

AMROBA[®]inc

ADVOCATE OF THE AVIATION MRO INDUSTRY

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CASA STILL SEEN AS THE REASON FOR LACK OF GROWTH IN GA

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Stop Press

Minister initiates review of AME qualifications

- Aircraft maintenance engineers have been put on the endangered species (careers) list by government.
- Minister has announced a whole-of-government review to aircraft maintenance engineer trade skills
- Ministers intergovernmental review to report back to the Minister by the end of this month
- AMROBA awaits the Minister's decision

How many more government initiated reviews will the aviation industry have to endure before action is taken to reduce the regulatory burden on this industry?

Ever since the late 1980s, Ministers have had numerous reviews, committees and working groups looking at reasons why there is increasing regulatory costs. Many have recommended ways to reduce government costs, especially on small business, but most of these recommendations have not been adopted by CASA.

Most of CASA's continually increasing process-driven documentation for the provision of regulatory services is unique to a National Airworthiness Authority (NAA).

Comparing documentation an industry participant, or a potential participant, has to use to 'satisfy' CASA to documentation used by the FAA confirms the CASA 'red tape'.

The FAA still uses forms that were harmonised with the forms used by CASA and its predecessors before the growth of CASA's Regulatory Service Centre. (RSC)

You only have to look at CASA website to see the performance standards that this office has applied to see the reason why it is an out of control bureaucracy. Performance standards that stop industry.

RSC was originally created within CASA to streamline regulatory services because CASA had turned of its own computerised MIS system that provided this control.

CASA's previous MIS computer system actually made CASA staff accountable but that wasn't supported by their own staff.

The opposite occurs in industry who are continually assessing their own performance and are forced to make changes to remain competitive

whereas RSC is not placed under this pressure.

Maybe CASA should outsource RSC functions to save industry money.

It is an on-going topic that AMROBA takes up on a regular basis with CASA. CASA must simplify and harmonise the approval procedures used by RSC.

AMROBA continues to propose to CASA that it can reduce the regulatory burden on the non airline segment by adopting the FAA system. US businesses are not FAA approved as long as they employ a person 'licensed' by the FAA to certify for the maintenance. The FAA has the same approach with flying training — that is, the person providing the flying training must be flight instructor 'licensed' by the FAA.

The long term answer for Australia is adoption of the American FBO/SASO system for the non airline segment.

AMROBA MEMBERSHIP UPDATE

AMROBA continues to grow and participate in appropriate committees.

Membership growth has been fairly settled as many sit on the fence collecting the benefits that AMROBA brings to the MRO industry

AMROBA's long term survival depends on the MRO industry support. A minimum of 300 members are required to be financially viable but 500 to 1000 members is our aim.

We are registered as a non-profit organisation. With a Management Team

representing each segment of the industry.

If you are not a member access our website www.amroba.org.au for details of AMROBA and membership application.

Complete an application and join now.

Proposed B3 AME licence for GA

CASA issues an ICAO Annex 1 Aircraft Maintenance Engineer's licence with ratings that comply with the ICAO standards Must remain internationally recognised.

CASA is proposing a change to the current LAME "group" rating system to adopt a different "group" rating system.

The current group rating system is compliant with ICAO Annex 1 and the proposed changes to the "mechanical" LAME groups will still leave the B3 licence ICAO compliant.

What is important is that CASA takes this proposal back to government so that a whole-of-government acceptance of the training pathways is accepted so that government funds are made available to the training providers.

We are still awaiting on what "privileges" will be made regulatory for the LAME. ICAO envisages one privilege to sign the maintenance release more like the current coordinator role as it is an action taken 'after' the completion of maintenance.

AMROBA is lobbying for the other ICAO privilege where it is the LAME responsibility to determine the aircraft is airworthy after the completion of a modification or repair.

ICAO sees all other maintenance tasks as the responsibility of the 'qualified' (tradesperson) carrying out the maintenance task.

