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Why Aviation MRO Reform Continues To Stall

Over the last decade or so the Federal Government has funded CASA and its predecessor to re-write the aviation legislation. Funding (in excess of \$100M during this extended period) a bureaucracy that is out-of-touch with the needs of aviation's airworthiness and maintenance, repair and overhaul (MRO) industry, both domestic and globally, will continue until CASA is publicly made totally accountable for regulatory reform. CASA's CEO is fighting a "fat-cat" bureaucracy that has a track record of stalling regulatory development that "bureaucrats" disagree with until the CEO/Director of Aviation Safety is replaced. This has become the normal process during this period.

Besides the continual change of direction with the aviation MRO regulatory reform as each new CEO/Director of Aviation Safety has been appointed, CASA has continued to refuse to adopt ICAO and proven regulatory structures such as the FAA issued Regulations. The latest proposal to look at adopting European MRO rules demonstrates that CASA is willing to gamble on an unproven system that has not been written for Australia's industry needs or geographical conditions. The EASA system is still being heavily criticised by EC member states Heads of Civil Aviation Authorities. (Refer Flight International Magazine, September Issue.)

Notwithstanding that Australia is attempting to put requirements into Federal Acts & Regulations what is seen by ICAO and the FAA as "administrative requirements" issued by a National Aviation Authority (NAA). The application of civil and criminal penal offences to unique Australian "regulatory" provisions that are mainly addressed by administrative requirements in other NAA regulatory systems is a key contributing factor why over 50% of skilled workers leaving aviation MRO jobs depart the industry completely.

This industry is simply over regulated and micro managed compared to other jobs, in other industries, that are available to our ever departing skilled workforce. The fact that CASA can no longer provide regulatory services, which could be devolved to industry, in a timely manner so that industry can operate, is another contributing factor. The needs of the industry are being ignored.

Instead of placing administrative requirements in Acts & Regulations CASA should issue Civil Aviation (Safety) Orders (CASO) based basically on the FAA issued Regulations. Only those Australian requirements, which have been implemented during the past 80 years, to *address known civil or criminal aviation offences* should be included in the Act or Regulations depending on the severity of the offence. The US does this in Title 49, Transport Regulations, and not Title 14, FAA Regulations.

CASA is the main reason why the new rules pertaining to the airworthiness and maintenance of aircraft continue to stall because they have their own unique standards that continue to prevent adoption of the ICAO "air carrier" Air Operating Certificate (AOC) in favour of making airlines hold both an AOC and an Approved Maintenance Organisation (AMO) certificate.

Airlines such as QANTAS, Virgin, Jetstar, Rex Aviation, Airnorth, Airlink and most others would be better off adopting the ICAO "air carrier" AOC system that has traditionally been rejected by CASA Executive. Adoption into CASOs would allow Australia to adopt FAR Part 121 instead of airlines being required to have two certificates (one for operations and one for maintenance). Every NPRM issued contains current policy for the separation of AOC and AMO certificates.

In addition, CASA has not permitted maintenance of certain aircraft (all except large (transport category) aircraft that are operated by airlines) to be maintained by an independent LAME working for a registered business (holding an ABN) in a similar manner to both New Zealand and the United States of America. There are many "aviation" businesses operating in the USA, which do not hold approval from the FAA, that provide maintenance, servicing and other services to owners of aircraft that are not used in airline operations.



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These businesses would employ CASA licensed maintenance personnel to supervise and certify the completion of maintenance. Cost effective for GA.

These businesses are commonly known as Fixed Based Operations (FBO) in the US that may or may not hold FAA approval. General Aviation needs the system do that Australian registered businesses (same as US FBO) may operate in the same manner. This will lower costs to General Aviation without lowering safety.

If CASA would drop their bureaucratic approach to retain their current internationally unique standards, it would enable implementation of MRO rules from proven safe regulatory systems like the USA and EASA. It would also enable a “staggered” implementation of the maintenance suite of regulations by addressing commercial passenger operations before other segments of the MRO industry.

- Stage 1. Adoption and implementation of the ICAO air carrier system by adopting the FAR Part 121 “air carrier” certificate for current international and domestic airlines. FAR Part 121 enables maintenance to be contracted to an approved maintenance organisation. (CASR Part 121)
- Stage 2. Adoption and implementation of the ability of a registered business (ABN), not approved by CASA, to employ technically competent and qualified persons holding licences or certificates issued by CASA to certify for completion of maintenance of aircraft other than large (transport category) aircraft that are operated by airlines. (CASR Part 43 and 91)
- Stage 3. Adoption of other than air carrier operations airworthiness and maintenance rules compliant with ICAO and based on NZ standards and practices that will underpin the Single Aviation Market between Australia and NZ. (CASR Parts 135, 133, 137, etc).
- Stage 4. Implementation of the approved maintenance organisation based on previous consultation to internationally harmonise so aircraft and products returned to service can be accepted (under agreements between CASA/Government and other NAA/Governments, if required) by foreign owners and operators. (CASR Part 145)
- Stage 5. Restructure the CASA licensing of maintenance personnel to align with ICAO and global standards that employ licensed aircraft maintenance engineers to return aircraft to service. (CASR Parts 66 and 147).

AMROBA recommends that this proposal be adopted so industry can stop the rot and progress the growth that can happen.

Ken Cannane
Executive Director
On behalf of the Management
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