

AMROBA[®]inc

ADVOCATE OF THE AVIATION MRO INDUSTRY

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Aviation "Launches"

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Wagga Wagga Launch

The Wagga Wagga local government launched, with the support of some very dedicated aviation dignitaries, the **Australian Aviation Hall of Fame**.

The fact that Australia does not currently have an **Australian Aviation Hall of Fame** (AAHOF) is amazing considering our pioneering history in experimenting with flight. Lawrence Hargrave and George Taylor are credited as the fathers of aviation and, except for Museums, we really do not have an **Aviation Hall of Fame** to honour our great aviators.

So why **Wagga Wagga**? Visit www.aahof.com.au

Wagga Wagga Mayor, Cr Ken Pascoe, explained the history of aviation in Wagga and how the airport is an economic gateway to the region. Chris Manning, retired Chief Pilot of Qantas & inaugural member of the Board of the AAHOF, explained why Wagga Wagga was selected. AAHOF has the support of local government, local politicians, local university and is on the tourist pathway between Sydney, Canberra and Melbourne. Good reasons.

Wagga Wagga Airport Master Plan is supportive of planned aviation growth at long last. Installing ILS will assist the growth potential and be a safer airport with RPT and GA usage about 50-50 with a natural progression to a major training centre.

AMROBA supports and thanks those that had the initiative to create an **Australian Aviation Hall of Fame** — we are indebted to you.

Victorian Government Launch

The Victorian Government also launched the new **Australian Association of Aviation and Aerospace Industries** (A4I) that will provide a strong and unified national voice for the aviation and aerospace sectors to drive exports and jobs growth.

"The Brumby Labor Government has led the establishment of the **A4I** with a \$500,000 grant because we know these sectors are important to our state's economy and jobs."

"While the **A4I** is a Victorian initiative, it is firmly focussed on creating a truly national entity that has the potential to deliver flow on benefits for Victoria, while also supporting the development of aviation and commercial aerospace across Australia."

State or National??

Queensland Government

Queensland is also an aviation and aerospace hub of the Asia Pacific region. After a decade of unprecedented growth, Queensland is now regarded as the:

- centre for Australia's aerospace industry
- centre for Australia's rotary wing (helicopter) industry
- centre for Australia's aviation training services
- emerging centre for Australia's general aviation industry
- developing hub for research and development of emerging aviation technologies.

Fast facts

- the aviation, aerospace and defence industry contributes an estimated A\$6 billion to the Queensland economy (*The Australian, March 2008*)
- nearly 30 per cent of all Australian-based pilots are located in Queensland (*ABS, Census 2006*)
- there are 16,500 aviation, aerospace and defence-related jobs in Queensland, 23 per cent of the Australian total (*ABS, Census 2006*)
- with just under 1,000 companies, Queensland is home to nearly 30 per cent of all Australian aviation and aerospace companies (*ABS, Census 2006*).

New South Wales Government

NSW accounts for over half the Australian aircraft manufacturing industry's sales and service income.

- NSW is home to over 200 specialist businesses operating in aircraft manufacturing and air transport services.
- NSW two-way trade in aerospace products topped \$1.1 billion in 2005–06. Major trade partners include the US, UK, France, Canada, Japan, Italy, and China.

SA & WA also have similar statements of support for aerospace and aviation. AMROBA commends these initiatives— aviation cannot grow without support from governments at all levels.

Aerodromes/Airports — Master Plans

What effect has deregulation of a public transport system had on the aviation industry including the impact of privatisation of aerodromes.

So far, admittedly at extra costs the government was not injecting into aviation, the aerodrome owners will prove that there has been additional passenger loads for the operators using their aerodromes.

Just look at any of the Airport Master Plans around the country and they all identify aviation growth as well as other increasing revenue streams. Much has added to the overhead costs of the industry.

What has interested AMROBA is the upgrading of these airports—upgrading that had all but stopped prior to privatisation. Most master plans demonstrate a future based on increased use of aircraft.

One of the positives with airport master plans is the involvement of the local communities as well as the aviation community. Most plans that have been reviewed has shown developments to help the aviation industry and not just RPT operations.

Involving the local stakeholders more than just the aviation community is providing the local support for an aerodrome that had started to diminish and there is evidence that it is slowly providing the infrastructure needed to support future air transport needs in whatever mode.

In some cases, local government is dealing directly with the Federal government for grants to improve the airport and its navigation aides. This is good.

What is not generally seen in Master Plans is creation of general aviation air parks, covered and hangars, for the non commercial owner/operator. Some master plans are based on GA slowing whilst others see it expanding. Where are the new aircraft?

