



AMROBA[®]inc

ADVOCATE OF THE AVIATION MRO INDUSTRY

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Aviation Safety Regulator

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Australia still needs a **'fair and just'** regulator that works with industry to continually improve safety and remove trading restrictions and barriers to global aviation markets.

To do this, in 1988 the Government created an aviation safety regulator that had four (4) basic functions to meet specific elements of Australia's obligations for the Chicago Convention.

1. Setting aviation safety standards. This should be one of the easiest processes to meet because aviation is part of an agreed global system where each country **ADOPTS** the global aviation safety standards. However, this has turned out to be an almost impossible challenge for governments. The failure to adopt and implement internationally acceptable safety standards demonstrates bad government policy. The issues could be overcome by making amendments to the Civil Aviation Act for a proper three tier regulatory system. The move to a two tier regulatory system may have been possible pre the government requiring the Criminal Code to apply to regulations.

AMROBA View: Failed.

2. Controlling entry processes. This is an area where efficiency has been totally replaced by bureaucracy. Compared to other mature aviation countries, the industry has recently been buried in unnecessary red tape. It is in this area where businesses suddenly find that they are being denied working to the rule of law to be subjected to a system of being ruled by the regulator. Ever since regulatory reform started in 1988, post the government review of aviation in 1987, the industry has been promised over and over again:

- *eliminating unnecessary administrative processes;*
- *eliminating unique Australian maintenance requirements unless such differences are clearly justifiable.*

AMROBA View: Failed.

3. Providing regulatory services (advice). This is another area where industry has high concerns. The increase in red tape has virtually stopped growth of many segments of this industry. Not only has the processes become unnecessarily complicated but the costs involved have sky rocketed. Part of this function is a responsibility for 'educating' industry so that we can understand what is trying to be achieved by the new "unique" regulatory requirements that are preventing our businesses from competing in the Asia Pacific Region. Whereas, to survive, industry has been forced to improve productivity, yet the regulator has demonstrated no understanding of costs imposed on businesses.

This is the one area many businesses have expressed their loss of trust and respect for CASA, even though some individuals within CASA are respected. Too many "bad policies & bad apples" destroying trust.

AMROBA View: Failed

4. Regulatory Oversight. This is where, in the opinion of most participants in industry, the aviation safety regulator has been transformed from a **'fair and just'** safety regulator to an 'enforcement' agency. How many times have we heard Ministers' state they have given "detailed a range of characteristics that I believe should be systematically entrenched in CASA. Consultation, consistency, fairness, accountability, courtesy and independence are key attributes of a world class regulator. CASA should measure and benchmark its organisational performance in a number of key areas including communication and consultation, effectiveness and efficiency, and timeliness."

Sadly, it appears that there is no Ministerial performance monitoring.

AMROBA View: Failed.

Merry Xmas & Happy New Year

The Management of AMROBA wishes all its members and Newsletter readers the very best for 2014.



Merry Christmas

Happy New Year

Adapting Foreign NAA Regulations

There are two statements in ICAO's Regulatory Oversight Manual that should be the basis of developing an acceptable legislative structure.

AMROBA is a full supporter of a 3 tier regulatory system but not one that only has "safety" as their main goal. ICAO sees the NAA rules as providing 'standardised operational procedures, equipment and infrastructures (including safety management and training systems), in conformance with SARPs.

Regulatory development in Australia has been a failure because the changes implemented have not "adapted" the FARs or EASRs without change — change that has added to business costs.

CE-2. Specific Operating Regulations. *The provision of adequate regulations to address, at a minimum, national requirements emanating from the primary aviation legislation and providing for standardised operational procedures, equipment and infrastructures (including safety management and training systems), in conformance with the Standards and Recommended Practices (SARPs) contained in the Annexes to the Convention on International Civil Aviation.*

3.3.2 Adapting or adopting regulations from other States

To meet their requirements for regulations, Contracting States always have the option of adopting another Contracting State's regulations. Even though the unilateral adoption of another State's regulations may have some advantages, such as enhanced exchange of operating crew and aircraft, it should be done only after ensuring the regulations have been updated to include all ICAO standards. The complexity of the other State's aviation environment should be considered. A State with a limited aviation environment should be careful not to place undue burden on its aviation community and its assessment staff by adopting excessively restrictive regulations. A better alternative would be to adapt the regulations to meet the aviation environment while still maintaining harmony with other States.

