

AMROBA – CASA Meeting – 18/6/2011

Will we look back at these new maintenance regulations in 12 months or so and realise that this regulatory transition is another Federal Government failed program leaving behind many failed businesses?

Will we just chalk it up to this government's inability to cost-effectively implement changes or will current participants just walk away from aviation?

Nobody can explain why we are making changes to the current non RPT system which brings no benefits to the non RPT sector or improvement to safety?

Why isn't there political support for the non RPT industry in Australia?

Will it take a complete collapse of GA before politicians and regulators understand that the regulatory regime they imposed wasn't right for this country?

The increasing regulatory costs and micro-management of the MRO industry under these unique rules will totally disadvantage the Australian MRO industry.

Where are the promulgated personnel criteria for CASA approved Accountable Managers, Responsible Managers, Safety Managers, Quality Managers and the many procedures that CASA will have to approve?

Why is the aviation MRO industry being administratively split so that one half can release products to the global aviation market whilst the other half cannot when both use the same qualified workers, same equipment, tooling, data, etc.?

Why has Australia's unique system isolated us even in the local Asia Pacific MRO market?

CASA approved training is not providing the skills comparable with our EASA counterparts, let alone FAA, TC, FAA or CAA(NZ) authorised personnel.

Based on the opinion of many of our members, especially those that attended the Brisbane meeting, the new regulatory requirements will only increase regulatory imposts (costs) with absolutely no improvement in safety or benefits for the non RPT sector, especially the changes to the AME licence that have never been consulted let alone supported by the non RPT sector.

- Many consultative meetings wasted on a B3 licence that never eventuated.

The increasing involvement of CASA in day to day operation of Part 145 maintenance organisations under the new regulations is quite different to other NAA systems of EASA, FAA, TC & CAA(NZ).

However, even with all the negatives of this regulatory change, AMROBA and its members that attended the Brisbane meeting still thanked both Mr Nick Ward & Mr Georges Lefevre from CASA for sitting down and listening to the real fears of the non RPT sector.

It was a pity that a few more members did not take up this challenge mainly due to their own work pressures but, for those that did, CASA expressed their thanks that the real issues, fears and concerns were tabled. Nobody in the room, except CASA, were supportive of the direction of CASA. If CASA continues with this direction for the non-RPT sectors then it is generally agreed that charter and many other services outside the RPT sector would cease. CASA would not dispel the fears of the attendees as to the direction for the non-RPT sectors.

I am sure that CASA learnt some very interesting problems that they had not considered.

- The change to the non RPT AME licence will do permanent damage to the non RPT industry.
- The arbitrary decision to make such a major change to the non RPT sector in a manner that has never been explained to industry has been the biggest hurdle to overcome.
- The additional training burden that has been implemented, especially where there is no training infrastructure in Australia, and in some cases in the World, to meet the requirements, will increase costs dramatically with no safety gain.

A M R O B A

- Generally agreed that competency training approved by CASA is not producing competent employees – the maintainer's competency standard is declining.
- The need to move to Part 145 for component shops has the capability of doing permanent damage to an already fragile industry.
- The replacement parts stock in Australia will be split between RPT & non RPT aircraft irrespective that all parts are maintained to the same standards by the same persons.
- Parts purchased off-shore are not subject to the split in Australia.
- Non RPT want to know when harmonisation agreements are made with the FAA, not EASA.
- This regulatory change has been badly planned as the risks have not been considered in CASA's blind push to the EASA system.
- The problem is that it is not the EASA system because unique Australian requirements have been added that has negated the benefits of the EASA Part 145.

Hopefully, but we doubt, CASA will take the real fears & concerns back to their management and address the many issues identified before many in the industry simply give up and walk away. It is obvious that many businesses will no longer be viable under these new regulations whereas they may have survived under real EASA regulations.

Members also found out that getting any recognition with EASA, let alone the FAA, the one market that the general MRO industry wants to gain access to, is not in the foreseeable future. Twenty years of regulatory development failure – lost direction by governments & regulators.

So did CASA provide the answers that the non RPT industry was looking for at this meeting?

1. AME licensing changes: It was generally agreed by attendees that the AME licensing system proposed for GA is a farce and will cause enormous problems post commencement. Each member attending highlighted AME licensing problems with the direction taken by CASA. There are no benefits with the removal of the group ratings and it was clearly demonstrated that the group rating works better in GA than the confusing exclusion system imposed. Even though CASA stated that the Part 66 MoS is being changed to address some issues, other issues were raised that had not been considered.

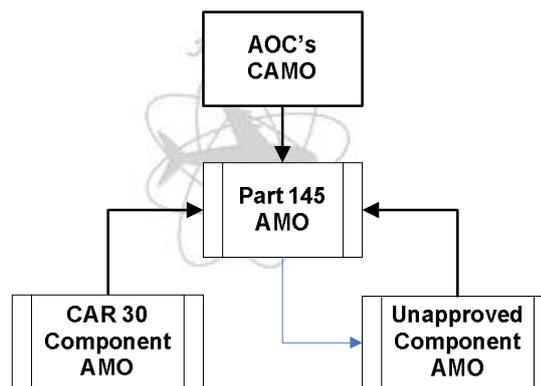
2. Cross category AME licence privileges: According to CASA the Part 66 MoS is being amended this week and will be promulgated prior to commencement date so that current CAO 100.90 series privileges & various CASA issued Instruments will be retained. Like all promises from CASA, we will have to wait to see the written word before we can make judgement. CASA emphasised that GA will still be able to release an IFR equipped aircraft into service in VFR mode so that aircraft ROs can take their aircraft to avionic AMOs to complete the avionic IFR work.

