

# AMROBA<sup>®</sup>inc

## ADVOCATE OF THE AVIATION MRO INDUSTRY

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### Election Outcome Important to Aviation

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Whatever the outcome of the coming election, the future of aviation will be forever changed. One party is dedicated to reducing the red tape that is strangling this industry and the other has shown no indication that it would put a break on the growth of regulations.

If we look back at 25 years of governments making regulatory change, the only result has been a massive increase in regulations.

Governments now pride themselves on how many pieces of legislation they have made as how good the government has performed.

The amount of duplication of requirements continue to grow. The latest fire extinguisher requirements demonstrate how individual government departments and agencies generate legislation with no whole-of-government approach to reduce business costs.

As an example, CASA could have reduced duplication in maintenance training by adopting **EASR 147.B.25(a) *The competent authority may exempt a State education department school from being an organisation as specified in 147.A.10.***

That is, an Australian Education Department recognised training organisation could be exempted from CASA approval. The government could go further and make the Education Department responsible under the Convention for training of aircraft maintenance personnel whilst CASA remains the Licensing Authority.

The Convention, being an international treaty, is complied with by the whole of government not just the Department of Infrastructure & CASA. e.g. meteorological information or customs and immigration procedures are part of the Convention.

If the Department of Education was made responsible for complying with the Convention's Annex 1 as it relates to aircraft maintenance

engineer skill training, then they would need to comply with ICAO's comprehensive training manual, Doc 7192 AN/857, to meet requirements of Annex 1, Chapter 4.

ICAO Manual Training Principles: The Annex requires the person signing the maintenance release to be qualified iaw Annex 1 **but** the ICAO training manual states there is no Annex 1 requirement for personnel who perform the actual maintenance tasks.

For Australia to remain globally competitive, the skill standards for maintenance personnel specified in the ICAO training manual would become the level determined by the Education Department.

Licensed if academically qualified.

*However, 'regulatory development' to the employees from government departments and agencies is about drafting prescriptive regulations not using other methods.*

This is not what Australia needs if it is recover from the problems confronting small businesses.

AMROBA contends that the structure of legislative requirements that industry must comply with is stressing those managing these businesses.

What is needed is a government that is dedicated to reducing regulatory impost and removing red tape.

This can be done very successfully in aviation but it will never happen whilst we have government departments and agencies that are more concerned with being involved with businesses restricting their flexibility.

AMROBA is lobbying for a change in CASA legislative responsibility that will return us to a three tier legislative system and also make CASA responsible for promoting aviation, not just safety.

## Sydney Second Airport

Irrespective where you live in Australia, the benefits to aviation of a second airport in the Sydney Basin at Badgery's Creek cannot be understated. Geographically central to the East Coast air routes, Sydney is also the most populous hub and, if it has a delay, the whole air transport system is affected. Curfews are also restricting international travel.

A second airport will increase air traffic through Sydney and that means increased air traffic to the rest of Australia. If there are more flights in & out of the Sydney Basin, then this means that each State and Territory will see increased air traffic.

In addition, as more flights increase then there will be a consequent growth in direct flights between other State hubs that would by-pass the Sydney Basin. with long term benefits to aviation growth in Australia.

Increasing the number of aircraft flights in the Australian air transport system also means that the MRO support industry will need to increase even if some of the large aircraft, now being operated, initially have their heavy maintenance done off-shore.

At some stage in the near future, our airlines will realise that the increasing costs with off-shore maintenance (based on increasing wages in the off-shore countries) will mean it is more cost effective to have the off-shore contracted maintenance done in Australia.

This could happen quicker if the large operators in Australia looked to resourcing a shared large MRO to carry out the maintenance. A large MRO facility could also attract off-shore maintenance.

We have heard the unions, ALAEA, AWU, AMWU and ETU all raise concern with the potential to lose more maintenance to off-shore MRO facilities, many that are being approved by CASA.

This places Australian MROs at a disadvantage because of the lower overhead costs in those countries that are being contracted by the airlines. If governments open Australia's industry to global competition then it should also realise that the lowest common denominator globally becomes the standard.

