

Regulatory “Theft” – Its Real

This term was recently used by a politician, Mark Latham, in relation to people losing their properties as part of the new Western Sydney Airport development.

Aviation airport businesses have been, and continue to be, affected by “regulatory theft” policies that governments include in aviation Acts and Regulations that they basically created to split the aviation bureaucracy into a number of departments and agencies in 1998.

In particular, under the Airports Act, 1988, aviation businesses at metro and other airports have gone from ‘*permanency of residency*’ on airports to total uncertainty and many now live on a week by week arrangement depending on the (non-aviation) property development focus of current airport operators. Ministers approve airport development plans. Your Minister.

- Airports bring benefits of the community, not just aviation businesses.
- The more aviation businesses, the more benefits are brought to the community.
- Less aviation businesses, less benefits are brought to the community.
- If you only have an airstrip left, who will use it to bring benefits to the community?
- This government endorsed model replaces aviation with non-aviation businesses.

Worse still, aviation businesses are now being given terminating leases so the property developers can replace their businesses with non-aviation businesses.

We have an Act that states the airport must primarily be used for aviation but just about all airports have a Minister approved Master Plan where airport property development is primarily the development of non-aviation commercial businesses at the expense of aviation businesses.

The collapsing of General Aviation since 1988 is not based on other economic or social reasons, it is really based on the regulatory “theft” of aviation dedicated premises at airports by government endorsed programs that replace aviation businesses with non-aviation commercial industrial site development.

Political party policies are nothing but public relations spin. In fact they are purposely misleading spin treating small to medium aviation employers and employees as fools.

Senior bureaucrats that implement, or are supposed to implement political party policies, must also accept their role in the destruction of mainly airport located general aviation businesses, including manufacturers, design, training and private participation, in preference for other non-airline businesses.

Regulatory “theft” is an apt description of the Airports Act and demonstrates the short term vision of our bureaucrats and politicians towards general aviation.

Now that aviation businesses are being replaced with non-aviation businesses, less aviation businesses means less use of the airstrip and benefits to the local community.

That is when the airport operators will lobby the government of the day to close the airstrip and taxiways for more non-aviation businesses. These property developers are too smart for the average politician or bureaucrat as many of our closed aviation businesses have found out.

The Minister, current and past, have created this decline of general aviation when they sign Airport Master Plans that include the replacement of aviation with non-aviation businesses.

Foreign countries have a different approach, they see aviation as a sector with jobs.

Their governments actively obtain recognition of the aviation capabilities

International recognition has one big advantage to local aviation, it requires Australian aviation Acts and Regulations to be as close as practical with the ICAO Annexes Standards and Practices. This means harmonised with the FARs which the whole of GA supports.

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1. Why Aviation Suffers

Aviation, whether it is private operations, commercial operations or any of the sectors from design to manufacture, individual to business capabilities, pilot to maintenance training, it all has one common underpinning standard and it is based on the international standards.

Until the politicians and government bureaucrats policies are based on international standards and practices and nation to nation agreements that recognise Australian aviation in its own right, then aviation in this country will suffer.

Until international government to government agreements recognising Australian aviation in its own right happen, we will continue to be inward focused.

We must have Acts and Regulations committed to international harmonisation and recognition of Australian certificates and licences by as many countries as possible.

Canada, has shown how government and its bureaucracy can achieve recognition in their own right and international agreements with other countries that benefit their own aviation industry participants.

Unless aviation industry participants can participate in the global aviation market then the government is regulatory restricting our aviation businesses to be Australia centric. If that is the government's and the bureaucracy policy, then why implement higher than global standards and practices?

Our current regulatory system is inward focused and unsustainable. There is no long term vision by politicians or bureaucracy to have the Australian aviation system, including its approved participants, acceptable outside Australia.

In the early 1990s, government and the bureaucracy were talking of a Single Aviation Market with New Zealand for all sectors but it stopped at the airline level.

Australia has been an innovator in aviation in the past but most innovations end up off-shore because governments have never shown interest in negotiating aviation agreements with other countries so Australian aviation products, designs and service capabilities are accepted and recognised in their own right by other countries.

Whereas, in other countries, these functions are written into their legislative system for government to obtain such recognition and agreements, it is not legislated in Australia.

This industry, with the proper Acts & Regulations will produce many jobs.

Here are some of the reasons why industry is suffering:

- Rising costs in regulation, maintenance and aircraft manufacturing;
- Slowness to adopt and incorporate modern technology;
- A lack of entrepreneurial spirit to drive General Aviation into a new and vibrant future;
- A lack of a clear vision on how the future should look;
- Over-regulation and a slowness to adapt, in our governing body, the Civil Aviation Safety Authority (CASA);
- A lack of a commercial imperative within CASA.

