

5 JULY 2019

## MEDIA RELEASE

### CASA AUDIT OUTCOME

Following complaints by a disgruntled engineer and his union to the Civil Aviation Safety Authority (CASA) six weeks ago regarding alleged poor safety culture at Regional Express (Rex), CASA has completed a thorough two-day audit at Rex's heavy maintenance base at Wagga Wagga.

After reviewing data that showed the engineering defect reporting rate increasing by 13% in the last two years, and the fact that less than 2% of maintenance errors by engineers were actually pursued further, CASA communicated to senior Rex Management at the exit meeting, that there was no evidence of Rex having a poor safety culture, nor was there any evidence that engineers felt intimidated into not reporting defects.

Feedback from CASA during the audit supports our position that the Rex Safety Management System, including its safety culture, to be effective, advanced and healthy. CASA was comforted in what they viewed in the work environment after interviewing privately five engineers selected at random, and reviewing the attrition rate at Wagga Wagga (on average one resignation a year for the past two years, out of 18 licensed engineers).

We believe that today's audit outcome has reinforced CASA's findings and conclusion, pursuant to five thorough and exhaustive audits since February 2018. In CASA's final audit report of 22 October 2018, and in communication from the CASA Board to the Rex Board, on several occasions it has been repeatedly emphasised that Rex has not been found wanting in any safety critical aspect:

#### **Audit Report of October 2018:**

*"The audit concluded that the REX SMS was operating in an effective manner. REX staff were appropriately trained, safety concerns were effectively oversights and managed by the senior management. The organisation presented a consistent and unified commitment to the development and ongoing continuous improvement of safety management principles across all business areas sampled by the audit team.*

*On behalf of the CASA surveillance team, I would like to acknowledge the cooperation and open approach demonstrated by REX Management and staff during the audit."*

#### **CASA Board communication to Rex Board:**

##### **15 March 2019**

*"Finally, I would like to assure you that at this time, the Board and management of CASA are satisfied that Rex is currently meeting all its safety obligations. CASA has a clear mandate to uphold the highest levels of aviation safety in Australia. Rex should expect to continue to receive robust and professional scrutiny that is commensurate with the important role you play in Australia's air transport system."*



**22 May 2019**

*"I would like to re-iterate my previous advice that the Board and management of CASA have no current safety concerns with Rex. Through the normal oversight processes and interactions undertaken, CASA is satisfied that Rex is currently meeting all its obligations."*

Regarding a tabloid's claim, very likely using video and photos fed by the disgruntled engineer purportedly taken one month ago, that there is corrosion on a propeller shaft of a Rex aircraft, the said aircraft is coincidentally undergoing an eight-monthly check (B Check) in Adelaide. The stain marks had already been identified during the check and found to be surface contamination and were removed in accordance with the manufactures procedures using scotch-brite. The propeller shaft was certified as serviceable yesterday, before the tabloid reported the news today. CASA officials have been given the workshop report.

The disgruntled engineer was earlier taken to task precisely for undertaking, on 10 April 2019, a similar unapproved and unscientific maintenance inspection, i.e. peering through a gap with a torch to inspect the propeller shaft half a meter away, when there is already an approved scheduled maintenance procedure to inspect the propeller shaft during the B Check with all the approved manufacturers maintenance procedures and equipment. Not surprisingly, on both occasions the propeller gearbox assemblies have been found to be serviceable.

Rex believes that its Safety Management System, including its safety culture, is second to none and will remain resolute in the face of cowardly and despicable attacks by disgruntled parties and their unions. While waiting for the definitive CASA audit report, we invite all who need urgent answers to talk directly to CASA, the only authority that has all the facts and evidence, instead of giving credence to disgruntled staff manipulating the tabloids to ventilate personal industrial grievances.

**Regional Express (Rex)** is Australia's largest independent regional airline operating a fleet of more than 50 Saab 340 aircraft on some 1,500 weekly flights to 60 destinations throughout all states in Australia. In addition to the regional airline Regional Express, the **Rex Group** comprises wholly owned subsidiaries **Pel-Air Aviation** (air freight, aeromedical and charter operator) and the **Australian Airline Pilot Academy**.

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