

PUBLIC HEARING BRIEFING DOCUMENT

Rural and Regional Affairs and Transport Legislation Committee

Australia's General Aviation Industry

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Rural and Regional Affairs and Transport Legislative Committee

Australia's General Aviation Industry

Public Hearing Briefing Notes – Councilor Simon Murray

REFERENCE:

Under Standing Order 25 (2) (a), the Senate Rural and Regional Affairs and Transport Legislation Committee will inquire into and report on the current state of Australia's general aviation industry, with particular reference to aviation in rural, regional and remote Australia.

The committee will consider the operation and effectiveness of the Civil Aviation Safety Authority (CASA) and other relevant aviation agencies, with particular reference to:

- a. the legislative and regulatory framework underpinning CASA's aviation safety management functions, including:
 - i. the application of the Civil Aviation Act 1988 and the Civil Aviation Safety Regulations 1998 to Australia's aviation sector, and whether the legislation is fit for purpose;
 - ii. the safety and economic impacts, and relative risks, of CASA's aviation safety frameworks;
 - iii. the engagement of CASA with other relevant Australian Government agencies;
- b. the immediate and long-term social and economic impacts of CASA decisions on small businesses, agricultural operations and individuals across regional, rural and remote Australia;
- c. CASA's processes and functions, including:
 - i. its maintenance of an efficient and sustainable Australian aviation industry, including viable general aviation and training sectors;
 - ii. the efficacy of its engagement with the aviation sector, including via public consultation; a
 - iii. its ability to broaden accessibility to regional aviation across Australia, considering the associated benefits of an expanded aviation sector; and
- d. any related matters.

Good afternoon,

Thankyou for the opportunity to address this inquiry.

Armidale is on the Northern Tablelands of NSW, and is midway between Sydney and Brisbane. Armidale's key strengths are in Higher Education and Agricultural Research delivered by the University of New England; a strong secondary education sector with four Independent schools and the near finished Armidale Secondary College with close to 2000 students; the expanding Digital Smart Hub TAFE.

Agriculture remains the bedrock of the region and benefits from the value add of having the head quarters of many breed societies, ABRI and the recently relocated APVM.

Health services including Aged Care is now an important economic driver for the region supported by a medical school and upgraded Rural Referral Hospital.

It is unfortunate you the Committee were unable to fly into our city. You would have had an overview of the environmental attractions that underpin a vibrant tourism industry. We are a destination for lovers of high country National Parks.

With respect to aviation, the Armidale Regional Airport has a diverse range of aviation industry not common to the majority of regional airports in NSW. Apart from Regular Public Transport (RPT), the balance of industry based on site is mainly general aviation. Some of the operations include;

- Agricultural Flying Operations both fixed wing and rotor;
- General Aviation Aerial Work Operations – (survey, powerlines, pipelines, National Parks, DPI & Local Land Services support);
- General Aviation Flight Training in both fixed wing and rotor;
- General Aviation Charter Operations including rotor and corporate jets;
- Nationwide Organ transfer;
- Scenic flight operations;
- Recreational Aviation Australia (RAAUS) Flight Training;
- Rural Fire Service Airbase;
- Firebombing Contractors;

Although not based at Armidale, the airport is used by several aero-medical retrieval services. The Airport is not controlled airspace and therefore Armidale is a very common destination for advanced and basic IFR navigation flight training from multiple surrounding general aviation flight training organisations.

The NSW Rural Fire Service has established an Air Base at the Airport, providing water bombing capabilities and training. This Air Base provided aerial support for northern NSW during the recent Section 44 Wildfire Emergency that ran from early September 2019 to January 2020. Over 1100, sorties by fixed wing aircraft and countless helicopter water bomber flights filled up at Armidale Airport and helped fight fires from the Qld border down to Kempsey. These aircraft helped save lives, property and wildlife across northern NSW.

For RPT's, Armidale Airport is the hub for a extensive catchment, from Tenterfield near the Queensland border, Inverell to our west and down to Walcha to our south-east. Three RPT carriers provide services to Armidale, Qantas and Regional Express to Sydney and Fly Corporate provides a service to Brisbane. We have seen a growth in both aircraft movements and passenger numbers per annum. The previous three financial years have passenger numbers exceeding 130,000 in spite of challenging drought and bushfire conditions. .

With the recent completion of a \$10.5 million terminal expansion, the Armidale Airport can now accommodate up to 200,000 passengers annually and has capacity to support 4,500 commercial passenger flights per annum.

Armidale Regional Council is undertaking the redevelopment of the Armidale airport. This is to position the Armidale Airport as a gateway to international value-adding opportunities for the New England region's agricultural sector, specifically into Asia-Pacific markets. We want to take this region forward, providing opportunities for our wider community and will be advocating to develop a second longer runway that will make our airport fit for the future for RPT, freight forwarding, General Aviation and RFS firefighting

Senators, we thank you for your contribution to improving regional aviation and taking the time to listen to our concerns. We are sorry you weren't able to join us in person and look forward to hosting you here in the future.

I am happy to take questions. Before I do, our comments with respect to the terms of reference will be Councils and businesses that operate at our airport.