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2. Political Party Aviation Policies

Are we too innocent? Have we become a society or industry that has become so exploited by governments and bureaucracy making changes to our working environment, mostly not wanted by those in the industry, that we just accept and try to survive.

Most have lost faith in political party aviation policies that never eventuated in Acts and Regulations made by government.

We accept that the Australian federal cultural policy has been shaped by the political party in government in ways that reflect the distinctive ideology of that party. This has not always been of benefit to our industry.

Looking back on political parties aviation policies since the mid-1980s, and comparing it to the current state of the industry, it is hard to compare the industry to the policies that either party has been saying they will implement.

Industry can come to one conclusion: continual political failure to implement their aviation policy, especially those covering commercial general aviation and manufacturing.

ALP:

- To give industry the certainty and incentive to plan and invest for the long term.
- Supporting the continued operation of secondary capital city airports, vital to general aviation.
- Ensuring secondary airports maintain a focus on aviation development.
- Not allowing non-aeronautical uses to compromise future aviation activity.

LNP:

- Reaffirms our commitment that airports must be dedicated to providing aviation services and other developments on site should not be approved if they compromise the current or future aviation operations of the airport.
- The Coalition acknowledges the important role of aircraft and aviation component manufacturing in Australia.

The industry today has lost faith in policies that are not implemented, no matter which party is in power.

Maybe there is a need for the public service to be politicalised fully like the USA. The public service was, or should be, in some opinions, supposed to be apolitical. Has this stopped political party policy adoption?

Would increasing politicisation matter? Are there not positive advantages in making senior public servants more concerned about maintaining the confidence of their ministers in allowing ministers and secretaries to bring in people who will more effectively administer the government's program?

Nothing in political party policies supports the non-aviation development by current (property developers) airport operators. These non-aviation development programs are included in their Minister approved Master Plans. These plans are not in accord with the political party policies.

With so much so called support from the political parties, this industry should be expanding and being actively involved with the global aviation market.

Our industry has lost global market share and creditability. Some have moved off-shore.

Political party policies have not made the change to civil aviation Acts and Regulations to implement their own policies. From our point of view, we must an immediate re-write of civil aviation Acts and Regulations so that the Australian civil aviation manufacturing, maintenance general aviation can expand and provide jobs. The current system simply does not implement, in a timely manner, political party policies. We must change or watch the continual decline in general aviation and civil aviation manufacturing.

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3. Possibilities?

Governments have created the current situation over the last 30 years. Without the political support for civil aviation manufacturing, general aviation operations and maintenance, servicing etc., the steady decline in general aviation will continue. The Commonwealth airport leases regulatory standards say one thing but the Minister approved airport master plans says another.

We cannot blame the airport property developers when Minister after Minister approve Master Plans that do not promote aviation businesses over non-aviation businesses.

The Parliamentary system does not hold Ministers to account.

1. No Change:

Accept the fact that civil aviation manufacturing and general aviation have no priority from any political party or government departments and agencies.

- a. Minister signed airport master plans have prioritised non-aviation development for the past couple of decades or more. They are all publicly available.
- b. Commonwealth leased airports will be converted to non-aviation business parks in the future.
- c. Governments have accepted this direction and affected industry just have to accept.
- d. Without airport tenancy guarantee, who will invest in an aviation industry.

2. Over Regulation – Increasing red tape.

Instead of streamlining the regulatory burden, it appears that politically there is an unwritten policy supporting the ever increasing regulatory burden. The aviation regulatory systems have become over complicated and not harmonised with the other major aviation country, the USA, in the Asia Pacific Rim. Is this being done on purpose to make it too expensive for civil aviation manufacture, general aviation and private operations in Australia? Is it to stop our industries from competing in the global aviation market? It definitely appears so.

Thirty years of regulatory review and development and governments and the public service has only increased the regulatory burden.

- a. Australia's aviation regulatory review and development being performed by a system that has no end goal to create a system where Australia's civil aviation system is recognised in its own right by foreign countries.
 - b. Can we manufacture civil aviation parts and sell them in the global aviation market? NO.
 - c. What government department or agency is responsible for obtaining civil aviation trade agreements so Australia's approved civil aviation businesses are recognised in foreign countries? NONE.
 - d. Are our maintenance personnel skill qualification acceptable by other foreign countries like they were pre regulatory reform and development? NO
 - e. Will regulatory review and development change the Minister's airport property development policy approved in Airport Master Plans? NO
3. The most favoured outcome is that nothing will change and Ministers broken policies of either party will continue and the number of aviation businesses will continue to decline.
- a. General aviation will not return to being an accumulator of pilots and maintenance engineers that supported the fluctuations of the airline industry.
 - b. Civil aviation manufacture with off-shore ambition will continue to relocate off-shore.

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