



Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
Canberra ACT 2600

03 August 2020

RAAA Submission - Senate Inquiry into the Current state of the Australian General Aviation Industry

Introduction

The RAAA has approximately 100 members and our AOC members directly employ over 10,000 Australians, many in regional areas. On an annual basis, the RAAA's AOC members jointly turnover more than \$1.5b, carry well in excess of 2 million passengers and move over 23 million kilograms of freight.

How is the *Civil Aviation Act 1988* and the *Civil Aviation Safety Regulations 1998* being applied to Australia's aviation sector, and is the legislation fit for purpose?

There are two facets to this question.

Firstly, is the legislation being applied? CASA will no doubt respond with recent ICAO audit findings where ICAO appear to believe that the regulations are being applied. However, it is important to understand that whilst the ICAO audits demand evidence that the regulations are being applied, ICAO do not consider if the regulations are applicable in the Australian context. That is beyond their remit.

This is why this particular inquiry is so important.

Secondly, is the legislation fit for purpose? In order to answer the question one must ascertain if they are fit for purpose in today's operational context. This requires a degree of confidence in the contents of the Act itself which can only be brought to light with a detailed review of the Act. This does not mean wholesale or sweeping changes but a careful examination of the entire document to determine if the contents are still applicable in this era.

Just one example where the Act could use an amendment is found in Section 98 paragraph 3(f) where CASA may make regulations about hygiene, sanitation and public health at aerodromes.

Clearly there are certain elements in the current version of the Act that are holding CASA back from delivering on its rhetoric. There are any number of CASA directives and well-intentioned messages about wanting to work with industry in a partnership to deliver safe skies for all. However, even all the good will on both sides can't remove the shackle that keeps CASA on delivering on the real reform that is so desperately needed.

Rather than being bound by the 'commercial' or 'hire or reward' imperatives, a fresh look at a genuine risk-based approach is required. The current approach may be appropriate for the large end of the sector; however this simplistic approach is not allowing the smaller end of the sector to flourish as it should, nor is it the best

Serving regional aviation, and through it, the people and businesses of regional Australia

allocation of taxpayer dollars in addressing real risk. Included in those sectors of the industry that would receive immediate ongoing relief are all those activities that are currently required to obtain and maintain an Air Operating Certificate, regardless of the risk. Quite often this simply adds extra bureaucracy and expense to operators and the regulator without any real safety benefit.

Attempting the adoption and application of a risk-based philosophy to regulatory development has frustrated CASA and its predecessors for decades. Governments of both persuasions have been struggling with this concept since 1986 and the time has come to grasp the nettle and resolve the legacy issues embedded in the traditional approach to the regulation of General Aviation. The fresh perspective will give traction to the various CASA publications which espouse a risk based and outcomes focused philosophy. This will free up both Industry and CASA resources from the burden of less than effective administration and cost which has been the bane of the smaller end of the industry for decades. In other words CASA have one hand tied behind their back which must surely be the source of continual internal conflict for their risk based practitioners. Take for example the activity of frost dispersal, whereby a small helicopter hovers over a cherry orchard early in the morning. Should the helicopter be flown by the owner of the orchard he/she simply needs a Private category licence, a Class 2 medical and operate under private/general aviation rule set. No other certification is required by CASA.

However, should the owner of the cherry orchard choose to hire someone to do the exact same task (exactly the same risk) the pilot needs a Commercial category licence, a Class 1 medical and operates under a very complex commercial rule set. This includes an Air Operators Certificate, higher maintenance requirements, CASA audits of the operation, regular proficiency checks and so on. Clearly, these requirements are not in the interests of safety but are imposed simply due to the wording of the Act and are an unnecessary and costly burden on industry.

The following points are worthy of note:

The engagement of CASA with other relevant Australian Government agencies has demonstrated an appalling disconnect between CASA and the Department of Education and Training. For example ASQA and CASA do not recognise each other in terms of aligning training requirements for LAMEs resulting in a very complex and tedious system which simply adds cost to industry with no identified or defined improvement in safety, quality or educational outcome. We therefore have the ludicrous situation where a LAME apprentice can complete the ASQA approved course for a qualification under the VET student loan scheme but still does not fulfil the requirements for a CASA licence. CASA senior management has tried on several occasions to engage with ASQA to agree on a MoU with a view to coordinating courses but has been met with a straight refusal. This needs some political direction in order to be resolved. GA and regional aviation is facing a critical future shortage of LAMEs and does not need the extra cost and complexity added to the training of LAMEs caused by the disconnect between CASA and ASQA.

1. 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 is not always understood by CASA. For example, the slow and disjointed approach to operational regulations and maintenance regulations. Both sets of legislation must go hand in hand and one cannot be prosecuted sensibly in isolation to the other. There appears to be very little understanding of the interrelationship between maintenance and operations. For example, as we approach the eleventh hour of making the operational suite of regulations for CASR Part 135, CASA has yet to decide which philosophical approach it will adopt in

terms of maintenance requirements for this, the largest industry sector (in terms of numbers of organisations affected) right across Australia.

2. CASA's processes and functions, including its maintenance of an efficient and sustainable Australian aviation industry, including viable general aviation and training sectors has been cumbersome at best. Some will promote the view that private general aviation is dying as a result of CASAs actions. Yet under the careful oversight of CASA via self-administered organisations like Recreational Aviation Australia numbers are flourishing with over 10,000 members and over 3,000 aircraft on their register. RA-Aus also run 40% of the flying training schools in Australia with 174 organisations currently active. However, it is vital to note that the RA-Aus graduate cannot operate in the commercial world and is restricted to private operations only. The foundational eco-system of the commercial world are the Australian owned flying schools producing commercial licenced pilots. These organisations are struggling under onerous regulations of CASR parts 141 and 142 which have yet to demonstrate improved safety and quality outcomes commensurate with the increased investment.
3. The efficacy of CASAs engagement with the aviation sector, including via public consultation, has never been better. The formation of the Aviation Safety Advisory Panel and the applicable Technical Working Groups brings significant and relevant industry expertise directly to the tables of senior leaders in CASA. The resulting undiluted intelligence leaves CASA with the most up to date and relevant state of the industry. This system needs to be maintained and protected at all costs.
4. The inconsistencies between different CASA offices and even different CASA personnel continues to be a drain on the industry and often results in unnecessary expense and waste of resources due to one individual's interpretation of a particular regulation. CASA must work towards eliminating this with a more centralising system of policy determination and regulatory decision making. The ATO seems to have a good system to ensure consistency of regulatory interpretation and CASA desperately needs something similar.

Yours Sincerely

Mike Higgins
CEO
Regional Aviation Association of Australia