

Standing Committee Report Summary

The Civil Aviation Authority of India Bill, 2013

The Standing Committee on Transport, Tourism and Culture (Chairman: Mr. Sitaram Yechury) presented its 204th report on the Civil Aviation Authority of India Bill, 2013, on January 24, 2014. The Bill was introduced in Lok Sabha on August 20, 2013 and referred to the Committee on September 18, 2013. The Bill proposes to establish a Civil Aviation Authority of India (CAA) as the civil aviation safety regulator to replace the Directorate General of Civil Aviation (DGCA).

Key observations and recommendations are:

- **Need for comprehensive legislation:** The Committee feels that CAA may struggle to achieve its objectives, as its powers and authority are not significantly different from DGCA. The Committee also believes that CAA should be created by bringing a comprehensive legislation for the aviation industry, after revisiting the Aircraft Act, 1934.
- **Chairperson:** The Committee was concerned that the eligibility requirements for the Chairperson could end up favouring retired bureaucrats. They may even allow appointment of a serving secretary to the Ministry of Civil Aviation (MoCA) as the Chairperson, resulting in a conflict of interest.
- **Director General (DG) and whole-time members:** The Committee recommended that DG and at least four whole-time members should be strictly from a technical background in the field of aviation. It suggested that the term of office of whole-time members be restricted to three years instead of five, with provision for only one reappointment.
- **Part-time members:** The Committee recommended that the selection process, powers and functions of part-time members be prescribed in the Bill itself. It suggested that a Joint Secretary or higher ranked MoCA officer serve as ex-officio part-time member.
- **Selection Committee:** The Committee feels that the Selection Committee for the appointment of the Chairperson, DG and whole-time members will be dominated by secretaries to the government. Hence, it recommended that at least three aviation-related experts be included in the Selection Committee.
- **Clarity of roles:** The Committee noted that the Bill allows the government to prescribe additional functions of the Chairperson. It believes that this may create problems between the Chairperson and DG or the Chairperson and the MoCA.
- **Procedures of CAA:** The Committee recommended that CAA be provided the powers to frame regulations for its business procedures, instead of the MoCA as proposed by the Bill. It suggested deletion of the clause which seeks to validate CAA's decisions, even if taken with incorrectly appointed members.
- **Creation of posts:** The Committee feels that the requirement of prior government approval for creation of posts in CAA would make the process cumbersome. It recommended that CAA be vested with the powers to create and select posts within the overall strength approved by the government.
- **Compensation of technical manpower:** The Bill provides that the compensation of officers and employees of CAA shall be at par with government officers and employees. The Committee noted that lower compensation is the key reason behind DGCA's inability to attract and retain technical personnel. It suggested that the skilled technical manpower be offered compensation as per industry norms.
- **Penalties:** The Committee recommended a large increase in fines prescribed for non-compliance with the provisions of Bill or CAA orders, to serve as an effective deterrent.
- **Autonomy of CAA:** The Committee recommended that the circumstances under which the government can supersede CAA be clearly specified in rules and regulations to be framed subsequently.

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