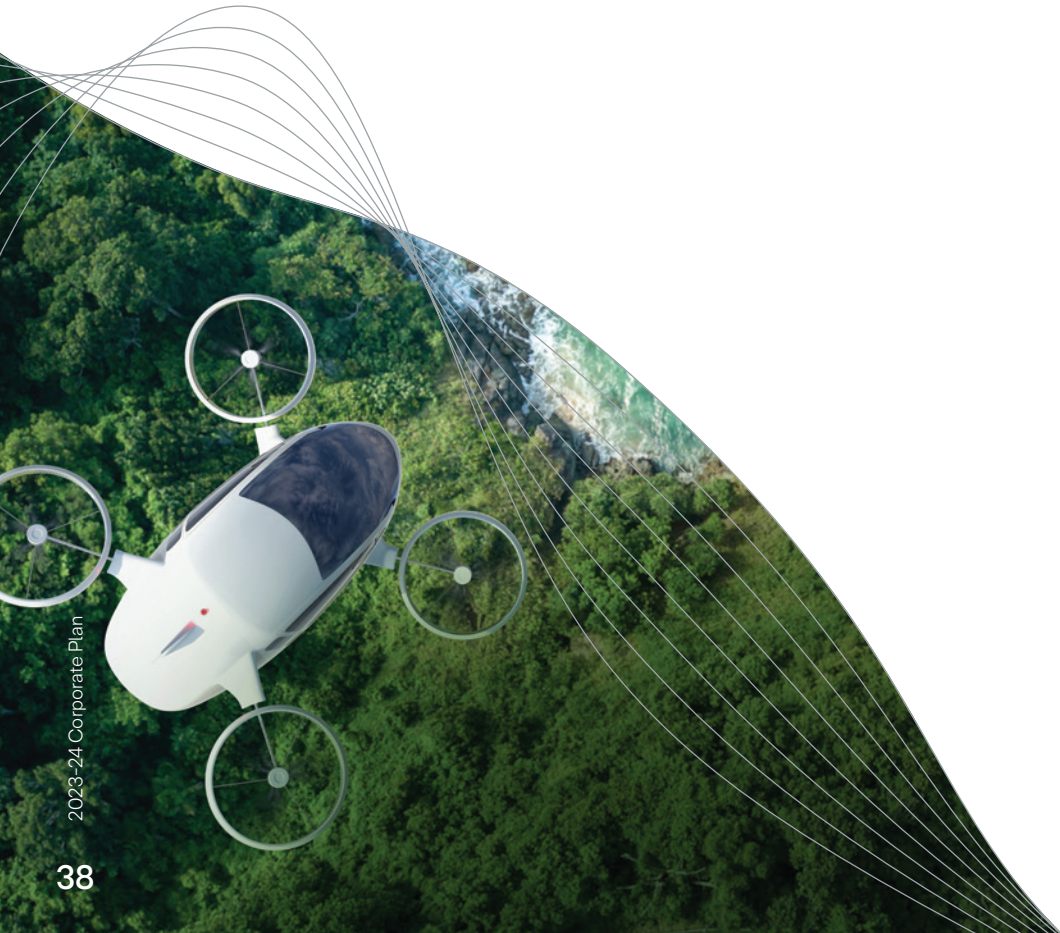
Acronyms

Acronym	Meaning
A-CDM	Airport Collaborative Decision Making
ANO	Aircraft Noise Ombudsman
ARFF	Aviation Rescue Fire Fighting
ARFFS	Aviation Rescue Fire Fighting Service
ATC	Air traffic control
ATM	Air Traffic Management
CASA	Civil Aviation Safety Authority
CEO	Chief Executive Officer
CMATS	Civil Military Air Traffic Management System
DAS	Digital Aerodrome Services
EBIT	Earnings Before Interest and Tax
FIMS	Flight Information Management System
ICAO	International Civil Aviation Organization
KPI	Key Performance Indicator
NPAT	Net Profit After Tax
NEAT	National Emerging Aviation Technologies
PBN	Performance Based Navigation
PFAS	Per- and Poly- fluoroalkyl substances
PGPA	Public Governance, Performance and Accountability
RPAS	Remotely Piloted Aircraft Systems
SOE	Statement of Expectations
TRIFR	Total Recordable Injury Frequency Rate
UAS	Uncrewed Aircraft System
UTM	Uncrewed Aircraft System Traffic Management
WSI	Western Sydney International

Appendix D

List of requirements

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Airservices Australia
GPO Box 367
Canberra City ACT 2601
airservicesaustralia.com