Unlike the car industry, our MRO industry does not receive any assistance that would keep the work in Australia, nor should it.

The potential growth based on a second Sydney airport becoming a reality, has all been documented in recent reports—time for a government to build it.

The opportunity for smaller specialist airlines will once again become a reality as the large airlines using larger aircraft concentrate on high profitable routes associated with aircraft types.

Small airlines, with reduced overheads, can operate smaller aircraft at a profit — there will be opportunities to operate such aircraft profitably.

## Three Tier Regulatory System

AMROBA will continue to lobby for a return to a three tier regulatory system just like the systems used by EASA and the FAA. Both of these regulators develop and promulgate 'regulations' that are not subject to a criminal code and are, in reality, standards and practices that their industry must comply with. These are compatible with the ICAO Standards and Recommended Practices specified in Annexes to the Convention.

It allows them to adopt and promulgate the ICAO Standards & Recommended Practices.

The USA, like some of the EU Member States, has aviation criminal laws but they are not part of the FAA's promulgated regulations. Their criminal laws are part of the USA criminal code.

Australia had such a system before the direct appointment of industry managers decided to two tier the regulatory system that has become a complete regulatory development failure.

AMROBA contends that a return to three tier regulatory system is crucial for the long term survival of many sectors of aviation.

The Civil Aviation Orders (CAO) provided the third tier and compliance was enforceable through administrative actions.

In the late 1980s it was identified that many of the CAOs did not have a "head-of-power" in the regulations but what was not identified is that the far majority existed because of the ICAO. How much simpler it would have been if "heads of power" were placed in the Regulations and then rewrite those CAOs that were unique to Australia.

Government's Best Practice Regulation Handbook states: *Regulation is any 'rule' endorsed by government where there is an expectation of compliance. It includes primary legislation and legislative instruments (both disallowable and non-disallowable) and international treaties. It also comprises other means by which governments influence businesses and the not-for-profit sector to comply but that do not form part of explicit government regulation (for example, industry codes of practice, guidance notes, industry-government agreements and accreditation schemes).*

## LAMEs—Academic Retention

The on-going future problem of retaining competence under the CASR Part 66 has been highlighted recently by the fire extinguisher episode.

The states that a licence will be issued upon attaining the relevant competency qualification as long as the applicant has, as a minimum, the following time in the industry:

- A license 2 years,
- B1.2 or 1.4 3 years;
- B1.1 and 1.3 4 years.

In the past, an employer would look at the employment history of the LAME prior to employment.

This was a tried and true system, especially in GA where there is/was a more transitory workforce than in the airline MRO system.

However, the AME licence is now issued by CASA based on achieving an academic level at a specified time.

So what happens when CASA approves amendments to the competency standards post attaining the licence. This is happening fairly regular and is expected under any new training system.

So a person that attained competency for a specific training module, has no idea that the training module was changed the following year. Is the person now current?

Liability tends to burn those that do not maintain academic qualifications.

This licensing system is based on academic qualifications which means the LAME should be treated like a para-professional at least.

As an example, “Engineers Australia” state that a professional engineer must document a minimum of 150 hours of structured Continuing Professional Development (CPD) over a 3 year period:

- At least 50 hours must relate to your area(s) of practice
- At least 10 hours must cover risk management
- At least 15 hours must address business and management skills
- The remainder must cover a range of activities relevant to your career & interests.

This enables continued competence and addresses the changes specified in specific training modules, as they are amended, by increasing the scope of the modules.

How does the LAME or his/her employer currently know if their academic qualifications remain current?

They don't.

Where is it specified that the LAME, as a para-professional, completes some sort of professional development to maintain currency of the academic qualifications they hold.

## Understanding Fatigue A Maintenance Perspective

To many experts lack a deep understanding of the old CAR3/Part 23 aircraft that are the real backbone of private GA.

A recent ATSB report incorrectly assumes that regulatory requirements were not being followed. The truth is, the real culprit for low regulatory standards is CASA promulgated aviation safety standards. (e.g. CAAP 42B-1)

If we look at the FAR standards to maintain FAA TC'd aircraft, then the annual inspection would meet the same standards as required by the FARs.