One major change is that the maintenance release will have no period of validity—it is a release to service after maintenance. For the AME licence to remain ICAO compliant it must be issued in a particular format that refers to the ratings as:

1. Aircraft in their entirety either specifically or under broad categories; or
2. Airframe & powerplants & aircraft systems either specifically or under broad categories; or
3. Avionic systems specifically or under broad categories.

Will CASA Produce a Cost Effective System?

CASA's tunnel vision prevents cost effective systems from being considered. US non airline FBO/SASO system would not need CASA approvals so why isn't it being considered?

Ever since the government decided to reform the aviation legislation the industry has been in a state of insecurity caused by government's inability to produce a cost effective regulatory system in a timely manner.

For too long, the industry has heard successive Directors/CEOs of CASA, and its predecessors, make statements without producing regulatory imposts or changes that will benefit the industry instead of CASA.

CASA does not have a commitment to reform so that industry can grow.

Industry, however, is continuing to change to address an ever changing technical and societal environment. It is being hampered by the inability of government to remove outmoded regulatory requirements. Government must take responsibility.

Cost Effective

Regulatory reform, after consultation with industry participants in the early 1990s, was initially based on adopting the FAR structural system.

Industry witnessed progress that eventuated in the making of CASR Parts 21-39. Considerable savings were introduced by the removal of CASA certifying foreign manufactured aircraft.

The next stage was to introduce the FAR standards for maintenance and that would have enabled the adoption of the US FBO/SASO system

Fixed Based Operators & Specialised Aviation Service Organisations do not have to be approved by the FAA when they service the non airline system.

This is the most cost effective system in the world as it adopts the ICAO stan-

dards for the non airline segments where it is not a standard for the NAA to approve the organisation.

Basically, operators and organisations are approved in the airline system whilst pilots and LAMEs are approved in the non airline segment.

The US system requires the FBO/SASO to be a registered business but not holding a FAA approval. The success is based on the LAME having to comply with the performance regulations specified in FAR Part 43, 65 & 51.

This is what is needed for Australia if we are serious about removing government regulatory imposts.

CASA tells industry that it will see if a rule is actually required before it develops a regulation—nothing that AMROBA has seen in the last couple of years has seen a reduction in costs.

Aircraft Maintenance Engineers now on the Endangered Species List

Over the last decade, it has been generally accepted that aviation is no longer seen as appealing to potential participants.

There are many reasons for this and responsibility and liability are high reasons why many stay away from this industry.

Salaries are not as high in the non airline MRO segment as other jobs without such responsibility or liability.

The government has listed AMEs and pilots on their Migration Occupations in Demand List (MODL).

Being listed on the MODL means that government

has recognised that there is a shortage of (L)AMEs.

The question is WHY?

Being listed on the MODL clearly identifies that there has been a systemic problem within the non airline segment to attract, train and retain.

Why is it that this industry cannot retain those that have been trained?

What do the youth of today look for in a job today?

Will the 2008 NVET training system help attract, train and retain technical staff?

Will CASA's bold move to impose its will on Australia's education system to

give the industry better skills improve the attraction to students?

Government is providing a secure, drug and fatigue free work environment that should be attractive.

If the NVET qualifications underpin a national trade qualification that is equitable to foreign AME training standards then there may be international recognition of the AME trade qualifications.

Maybe that will make this industry's qualifications attractive to the school leaver—participation in a global aviation industry and recognition of skills.

CASA's Scorecard

CASA still has a response problem. They just do not understand performance.

If private businesses operated like CASA then they would be out of business.

The problem is, the lack of performance within CASA affects your business.

Where other government bodies reducing "red-tape" for small business, CASA process driven bu-

reaucacy continually increase paperwork.

Take a comparison with filling out an application form for a certificate of approval under the FAA system and CASA.

The FAA states on their form that it should not take any more than 15 minutes.

Have you made a submission lately for a regulatory service to CASA? Since

the inception of RSC (new empire) costs have more than doubled for MRO regulatory services.

The FAA accepts certifications from applicants as being honest. They then carry out a site visit to verify what was applied for.

Come on CASA, improve your performance—accept industry standards of performance.