ToR (a i.) the application of the Civil Aviation Act 1988 and the Civil Aviation Safety Regulations 1998 to Australia's aviation sector, and whether the legislation is fit for purpose

As an Aerodrome Operator, Armidale Regional Council find the application of the relevant and applicable regulations appropriate, clear and concise for the operation and management of an Aerodrome, with main reference to the Manual of Standards 139 (MOS139) of the Civil Aviation Safety Regulations 1998. Armidale Regional Council is also satisfied with the upcoming implementation program of the new MOS 139 and the associated education and transparency of the impending roll out.

Comments on broader CASA Regulations and the Act are based on feedback from general aviation businesses within Armidale Airport. Feedback relating to running a general aviation business under extant Regulations is somewhat negative with emphasis on;

- The Act is not in line with the requirements of general aviation
- Over regulation
- Legislation is not clear and concise for operational business conduct
- Failed regulatory reform program negatively impacting most aspects of the industry
- Not harmonized internationally including proven best practices
- Lack of modern and contemporary approach to legislative development
- Financial burden of increasingly complex regulation and associated fees and charges

ToR (a ii.) the safety and economic impacts, and relative risks, of CASA's aviation safety frameworks;

Armidale Regional Council is aware of CASA's Aviation Regulation Reform and are conscious that the reform work remains far from complete. This has been ongoing for a lengthy period of time. Feedback from local operators within general aviation is that the reform has delivered very little safety benefits to the industry; created an overly complicated and vast amount of legislative

requirements which is contributing to the decline in the general aviation industry across regional and remote Australia in both flight and maintenance operations. The feedback is that Regulations are difficult to interpret and integrate into business operations, which correlates into excess cost and process time. The time taken to implement into local general aviation business is seen to be detracting from effective business capability with a direct impact on safety in operations.

ToR (a. iii.) the engagement of CASA with other relevant Australian Government agencies;

Armidale Regional Council, from an airport operator's perspective have no comment on this matter.

ToR (b) the immediate and long-term social and economic impacts of CASA decisions on small businesses, agricultural operations and individuals across regional, rural and remote Australia

Feedback to Council from general aviation operators is that a reduction of administrative and financial burden due to regulatory compliance is required to ensure that general aviation is financially sustainable. For long-term term success, feedback indicates that CASA should harmonise with a simpler and more cost effective model such as those used in New Zealand, Canada and USA. Moreover, CASA need to take a more proactive stance on the promotion and enhancement of general aviation; not just reactive regulation.

ToR (c i.) its maintenance of an efficient and sustainable Australian aviation industry, including viable general aviation and training sectors;

The current Civil Aviation Act has no provision for the development and enhancement of Australian aviation outside of safety via regulation, more specifically general aviation. Efforts to reinvigorate general aviation and to produce a future-proof and sustainable model, require revision of the specified Act. Regulatory reform should include requirements to promote and improve a viable, accessible general aviation industry that does not detract from its safety mandate.

ToR (c ii.) the efficacy of its engagement with the aviation sector, including via public consultation;

As an Aerodrome operator Council is satisfied with the level of engagement and consultation from CASA.

ToR (c iii.) it's ability to broaden accessibility to regional aviation across Australia, considering the associated benefits of an expanded aviation sector

Armidale Regional Council would welcome the opportunity to work with CASA to review its operations, challenges and opportunities. CASA should recognise each Regional Airport is different and would benefit from on-site engagement. Aviation is critically important to Armidale as it is the Hub for northern New England. Effective Aviation regulation can improve connectivity, productivity, livability and economic opportunity. As Australia recovers from Covid19, regions such as ours will become increasing valued as potential non-urban places of work.

ToR (d) any related matters.

Armidale Regional Council is well positioned and committed to continue development of general aviation at Armidale Airport. The diverse local general aviation sector has the opportunity for further growth with the support of upgraded infrastructure driving airport development and business opportunities.

Council has commissioned consultants to design a second longer runway at the Armidale Airport to ensure the Airport is fit for the future for RPT, General Aviation and Fire Fighting. All these sectors are moving to larger, heavier aircraft requiring a runway of at least 2000 metres. Preliminary concept and design cost estimate for the extended runway is \$45 million. This is not financially justifiable for the RPT services alone. We are working with the Federal Government and Barnaby Joyce MP to advocate for Australian Government funding on the

basis this investment ensures inland northern NSW has an Airport that can receive larger RPT fleet and larger emergency responding aircraft. There is a strong public benefit in this investment in community. Alternatively Armidale and the wider region risks being stranded and denied social and economic connectivity and opportunity.

Clr Simon Murray

Mayor

Armidale Regional Council

Armidale Regional Airport

Security Screening Timeline

- **20/12/19 Federal Government grant announcement \$1.84m**
- **4/2/20 Home Affairs advised of Disallowance Motion in Senate. Any works or equipment not in transit or ordered put on hold**
- **5/5/20 Debate in Senate on Regulation postponed**

Screening Equipment & Services Underway

- Security screening equipment paid for and in transit from UK \$860,000
 - Modifications to Airport Apron underway \$350,000
 - Airport Terminal modifications underway - \$85,000
 - New CCTV completed \$60,000
 - Upgrade back-up generator \$120,000 ordered
 - Miscellaneous infrastructure modifications underway - \$100,000
-

Screening Services Suspended

- Tender for supply of security screening services (manpower) suspended – estimated cost of \$450,000