The question is, if we have all these airports providing new facilities, where are all the aviation entrepreneurs that previously opened up regional Australia.

There is currently a scarcity of operators providing limited services to isolated locations partially due to the lack of suitable aircraft for Australia.

This industry knows that North America and Europe have a higher density of population that supports the use of larger aircraft, however this is not the case in Australia.

This industry, and some positive regional areas, understand the economic benefits of air services for the local community.

The need for smaller cost effective aircraft to provide these services is not understood by the public or political parties.

Where are the new replacement aircraft for the Piper & Cessna aircraft that dominated this sector? What happened to Very Light Jets?

The unavailability of 9/20 seat aircraft is limiting small pax AOCs in this country. Currently there is the Viking built Twin Otter, Harbin Y12, Dornier DO228 but no new 9 seat aircraft that will attract their use as public transport.

There is a public perception that aviation is a modern vibrant industry but all that can be offered is aircraft designs from the past.

Modern looking airports must be serviced by modern looking aircraft even if they were manufactured in the 70s and 80s. If airport/aerodrome operators are investing and modernising facilities, then it is now up to participants in the industry to sell aviation and its benefits to the community.

Calibration Services

One of the responsibilities of a maintenance organisation is to have procedures prescribing how they maintain, control and 'calibrate' equipment (tools).

CAAP30-2 states that "*only test equipment used to establish the calibration and conformance of components to manufacturer's instructions for continuing airworthiness be periodically calibrated to a recognised standard.*" That is, where no test results need to be recorded then the equipment (tool) does not need to be calibrated.

Aviation, like many other industries, meet 'quality' standards and require calibration certifications that are "traceable" to a recognised standard—this may be national or (tool) manufacturers' standard.

Most maintenance organisations, for economic reasons, contract this service to specialist providers who are capable of issuing equipment/tool calibration certificates to a quality standard.

This does not require a provider to be 'accredited'.

As a CAR30 organisation you have a responsibility to ensure that your calibration provider meets the applicable standards associated with the type of calibration service provided.

AMROBA is inviting these service providers to become members as long as we confirm that they meet the applicable standards and have an internal audit at least every two years.

You are entitled to ask these providers do they have an internal audit system/reports.

For example, we have just accepted a torque calibration provider as a member in NSW.

Torque providers must comply with ISO 17025 requirements using ISO 6789: 2003 for torque equipment processes and issue calibration certificates that comply with ISO 6789:2003.

Regulations We Don't Want

The following are excerpts from a '**policy white paper**' written by Senator Michael Ronaldson titled "**Fighting Australia's Over-regulation**".

"Red tape is a hidden tax. Australian individuals, families, communities and businesses are drowning in a sea of acts of parliament, delegated legislation, forms, non-essential procedures, licences, cumbersome judicial interpretations, rules, regulations and administrative policy.

By its very nature, government power creates transactional and compliance costs. As government assumes responsibility for and control over more and more facets of our society, the more the autonomy and independence of the individual is diminished.

However, the sheer volume of legislation and delegated legislation is now mind-boggling.

The increase in pages of legislation and delegated legislation or regulations over the 30 years from 1970 to 2000 is breathtaking.¹ Over the 30 years, an extraordinary 104,729 pages of Federal Legislation were complemented by 64,605 pages of Regulations.

The worst year in the time series was 1999, in which 13,017 pages of rules and regulations were passed, an increase of over 800% on the mere 1,579 pages in 1970. In that same year of 1999, House and Senate Hansard – which is now admissible under extrinsic evidence rules to help interpret these statutes – mounted to a further 21,352 pages.

Estimates of the real costs of the regulatory burden on Australians are at least 8% of GDP,⁸ representing a cost of some \$16 billion per annum or a cost per Australian of some \$826 every year. This may be a very conservative estimate. In 1998 the OECD has estimated that just for small and medium-sized Australian businesses alone the direct compliance costs of regulation was more than \$17 billion.

A recent Small Business Administration study costed the annual regulatory burden on the Americans at US\$10,172 per household.

By way of comparison, Australia's total tax take is 31.5% of GDP - meaning that our regulatory burden is effectively a hidden 25% tax-slug on all Australians.

Worse, it is a tax-slug that can not be reduced by one ministry or agency – every branch of executive government, though action or inaction, is in part responsible.

Indeed, numerous publications have noted that the regulatory burden can distort rational resource allocation and is an inhibitor of productivity growth.

