



## CASA's Failure to Adopt Proposed Cost Savings

**AMROBA Objective 9 – “Reducing government overheads — assist government, and CASA, in recognising and implementing processes that will reduce costs to the MRO industry. The reduction of government, and CASA costs will assist and encourage a safer internationally competitive Australian MRO industry.”**

Assisting government/CASA to reduce government costs whilst maintaining or enhancing safety has been actively proposed by AMROBA Management to CASA. The following is an abstract of 5 of such proposals to reduce costs for the GA/Aerialwork segments. One proposal reduces costs for all certificate holders.

1. **Reduce costs to GA/Aerialwork – Regulatory Change** – Use FAA outcome based rules, with minimum maintenance standards, for GA/Aerialwork operator/organisations and EASA rules for airline operations.
  - a. Adopting EASA rules for GA will retain the current requirement for all maintenance organisations, including an organisation that works out of the back of a truck (mobile workshop), to be approved by CASA. Adopting EASA proposed outcome based rules will also increase paperwork for small GA operators/organisations. This proposal by CASA will **increase costs** on GA/Aerialwork operators/organisations.
  - b. Many FAA non airline operators/organisations **are NOT approved** by the FAA as long as they are a Fixed Base Operator. There are numerous flight training organisations, aircraft maintenance organisations and avionics maintenance organisations that are not approved by the FAA – **this system will reduce costs.**
    - i. A Fixed Based Operator/Organisation is the same as an Australian Registered Business (ARB) meeting conditions. e.g. “Industry Codes of Practice” agreed by CASA/Industry Associations.
    - ii. E.g. Non CASA approved operators/organisations would need to be a member of industry association to comply with industry segments “Codes of Practice”. Same practice as used in other Australian self compliant industries. (e.g. Broadcasting Industry)
    - iii. One of the conditions in the US is that these operators/organisations must use a FAA licensed person to do/sign the tasks – e.g. Graded Flight Instructor or Rated IA/A&P mechanic.
  - c. In addition, FAA rules for private operation are based on setting minimum standards for aircraft that removes the subjective interpretations of the current rules and would also reduce CASA involvement. FARs limits manufacturers recommended maintenance schedules depending on operational status.
  - d. CASA regulatory oversight of GA/Aerialwork (same as FAA) would be based on product surveillance NOT system surveillance. It works – the US just had its safest year in GA/Aerialwork for 40 years.
  - e. Adoption of the FAA GA/Aerialwork system will **save hundreds of thousands dollars** for participants in the GA/Aerialwork industry and also **save CASA a million dollars in reduced manpower costs.**
2. **Removal of Unique Australian Airworthiness Directives**
  - a. Many General ADs are additional requirements to what the same aircraft would have to be maintained to if the aircraft was registered in North America – these ADs should be cancelled.
  - b. Some General ADs implement mandatory maintenance requirements that are only specific to specific operational segments in the US – these ADs should be amended to make the requirement applicable to the operational segment only.
  - c. Some ADs actually duplicate manufacturer maintenance requirements; some make mandatory one aspect of a manufacturer’s supplementary maintenance document. These ADs should be cancelled.
  - d. Many ADs raised in the past were not based on a safety situation that existed in the Australian fleet – many were based on a manufacturer’s recommended maintenance requirement.
  - e. Adoption of automatic acceptance of ADs issued by the country responsible for the aircraft’s Type Certificate ensures aircraft maintenance complies with international standards – makes resale value better and **reduces CASA costs**. CASA should only promulgate country of design AD title and web link on the CASA website.
  - f. Justification to retain an Australian AD should expire after ten years. This ensures that a review is made of expiring ADs to justify that they still addressed a known safety issue – if needed to be retained permanently, make them a regulatory requirement.
  - g. **Cost savings to owners/operators/organisations** and CASA as unique requirements would be abolished, unless a known Australian safety case had been used to justify the issue, thus making it easier to maintain to the same standards as used in other countries, especially the aircraft’s country of design.



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3. **One CASA certificate** – AOC holders such as flying training and Aerialwork operators that do their own maintenance should only have one CASA approval document. The AOC document should have a permission added to it without the need to hold a CASA maintenance organisation approval.
  - a. This would **remove CASA regulatory administrative costs** thus lowering costs of pilot training.
  - b. AOC holder would still need to employ a LAME to certify maintenance.
  - c. Maintenance would still meet regulatory standards - **save thousands of dollars.**
4. **Capability List** – Adopt single page operator/organisation approval document with a condition to maintain a Capability List of the kinds or types of aircraft or components that they operate or maintain.
  - a. It becomes an operator/organisation function and responsibility to add or remove kinds of aircraft/components to the Capability List – not a cost recoverable CASA approval system.
  - b. Enables flexibility for the operator/maintenance organisation to react to customer demands quickly.
  - c. **Reduces operators/organisations overhead costs** of obtaining separate approvals from CASA and **reduces CASA costs** as the function and responsibility is transferred to industry. **Big savings.**
  - d. **Reduction in regulatory imposed costs saving hundreds of thousand of dollars.**
5. **Aircraft Log Book Statements (LBS)** should harmonise with aircraft country of design standards for maintenance based on the operational basis of aircraft.
  - a. For example, a FAA Normal Type Certificate aircraft used for private operations should meet the same maintenance standard as that in the US. That is, an annual inspection using the manufacturer's 100 hourly inspection schedules as long as they meet the requirements of FAR Part 43 Appendix..
  - b. The FAA regulations only require a private aircraft to do 100 hourly inspections if used for flying training of other private commercial operations.
  - c. There is a good case to return to a 3 year structure integrity inspection, commencing after aircraft 14 year TIS, considering the ageing Australian aircraft fleet.
  - d. Standard LBS should be adopted for the majority of GA normal category aircraft – this would reduce costs and adopt the same maintenance standards used in the country of design.
  - e. Removes CASA unique additional inspections to manufacturer's inspection schedules that the rest of the world uses. **Standardisation with US minimum standards will reduce costs & improve safety.**

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