Most of our members adopt the FAR standard for an annual inspection.

Since the repeal of the 3 year major inspection, Australia's FAR annual inspection, and the introduction of the annual inspection as the minimum standard, many state that a number of aircraft are below the design standards—possibly not safe for flight.

There are many aircraft where the FAR annual inspection standards are applied and these aircraft are safe for flight.

Ageing simply means more in-depth detailed inspections and replacement of structural elements. Most old aircraft structures can be replaced, or individual elements can be replaced. Manageable maintenance.

**\* Become a Member \***

The adage "there is strength in numbers" is absolutely true when it comes to influencing government regulations and policy. No one company, no matter how big or successful, can keep up on all the regulatory issues directly impacting businesses.

AMROBA is dedicated to serving the businesses that are responsible for the in-service continuing airworthiness of aircraft and aeronautical products, including the manufacture of replacement parts for in-service aircraft. This segment of the industry has never had a dedicated advocate until now.

AMROBA membership form is available from the AMROBA website: <http://amroba.org.au/become-a-member/>

print the membership form <http://amroba.org.au/index.php/download/file/view/15/>



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## Regulatory Hallucination

The government employee's fear that private industry cannot be trusted to be responsible, is the reason we end up with badly written laws that increases red tape. We could take quote after quote from articles promulgated by the government's own Productivity Commission that identifies how badly written legislation has a negative effect on business in Australia.

The following is from their website—pity aviation must be exempt?

*Many regulators need to do more to understand the burden of regulation on small businesses, according to a draft report released by the Productivity Commission.*

*'A regulator's culture and attitude towards business is as important as the content of the regulation itself, but fewer than one in five regulators are informed about the costs they create for businesses' Commissioner Dr Warren Mundy said.*

*In its draft report, the Commission argues the capacity of small businesses to fulfil compliance tasks should be at the forefront of a regulator's mind when administering regulation.*

*The draft report proposes a suite of changes to secure benefits for small businesses &, importantly, also for the broader community. In particular:*

- *Regulators should focus on the brevity, clarity and accessibility of their communication to small businesses.*
- *Compliance and enforcement strategies should be proportionate to risks posed to communities and facilitate voluntary compliance. Regulators should make a stronger commitment to decision timeframes.*
- *Regulators should be resourced to do their job effectively, including to avoid the shifting of costs onto businesses.*
- *Governments should ensure independent, low-cost mediation services are available to help resolve disputes between small businesses and regulators. Where currently in place, Small Business Commissioners should undertake this function.*

*The Commission found that leading practices were more commonly in place among regulators adopting a risk based approach than those that do not. While generally these were better resourced regulators, their focus on risk was found to prevent unnecessary intrusion on lower risk businesses, often small businesses, and free up resources to improve frontline guidance and advice services and enable them to more effectively address higher risks to communities. The Commission also found that regulators with effective engagement policies and procedures were more likely to have senior leadership that invest in, and foster, a business focused culture among their staff.*

## The Aircraft Maintenance Engineers/Technician Creed

### Worth Remembering

*"UPON MY HONOR I swear that I shall hold in sacred trust the rights and privileges conferred upon me as a qualified aircraft maintenance engineer/technician. Knowing full well that the safety and lives of others are dependent upon my skill and judgment, I shall never knowingly subject others to risks which I would not be willing to assume for myself, or for those dear to me.*

*IN DISCHARGING this trust, I pledge myself never to undertake work or approve work which I feel to be beyond the limits of my knowledge nor shall I allow any non qualified superior to persuade me to approve aircraft or equipment as airworthy against my better judgment, nor shall I permit my judgment to be influenced by money or other personal gain, nor shall I pass as airworthy aircraft or equipment about which I am in doubt either as a result of direct inspection or uncertainty regarding the ability of others who have worked on it to accomplish their work satisfactorily.*

**I REALIZE** *the grave responsibility which is mine as a qualified aircraft maintenance engineer/technician, to exercise my judgment on the airworthiness of aircraft and equipment. I, therefore, pledge unyielding adherence to these precepts for the advancement of aviation and for the dignity of my vocation."*