They also stated they addressed Schedule 8 pilot maintenance so that all LAMEs can do Schedule 8 – this removes one instrument but we hope it covers IFR aircraft as well as VFR aircraft. Changing a Nav light globe has nothing to do whether the aircraft is VFR or IFR.

- There is no reference on the licence to the Part 66 MoS.
 - CASA thought a reference to CASR Part 66 is enough.
 - Support for a reference to the MoS is supported by all.
2. Loss of System Ratings (mainly avionics): This is a very serious problem for the coverage of the GA aircraft. CASA explains the licence is based on the TC but this system failed in Australia in the past. The system rating enabled these systems to be maintained irrespective of aircraft type.
- The current group/system rating system was not broke so why change and stuff it up? It was quite clear that CASA does not understand the capabilities of non RPT LAMEs.
 - CASR Part 21 addresses all aircraft that can be issued with an authorisation to fly under the VH register and the AME licence is to cover these aircraft not just the airline type certificated aircraft ratings.
 - Group and Systems ratings are still needed to address aircraft that CASA seems to not understand are flying in GA.

AMROBA

- There are many MAs that were issued to address aircraft, other than type certificated aircraft, that should be part of a licence.
 - There is also needs for system licences in the avionic field to address many issues raised at the meeting – CASA will reconsider this approach.
3. Transition to Part 145 AMO: This is probably the most damaging aspect for the many organisations that have to determine whether they can absorb the additional costs to meet the unique CASR Part 145. Many expressed genuine fears that this push to move component AMOs into Part 145 will do permanent damage to the aviation MRO industry.
- Why is there any need for a component AMO to move to the Part 145 requirements?
 - CAR 30 today can issue an Authorised Release Certificate but on transition to the CASR 42F doing the same work with the same people using the same tooling, equipment and data, the new organisation won't be able to issue the Authorised Release Certificate.
 - An interesting aspect is that a CAR 30 approval may need to be retained as Part 145 only addresses maintenance of RPT aircraft and parts.
 - CASA constantly stated "at this moment" there is no intention ... etc. This left everyone in limbo as to where they would be in 2013.
 - CASA agreed that a CAR 30 will be able to provide services to a Part 145 aircraft AMO.
 - In Europe, many AMOs became sub contractors and also their specialist staff will become temporary employees of the Part 145 AMO when the Part 145 provides avionic aircraft maintenance services. There are many methods that Europe uses.



Note that the Part 145 AMO is responsible for the quality control of the unapproved AMO whereas it can accept the CAR30 AMO has its own quality control. This is no different than today.

AMROBA strongly recommends that current CAR30 component AMOs should be approved under the proposed Part 42 not Part 145 and still be able to issue the ARC.

In summary, the meeting enabled members to extract from CASA that the future is becoming very bleak as far as small maintenance organisations are concerned.

A separate AMROBA paper is being created to demonstrate how unique the CASR Part 145 is and just how different it is to the EASA system. What frustrated everyone is that no answer was forthcoming as to when agreements would be achieved with the FAA. Nobody was interested with agreements with EASA as, from a maintenance business aspect; there is no business in Europe.

The lack of proper consultation during this whole EASA process and the failure of CASA to absorb and address the concerns that were raised at this meeting clearly demonstrated CASA had not listened to the concerns of the non RPT sector, and AMROBA, over the period of consultation.

A huge waste of time and resources.

The problem is that the regulations start on the 27th and industry has to comply with legislation. Unless the licence issues are corrected this week, transitioning GA will become a nightmare. We all know that the CARs are still there and the only change is the licence.

AMROBA

It is accepted that CASA makes the final decision of what goes in the regulations but what has been proposed is far beyond ICAO and EASA. Asian countries that have implemented the EASA system must be looking forward to gaining more large aircraft and component maintenance as this system, with its higher regulatory costs, puts Australian MRO businesses in a non-competitive position compared to our closest neighbours and competitors.

When applying such high standards to GA the additional costs will reduce the utilisation of private GA aircraft and virtually kill "charter" operations in Australia. CASA will not rule out applying the same standards to charter in the near future.

Aircraft do not know what mode of operation they operate in nor is there different airworthiness standards applied during maintenance.

AMROBA looks forward to the changes to Part 66 MoS and hopefully CASA will issue an AME licence that clarifies that the licence holder can exercise privileges that are the same as today.

If CASA fails, the non RPT sector will be in chaos.

The number of outstanding issues is a little bit scary considering regulations commence in less than a week. Can CASA keep this industry operating – that is, can the business of maintaining aircraft continue during this transition period.

We are arranging a follow up meeting, post implementation, in Albury in August. Hope to see more members attend this meeting.

Ken R Cannane
Executive Director
AMROBA

phone: 61 (0)2 9759 2715
facsimile: 61 (0)2 9759 2025
mobile: 0408 029 329

ken@amroba.org.au