On top of the hidden costs passed on to individuals, families and businesses, government itself must

spend significant amounts of taxpayer money supervising these regulations.

I propose a seven-point plan to reduce the size of government and the imposition on ordinary Australians:

- 1. Extend the judicial doctrine of desuetude to so that legislation and other regulations which have been unused or brazenly unenforced for many years can be permanently struck down by the judiciary;*
- 2. Set regulatory and legislative budgets for all government departments;*
- 3. Introduce a sunset clause on all new legislation and regulation;*
- 4. Radically revamp the Office of Regulation Review within the productivity commission, giving it sweeping new powers and mandating that it:*
 - Audit the regulatory impact statements for all new bills, delegated legislation and other regulations with a stronger emphasis on cost-benefit analysis;*
 - Refer any regulation which fails either the cost-benefit analysis or the regulatory budget back to Parliament; and*
 - Commence a long-term rolling-review of all existing regulations with reference to regulatory cost-benefit analysis and the legislative budgets;*
- 5. Allow business and community organisations the right to challenge the efficacy of existing regulations by requesting a review by the Office of Regulation Review;*
- 6. Increase the House and Senate quorum requirements for debate of legislation so that Parliament can not pass legislation by auto-pilot; and*
- 7. Amend the State and Federal Acts Interpretation Acts to remove changes which allow courts recourse to extrinsic materials to determine the intention of Parliament.*

Conclusion

Most pieces of regulation do aim to get rid of real problems in our society. This misses the point. In a free and open society government should not be the solution of first resort. Indeed, open societies should be measured by the proportion of our lives that are free from government control – not how much is minutely regulated.

The dead hand of government is heaviest when weighed down with myriad legislation, regulation and delegated rulemaking.

Open economies are a prerequisite for open societies. We must open our economy by removing the oppressive burden of regulation.

It is time to cut government down to size."

Full text: [Fighting Australia's Over-regulation](#)

Do political parties support this paper?

Maintenance Organisation Liability

As most members are aware, the cost of Hangar Keepers Insurance is an overhead that continues to climb. Maintenance facilities rely on the fact that they have liability cover for any "Mishaps" that may occur. Some of these "Mishaps" is not of the organisation's making as Courts tend to apportion blame based more on who has insurance.

This has been the case recently where the actions of a maintenance organisation did not cause the accident but their insurer was still apportioned \$500,000 of the costs. All the organisation did is performed maintenance on an 'experimental' aircraft that was later involved in a fatal accident.

The FAA non type certificated experimental aircraft system was not fully implemented in Australia.

FAA AC 20-70D: "Since 1983, FAA inspections of amateur-built aircraft have been limited to ensuring the use of acceptable workmanship methods, techniques, practices, and issuing operating limitations necessary to protect persons and property not involved in this activity.

1) Amateur builders should have knowledgeable persons (i.e., FAA certificated mechanics, EAA Technical Counselors, etc.) perform precover inspections and other inspections as appropriate.

2) The FAA inspector or DAR will conduct an inspection of the aircraft prior to the issuance of the initial FAA Form 8130-7 to enable the applicant to show compliance with FAR section 91.42(b) (new FAR section 91.319)"

CASA AC21-4 states Note: "The person carrying out the inspection is not responsible for the integrity of the design or construction of the amateur-built experimental aircraft, nor for the identification of any structural design or construction deficiencies — responsibility for the design, construction and integrity of the aircraft rests with the amateur builder."

CASA knew they were introducing a slight difference to the FAA non TC experimental aircraft when they included this provision to remove liability from CASA.

CASR 201.3, reads as follows:

"Neither the Commonwealth nor CASA is liable in negligence or otherwise for any loss or damage incurred by anyone because of, or arising out of, the design, construction, restoration, repair, maintenance or operation of a limited category aircraft or an experimental aircraft, or any act or omission of CASA done in good faith in relation to any of those things.

A reference in this regulation to CASA includes a reference to a person who is a delegate of CASA."

CASA and its delegates are protected — so the courts therefore will apportion liability costs on those entities that can pay. The maintenance organisation, carrying hangar keepers insurance, is the prime entity.

The subject aircraft had a certificate of airworthiness (amateur - built) issued under CAO101.28.

What the latest court decision means is that any maintenance organisation that is involved in maintenance of non TC experimental aircraft should talk with their insurer to make sure they have adequate coverage.

If any accident occurs, and if there is a chance the condition of the aircraft is questioned, the LAME/AMO will be invited to the court when someone files a lawsuit. The LAME/AMO fortune is on the line.



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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."