



THE ROYAL FEDERATION OF AERO CLUBS OF AUSTRALIA

ABN 27 008 634 044 (Incorporated in the ACT)

www.rfaca.com.au

Submission to Senate Rural and Regional Affairs and Transport Legislation Committee inquiry into the current state of Australia's general aviation industry

The Royal Federation of Aero Clubs of Australia (RFACA) thanks the Committee for this opportunity to contribute to its inquiry.

RFACA is the national body of aero clubs, flight schools and other aviation organisations and associations. The prime objectives of the Federation are to foster aviation in Australia, to ensure adequate flying training is available to all pilots and to encourage national and local competitions, air races and other aviation events.

1. Summary

- 1.1. Aero clubs deliver significant economic and social benefits to rural and regional communities. These include flight training, aviation infrastructure and general aviation (GA) services.
- 1.2. Much of the regulation administered by CASA has been poorly developed and implemented, and is overly prescriptive and complex. This has had an adverse effect on aero clubs and GA more generally without appreciable improvements in safety outcomes.
- 1.3. Reform of CASA's culture, mandate and processes is essential.
- 1.4. Systematic, piece-wise review of regulation will improve compliance and regulatory effectiveness.

2. Aero clubs matter

- 2.1. The ubiquity of aero clubs across Australia is surprising. They are as likely to be found in small farming communities as in large regional cities or state capitals. They bring together aviation enthusiasts from every walk of life and level of income. They provide safe, affordable means for their members to indulge their passion for aircraft and flight. They contribute to social cohesion and economic activity in their communities.
- 2.2. Aero clubs are based at airfields and are often stewards of local aviation infrastructure: runways, passenger and fuelling facilities, maintenance services and communication hubs. This infrastructure services the broader GA sector which provides local and regional air transport, emergency services such as ambulance and firefighting, and agricultural and tourism services.

- 2.3. As well as these community benefits, aero clubs and flight schools in regional communities have always played a key role in Australia's flight training network. Many are Registered Training Organisations and some offer VET Student Loans. They are often the first step in a professional aviation career. They teach students the skills they need for instrument flight and multi-engine ratings, essential to progress beyond basic recreational flying.

Opportunities for interaction with club members create collegiate learning environments, reinforcing skills and instilling safety culture. Clubs' wide geographical distribution helps young people in rural and regional Australia access aviation careers.

3. The impact of Australia's regulatory regime on aviation

- 3.1. At its core, regulation of pilots' training and proficiency, the aircraft they fly and the operations of organisations that employ them, is essential for safety and continued public confidence in aviation. Whilst Australian regulation is generally effective, there are numerous examples of regulatory development, implementation and supervision where CASA has performed poorly. In the aggregate, these have had a substantially negative effect on GA and, within that sector, aero clubs and flight schools. In those cases, safety has not been appreciably improved.
- 3.2. For example, travel and hourly rates charged back by CASA for licences and ratings are substantial, and limited availability of CASA resources leads to delays for in-person attendance that may be unnecessary in any case. The system is inefficient and inflexible. Similarly, many requirements for Drug and Alcohol and Fatigue Management policies (both essential aspects of safety systems) are unwieldy and inappropriate for small operators.
- 3.3. Many more examples are detailed in the other submissions to this inquiry and we invite the Committee to consider them as symptoms of fundamental issues of concern for the whole of the GA sector.
- 3.4. Regulation has been developed that is highly prescriptive and therefore complex. It is hard to interpret and comply with. It requires resources which in many cases cannot be accessed viably by GA operators (the majority of which are the "small businesses" envisaged by this inquiry's terms of reference.)

Even when a valid safety case can be made, the overly prescriptive nature of the legislation leads some operators to a "box ticking" form of compliance and, perversely, a diminution of safety culture.

- 3.5. One result is a steady, ongoing reduction in the number of aero clubs and flight schools, and the concomitant loss to their communities and local economies. The same effect is seen to varying degrees within the broader GA sector. The overall effect of inappropriate and poorly implemented regulation on GA is secular decline.

- 3.6. No modern regulator can operate effectively in a bubble. CASA has introduced mechanisms for both formal and informal consultation with GA. These initiatives are welcome and continue to develop, but their effectiveness is often frustrated by CASA's apparent preference for solutions more convenient to itself, or for "improvements" that are at once undermined by the burden of additional process and associated costs. Some decisions are justified by dubious safety cases or spurious references to international standards, if any reasons are given at all.

Despite efforts to improve dialogue with GA, the relationship between CASA and the GA sector remains sub-optimal.

- 3.7. It is reasonable to speculate that CASA's corporate culture is a poor fit for the task it has been given. Its mandate is an exclusive focus on only one aspect of aviation – safety – and it adopts a technocratic approach to regulating a highly technical industry. This sort of culture can be found in other types of organisation, both in the public sector and in private industry. It leads to inflexibility, needless complexity (which drains internal resources and drives up external costs) and a lack of self-criticism and organisational renewal.

4. Reform

- 4.1. The first step is for government to recognise a problem exists. The second is deciding to do something.
- 4.2. Aero clubs and flight schools, like GA more broadly, are challenged by technology and demographics, but their struggle under the prevailing regulatory regime is existential. Their continued disappearance has an adverse effect on jobs, training and social cohesion, particularly in rural and regional communities.
- 4.3. Safety regulation must be reviewed in consultation with the sector. Much can be simplified and the cost of compliance reduced without sacrificing safety outcomes. This review need not attempt broad, fundamental changes, but should prioritise and tackle a few areas at a time. More coherent and effective regulations will emerge and safety will be the better for it.
- 4.4. This initiative will not succeed, and will quickly become bogged down, unless CASA's organisation and culture is reformed. In key areas it appears to suffer from an inflexible, change-resistant, process-driven mindset and lacks skills to manage projects and relationships with stakeholders. Steps taken by CASA's leaders in recent years have led to improvements but perspective and impetus from outside the organisation is required.
- 4.5. CASA's mission should also be considered. Its exclusive focus on safety is unusual for aviation administrators in developed countries, which normally have added responsibilities for the sector's longer-term sustainability and development. CASA's predecessor was criticised after the 1993 Monarch Airlines accident, but overseas experience shows a

balance between regulatory supervision and sector stewardship can be achieved. The safety records of those jurisdictions are the same or better than Australia's.

12 August 2020

For further information contact
Kerry Nolan, President