EASA SUBPART F Organisation versus US FBO/SASO

Is the EASA NAA approved maintenance organisation contained in EASR more cost effective for the industry than the US FBO/SASO system that does not require FAA approval?

Why can't CASA accept the US system where a registered business can provide MRO services to non-airline registered aircraft operators without FAA approval?

The reason that CASA won't accept and propose such a system is because it threatens their jobs.

They cannot argue safety as the US system has a proven safety record—refer ATSB reports.

Basically, ICAO and FAA use organisational approval for commercial passenger & large aircraft freight operations and

individual licensing for other than the airline segment.

EASR Subpart F is still a CASA approval system that will not reduce costs or regulatory imposts on the GA industry.

Adoption of the US FBO/SASO system, including the provision of flying training, will reduce costs and the need for self administration organisations.

AMROBA

Maintenance Release

Document

Applied to CASA for

approval in 2004—

still waiting.

Changing CASA

structures = different

requirements.

See back page for article

on CASA performance

standards.

Come on CASA,

improve your

performance.

Remove the need for

new self

administration

organisations by

adopting the US

FBO/SASO system.

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CASA PERFORMANCE STANDARDS

It is interesting to note that industry, to remain competitive, has adopted very stringent performance standards so that the customer will return.

Unfortunately, CASA, as the only regulatory services provider, does not have to be competitive so its standards have become more bureaucratic and burdensome to the point they now stifle growth.

When compared to the standards that CASA's predecessors adopted, the current performance standards demonstrate an ineffective organisation.

For instance, the Service Target Level for a CAR 30 certificate is 40 to 70 days with a Performance Level of 90% — 2 new certificates this ytd. Low growth.

Variations has a 30 to 50 day Service Target Level and a 90% Performance level. 15 variations (80%) completed this ytd.

Based on past experience, CASA is now handling nationally, less than one CAA office use to handle in half a year. No previous Regional Management of CASA would have endorsed these standards.

Why invest in aviation if it takes this long for things to happen and the Executive of CASA accepts these sub-standard performance standards.

Another example, renewal (no assessment) of AME licenses had been reduced to less than one hour (12 minutes in one office) when CAA had their own computerised MIS system. Current standard is 10 days and that is only met 86% of the time. CASA needs to look at any RTA office handling vehicle driving license renewals.

Lets move to systems of maintenance and maintenance control manuals and CASA has set a Service Target Level of 90 days and a 85% Performance standard. 3 months!! Industry deserves better than that.

A review of the workload of CASA's RSC posted on the CASA website clearly identifies that this work would be more effectively be carried out at each CASA Field office like it was done in the past.

Service and performance standards met industry

needs prior to the introduction of RSC who were supposed to implement better workflow methods.

RSC has obviously failed to improve workflow within CASA and if more than doubling the time CASA takes to approve regulatory services is seen by CASA as an improvement from previous CAA processes then industry cannot afford CASA Performance Standards.

It is interesting to note a couple of other performance standards.

Approval of a permissible un-serviceability (PUS), you may have to wait 7 days. This is a marked change from CAA days when a 24 hours a day service was provided.

While industry is reducing costs and streamlining their business workflows to remain profitable, CASA continues to add to the regulatory imposts by over regulating and super micro management of small businesses.

CASA has demonstrated that they are one of the most inefficient government bodies that the public has to deal with.

DEVOLVEMENT — REGULATORY EMPOWERMENT

One of the cornerstones of the regulatory development is devolvement and empowerment of the aviation industry. Macro management versus micro management.

AMROBA continues to lobby for clarity in legislation so that the industry knows which regulatory power is being devolved and not to rely on a system of hidden delegations.

This is a return to the system of the past that the "authorised persons" replaced.

ICAO standards and recommended practices, the basis for regulatory systems worldwide, enables a State to make laws that will empower industry to carry out just about all functions except the power to issue certificates and licences that need international recognition.

Just about every other function can be devolved to industry.

Proper rule development should remove the need for CASA to approve or authorise simply by stating that if a person meets certain criteria then that person is entitled to do that function. It doesn't need a provision requiring CASA to be "satisfied" before a person can do that function.