The last sentence is so important to small businesses in Australia. What may be acceptable in the FAA or EASA system will financially damage Australia's small aviation businesses.

Instead of trying to impose the European environment on Australia, the regulations need to be adapted to meet our aviation environment.

'Niche' Manufacturing Capability Overlooked



If the Government wants jobs to be created in the manufacturing industry, then they only have to 'unlock' the potential for aircraft parts manufacturers to participate in the global aviation market.

In 1998, CASR Part 21 was made and the adopting of the FAA PMA system was seen as enabling Australian PMA holders access to global aviation markets.

A Parts Manufacturing Approval enables a business to manufacture and sell approved replacement parts. To sell these parts in the global aviation market requires, in the majority cases, the government and/or CASA to arrange a trading agreement with foreign trading countries or CASA have a technical agreement with their NAA.

Government bureaucracies worldwide are preventing free and open markets. We need the new government to do its part in opening up these foreign markets and to also make sure the government imposed requirements in this country does not force closure of this 'niche' manufacturing markets.

Regulatory imposts must be reduced, without any reduction in safety, to enable this sector to boom.

What constitutes a Parts Manufacturing Approval (PMA)?

A PMA is a Design Approval plus Manufacturing Approval by CASA.

1. The design approval is "outsourced" to CASA approved 'delegates' (authorised persons) in the same manner as is done by the FAA.
2. The manufacturing approval is performed once by CASA who also retains 'regulatory oversight' responsibility.

Unless bureaucratic regulatory imposts are lowered, aircraft parts manufacturing has a high possibility of following other manufacturing industries.

Aviation regulations must meet global 'trade' regulations that lower government costs to parts manufacturing businesses so that they can compete in the global aviation market.

Government/CASA must also obtain global recognition of the capability of Australia's aircraft parts manufacturing businesses.

AMROBA will be lobbying government to address the reduction in red tape, clarification of responsibilities of CASA and the manufacturer. CASA's 'delegate' is responsible for the design and the business is responsible for the quality of the replacement part.

Aviation Safety (Trade) Regulations

Aviation Regulations are what ICAO call "specific operating regulations". One wonders why Australia does not refer to "**specific operating**" regulations instead of the misleading "**Safety**" regulations.

ICAO Specific operating regulations are based on Standards & Recommended Practices (SARPs) specified in the Convention Annexes. Not all SARPs are "safety" regulations.

Any regulation, or other legislative requirement, that imposes conditions on business must be treated as a "trade" regulation.

In addition, government processes and procedures that are developed must not impose unnecessary costs on business.

For business to expand, government must impose the minimal costs so business is encouraged to trade both domestically and globally.

Small business has been very vocal about the red tape associated with current and proposed aviation regulations.

What business needs is a new approach by government to direct regulatory development to take into account the effect the regulation will have on the costs to business and government.

The ultimate aim must include the need for all regulations to support a safe and sustainable aviation industry. Government must make the right decision & direction.

* 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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2014 — Beginning of Change



The 'terms of reference' that the government has applied to the Review by eminent persons has focused on the interaction between ATSB, CASA and the Department. Most industry participants have shown support for AirServices and similar support for ATSB. There is respect for sensible and respected individuals within CASA but this is off-set by total disrespect and mistrust of others in CASA.

When industry fear communicating with an aviation regulator, then the effectiveness of the regulator is diminished. The ASSR Team has been told, and will continue to be told, this by many that have met or will meet with them.

Every meeting with industry this year clearly identify that the leadership of CASA has lost the respect and trust of industry, not necessarily all of the staff but some are detested by industry participants.

Industry has high expectations of this new government to make decisions early in their first term to demonstrate that the government is addressing matters listed in their LNP Aviation Policy Paper.

Industry will feel that the government is making decisions **if** we see a new Charter Letter from the Minister to CASA that will direct them to operate in a manner that will enable the industry to be sustainable.

CASA needs to become a safety regulator who educates the industry on safety issues and ways to minimise the risks associated with safety issues.

You cannot enforce safety—in fact, if the regulator becomes too rigorous, it can undermine the morale of the industry's personnel and result in a lowering of safety standards. It is also cost-prohibitive for the government to maintain a large enforcement organisation to sustain this level of oversight.

Industry is responsible for safety and CASA must empower the technical people within the industry to take that responsibility without micro-management by CASA.

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."*